

1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK

3 -----
4 In Re

5 KOLLEL MATEH EFRAIM, LLC, a/k/a
6 MATEH EPHRAIM LLC, a/k/a
7 KOLEL MATEH EFRAIM,

8 Debtor.

9 Chapter 7
10 Case No. 04-16410 (SMB)
11 -----x

12

13

14 1290 Avenue of the Americas
15 New York, New York

16

17 January 30, 2008
18 10:30 a.m.

19

20

21 Deposition of JACK LEFKOWITZ,
22 before Marlene Lee, CSR, CRR, a Notary Public
23 of the State of New York.

24

25

26

27

28

29 ELLEN GRAUER COURT REPORTING CO. LLC
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23

24

25

1 J A C K L E F K O W I T Z ,
2 having been called as a witness and duly
3 affirmed by the notary (Marlene Lee), was
4 examined and testified as follows:

5

6 EXAMINATION BY MR. WOLF:

7 Q. Mr. Lefkowitz, good morning.

8 A. Good morning.

9 Q. I'm Bob Wolf, with the firm Bryan
10 Cave. With me this morning is an associate
11 with our firm, Chris LaRocco, and Mr. Agarwal
12 from the accounting firm of Davis, Graber,
13 Plotzker & Ward, LLP, which is Trustee's
14 court-appointed accountant.

15 As you know, our firm represents
16 Robert L. Geltzer, who is the Chapter 7 Trustee
17 of the Debtor entity named Kolliel Mateh Efraim,
18 LLC, also known as Mateh Ephraim LLC, also
19 known as Kolel Mateh Efraim.

20 (Discussion off the record.)

21 Q. Could you give your full name and
22 your current address?

23 A. Jack Lefkowitz. 1526 52nd Street,
24 Brooklyn, New York 11219.

25 Q. That address you just gave is a

1 LEFKOWITZ

2 residence?

3 A. Yes.

4 Q. This examination today is being
5 conducted pursuant to Rule 2004 of the Federal
6 Rules of Bankruptcy Procedure. Am I correct
7 that you consented to appear for this
8 examination today --

9 A. Correct.

10 Q. -- on behalf of the named Debtor?

11 A. Correct.

12 Q. Mr. Lefkowitz, have you ever had
13 your deposition taken before?

14 A. Yes.

15 Q. On more than one occasion?

16 A. Yes.

17 Q. Approximately how many times?

18 A. Many occasions.

19 Q. Have you ever had a Bankruptcy Rule
20 2004 examination conducted of you?

21 A. 2004? I don't recall.

22 Q. Have you had your deposition or
23 examination taken in some other bankruptcy
24 case?

25 A. Yes.

1 LEFKOWITZ

2 Q. More than one such case?

3 A. Yes.

4 Q. How many such cases?

5 A. A few.

6 Q. Could you tell me the name of one
7 of those cases?

8 A. One I recall was Nassau Equities.

9 Q. Were you a principal of that
10 entity?

11 A. Yes.

12 Q. That was a debtor in a bankruptcy?

13 A. Yes.

14 Q. In the Southern District of New
15 York?

16 A. Correct.

17 Q. What other bankruptcies have you
18 had your examination taken in?

19 A. Don't recall.

20 Q. But there have been others?

21 A. Yes.

22 Q. All right. As you probably know
23 because you've had your deposition examination
24 taken before, I'm going to ask you a series of
25 questions today. In response to each question,

1 LEFKOWITZ

2 I request that you give a verbal answer because
3 the reporter who is transcribing my questions
4 and your answers cannot transcribe a hand
5 gesture or facial gesture; understood?

6 A. We'll do our best.

7 Q. Please wait until I've finished
8 asking a question before you give your answer.
9 If you don't understand a question I ask,
10 please say so and I'll try to rephrase the
11 question so that you can give me a verbal
12 answer.

13 A. All right.

14 Q. Please don't be offended, but I ask
15 this question of all deposition and examination
16 witnesses. Are you on any medication or taking
17 any substance that would affect your ability to
18 answer my questions truthfully and accurately?

19 A. No, sir.

20 Q. Do you have any condition that
21 might affect your ability to answer my
22 questions truthfully or accurately?

23 A. No.

24 Q. Today I will probably be showing
25 you in the course of the examination some

1 LEFKOWITZ

2 documents. Do you have any condition that
3 would affect your ability to read any of those
4 documents?

5 A. No.

6 Q. Are there any questions you have
7 about our procedures today?

8 A. Not yet.

9 Q. In preparation for this
10 examination, other than with your counsel --
11 and you are represented by counsel this
12 morning; correct?

13 A. Correct.

14 Q. That's Mr. Scott Krinsky of the
15 Backenroth firm?

16 A. Correct.

17 Q. Counsel for the Debtor?

18 A. Correct.

19 Q. Other than with your counsel, the
20 Debtor's counsel, have you had discussions with
21 anyone in connection with your examination
22 today?

23 A. No.

24 Q. Did you review any documents in
25 preparation for this examination today?

1 LEFKOWITZ

2 Q. Have you ever had a real estate
3 broker's license?

4 A. No.

5 Q. Have you ever had a real estate
6 salesperson's license?

7 A. No.

8 Q. Are you currently married?

9 A. Yes.

10 Q. Your wife's name is?

11 A. Bluma

12 Q. Lefkowitz?

13 A. Correct.

14 Q. Do you have any children?

15 A. Yes.

16 Q. How many?

17 A. Eleven.

18 Q. Can you tell me the age range of
19 those children?

20 A. Twenty-five down to seven months.

21 Q. Mazel Tov.

22 (Discussion off the record.)

23 Q. Have you ever personally filed for
24 bankruptcy?

25 A. No.

1 LEFKOWITZ

2 Q. Has your wife ever personally filed
3 for bankruptcy?

4 A. No.

5 Q. Other than with respect to the
6 named Debtor in this case, have you ever been a
7 director, an officer, a member, or a partner of
8 any entity that has filed for bankruptcy or
9 against whom there was filed an involuntary
10 bankruptcy petition?

11 A. Yes.

12 Q. How many such entities?

13 A. Maybe two or three.

14 Q. Would you name them, please?

15 A. I named them previously. One,
16 which is Nassau Equities.

17 Q. LLC?

18 A. Right. I don't recall the other
19 entities.

20 Q. What was your position with Nassau
21 Equities, LLC?

22 A. I was a member.

23 Q. Were you the sole member?

24 A. No.

25 Q. Who were the other members?

1 LEFKOWITZ

2 A. One World.

3 Q. And did Nassau Equities, LLC
4 acquire the property 150 Nassau Street?

5 A. Yes.

6 Q. When did it acquire that property?

7 A. Late '90s.

8 Q. Before it filed for bankruptcy?

9 A. Correct.

10 Q. And why did it file for bankruptcy?

11 A. Don't recall the circumstances.

12 Q. It was a voluntary petition;
13 correct?

14 A. Yes.

15 Q. And did it file for bankruptcy
16 after it had already closed on the sale -- I'm
17 sorry -- on the purchase of 150 Nassau Street?

18 A. I don't know. It was a lengthy
19 bankruptcy, seven years ago. I wouldn't recall
20 the specifics of it.

21 Q. Let's see if we can refresh your
22 recollection.

23 MR. WOLF: Mark this as Trustee

24 Exhibit 1.

25 (Trustee Exhibit 1 for

1

LEFKOWITZ

2

identification, copy of petition and

3

schedules filed in 1999, commencing

4

bankruptcy case of Nassau Equities, LLC.)

5

Q. Mr. Lefkowitz, you have in front of

6

you what's been marked as Trustee Exhibit 1

7

which appears to be a copy of the petition and

8

schedules that were filed in 1999 to commence

9

the bankruptcy case of Nassau Equities, LLC.

10

If you turn to the second page, do

11

you recognize the signature on the right-hand

12

side above the printed name "Jack Lefkowitz"

13

and the title "Managing Member" to be a copy of

14

your signature?

15

A. Yeah.

16

Q. Starting with the third page -- I'm

17

sorry, the fourth page of this document, it

18

appears that there's an affidavit of yours

19

pursuant to local rule. Do you see that

20

document?

21

A. Yeah.

22

Q. If you turn to page 3 of that

23

affidavit, is that a copy of your signature?

24

A. Yes.

25

Q. Do you recall signing the original

1 LEFKOWITZ

2 of that affidavit?

3 A. Yes.

4 Q. And if you go to paragraph 8 on
5 page 2 of that affidavit, it states, "At the
6 time of filing of the petition herein, the
7 Debtor was in the business of acquiring that
8 certain real property located at 150 Nassau
9 Street, New York, New York."

10 Is that an accurate statement?

11 A. It is.

12 Q. So do I understand correctly from
13 that statement in your affidavit that the
14 Debtor -- I'm sorry, the Debtor, Nassau
15 Equities, LLC, had not yet closed on the
16 purchase of that property when it filed for
17 bankruptcy?

18 A. Again, it would be very hard for me
19 to recollect the circumstances of that
20 bankruptcy. But all the signatures on this
21 petition appear to be mine. But I wouldn't
22 recall the circumstances. I can read you what
23 the affidavit says.

24 Q. I understand, but I'm trying to
25 refresh your recollection.

1 LEFKOWITZ

2 A. I don't think it will, because I
3 don't recall.

4 Q. Let me ask you a few more
5 questions.

6 A. Yeah.

7 Q. Paragraph 13 --

8 MR. KRINSKY: Let me note an
9 objection. I understand a Rule 2004
10 deposition can be a fishing expedition,
11 but I was under the impression that you
12 still have to show some sort of
13 connection to the financial condition or
14 the assets and liabilities of the Debtor.

15 I note on the record I'm not sure
16 there's anything regarding the Nassau
17 Equities bankruptcy from 1999 that would
18 bear on the financial condition of this
19 Debtor we have in this case.

20 MR. WOLF: Your objection is noted.
21 I'll go on to my next question.

22 Q. Paragraph 13 at the bottom of page
23 2 of your affidavit, Mr. Lefkowitz, states,
24 "The Debtor's petition was precipitated by a
25 time-of-the-essence deadline for the closing of

1 LEFKOWITZ

2 the sale of the 150 Nassau Street property."

3 Does that refresh your recollection
4 that the time the Debtor, Nassau Equities, LLC,
5 filed for bankruptcy, it had not yet closed on
6 the purchase of that property?

7 A. The affidavit speaks for itself,
8 but I don't recall the circumstances.

9 Q. Do you recollect what the outcome
10 was of the Nassau Equities, LLC bankruptcy?

11 A. It lingered on for years.

12 Q. And what happened at the end? Was
13 the case dismissed? Was there a resolution?
14 Was there a plan of reorganization?

15 A. I wouldn't know.

16 Q. You wouldn't know?

17 A. I wouldn't recall. I mean -- I'm
18 sure the bankruptcy record is what it is.

19 Q. You were the managing member of
20 that entity; correct?

21 A. Yeah, but it's no longer an active
22 entity and there's no reason for me to recall
23 something that's not active. I'm sure if you
24 look on Pacer, you can --

25 Q. We can do that. Did Nassau

1 LEFKOWITZ

2 Equities, LLC ever acquire the property at 150
3 Nassau Street?

4 A. I don't recall.

5 Q. You don't recall if it acquired the
6 property?

7 A. I don't know if Nassau Equity
8 acquired it or some other entity acquired it.
9 All I know is Nassau Equity doesn't own it, so
10 I don't know if Nassau Equity sold it or --
11 we'd have to go back in the file and look at
12 it.

13 Q. Did any entity of which you were a
14 member, a partner, a director, or an officer
15 ever acquire that property?

16 A. No.

17 Q. Did Nassau Equities, LLC, assign
18 its contract rights to that property to anyone
19 else?

20 A. Again, Mr. Wolf, you're asking me
21 questions about that property, that bankruptcy.
22 I'll be happy to answer it. Let me go into the
23 Nassau Equity file, review it, and
24 chronologically put it all together again, and
25 bring it back to you. I don't want to give you

1 LEFKOWITZ

2 wrong answers.

3 Q. I'll reserve the right, after
4 you've looked at those documents, to ask for a
5 continuation of this examination on those
6 issues.

7 A. I'm not trying to be evasive. I
8 just don't want to give you the wrong answers.

9 Q. Are you presently employed?

10 A. Yes.

11 Q. By whom?

12 A. A company called New York MedScan.

13 Q. Is that all one word?

14 A. Yes.

15 Q. Is that a corporation?

16 A. It's an LLC.

17 Q. Are you a member of that LLC?

18 A. Yes.

19 Q. Are you the managing member of that
20 LLC?

21 A. Yes.

22 Q. Are you the sole member of that
23 LLC?

24 A. No.

25 Q. Who else is a member?

1 LEFKOWITZ

2 A. My wife.

3 Q. Anyone else?

4 A. No.

5 Q. And when was that LLC formed?

6 A. Also sometime in the late '90s.

7 Q. And what is the business of New
8 York MedScan, LLC?

9 A. Medical diagnostic.

10 Q. Medical diagnostic company?

11 A. It's an LLC.

12 Q. I understand. Is the company,
13 itself, in the business of medical diagnostics?

14 A. Yes.

15 Q. And what specifically does that
16 mean? What does it do?

17 A. That's exactly what it is.

18 Q. Does it manufacture equipment so
19 doctors can undertake medical diagnoses?

20 A. No.

21 Q. Okay. So what does it do?

22 A. It's doing medical diagnostic.

23 Q. Tell me what that means.

24 A. It's diagnosing patients.

25 Q. And any particular part of their

1 LEFKOWITZ

2 bodies?

3 A. Whole body.

4 Q. Whole body. And are they
5 diagnosing for any particular types of disease
6 or any particular types of injuries?

7 A. No. It's mainly disease.

8 Q. And is there a business location
9 for it?

10 A. Yes. 751 Second Avenue.

11 Q. What are the cross streets of that
12 address?

13 A. Forty-first and 40th.

14 Q. Is there a diagnostic equipment
15 located at those premises?

16 A. Yes.

17 Q. And who performs the diagnoses?

18 A. Technologists.

19 Q. Does the LLC employ those
20 technologists?

21 A. Yes.

22 Q. How many of them are there?

23 A. Three of them.

24 Q. Had you been involved in the
25 business of medical diagnostics before?

1 LEFKOWITZ

2 A. Before --

3 Q. Before you formed the company.

4 A. No.

5 Q. This was your first entree into
6 that business area?

7 A. Yes.

8 Q. How did you get involved in that
9 business area?

10 A. You really want to know? It's a
11 long story.

12 Q. You can give me a short synopsis of
13 it.

14 A. I had an office in the World Trade
15 Center. As philanthropy work, I had an
16 individual I gave an office on the 89th floor
17 called patient liaison to Sloan-Kettering. One
18 day he walked into my office and he said, "Do
19 you know anyone that has a pet in New York?"

20 Q. A pet?

21 A. Exactly. A pet. I said, "A pet?
22 Go to the park. Everybody walks with a dog.
23 What are you talking about?" He couldn't
24 explain me the problem. I said, "Why don't you
25 take me to the problem."

1 LEFKOWITZ

2 A. They work in the field.

3 Q. When you say "they work in the
4 field," meaning they work for the company
5 but --

6 A. Virtual.

7 Q. -- but outside?

8 A. Virtual. Today you don't have to
9 be in the office.

10 Q. Right. But they're working for the
11 company at other than the location of the
12 company?

13 A. Correct.

14 Q. Are you currently a member of any
15 other LLCs?

16 A. Yes.

17 Q. How many?

18 A. How many? That's -- I mean, one is
19 the Debtor.

20 Q. The Debtor in this case; right?

21 A. Correct. The other one --

22 Q. I hate to break this news to you,
23 but you may no longer be a member of that LLC.
24 We'll put that aside.

25 A. I'll be happy to give it over to

1 LEFKOWITZ

2 whoever wants it.

3 Q. I think you already have. But
4 that's another issue. Any others?

5 A. A company called Care to Care.

6 Q. Care to Care, LLC?

7 A. Yeah.

8 Q. What is that?

9 A. Care to Care, LLC is an RBM
10 company.

11 Q. RBM --

12 A. Radiology benefit management.

13 Q. And so what does that company do?

14 A. That company manages radiology
15 benefits for health insurance companies.

16 Q. Can you explain a little bit what
17 that means, in laymen's terms?

18 A. Companies like health insurance
19 companies are very diversified. In health
20 care -- I can go on and on. It's a political
21 issue now. But basically there are certain
22 areas that insurance companies lack expertise,
23 and we provide these expertises to insurance
24 companies.

25 Q. Is this for the purpose of advising

1

LEFKOWITZ

2 called First Quality Realty?

3 A. Yes.

4 Q. What kind of entity was that?

5 A. Real estate.

6 Q. Was it a corporation, or an LLC?

7 A. I think it was an LLC.

8 Q. What did it do in the area of real
9 estate?10 A. Sole representative for a loft
11 building.

12 Q. Did it own that loft building?

13 A. I don't know if it owned it. It
14 had contractual rights. I don't recall.15 Q. Did it at some time file for
16 bankruptcy?

17 A. Yes.

18 Q. When did that occur?

19 A. In the early '00s.

20 Q. Early 2000s?

21 A. Right.

22 Q. What was the address of the
23 property that it had contractual rights to?

24 A. I don't recall.

25 Q. Was it located in Manhattan?

1

LEFKOWITZ

2

A. No.

3

Q. Brooklyn?

4

A. Yes.

5

Q. And where was the bankruptcy case
6 filed?

7

A. I think it was the Southern
8 District.

9

Q. What was the outcome of that
10 bankruptcy?

11

A. I think it got resolved.

12

Q. And how was it resolved?

13

A. Paid off all its creditors.

14

Q. Did it ever close on the purchase
15 of the loft building in Brooklyn?

16

A. I don't think so.

17

Q. Was something worked out in the
18 bankruptcy with regard to any security deposit
19 on the contract that the company had posted
20 with the landlord -- or the owner?

21

A. It got resolved and got settled.

22

Q. Are you familiar with an e-mail
23 address iisaac?

24

A. No.

25

Q. Are you familiar with an e-mail

1 LEFKOWITZ

2 address, `duma211@gmail.com`?

3 A. No.

4 MR. WOLF: Trustee 2.

5 (Trustee Exhibit 2 for
6 identification, copy of e-mail received
7 by Attorney Wolf 1-16-08, from iisaac.)

8 Q. Mr. Lefkowitz, you have in front of
9 you what's been marked as Trustee Exhibit 2.
10 It's a copy of an e-mail that I received on my
11 office computer on January 16 of this year from
12 an iisaac, and it shows, in brackets, the
13 e-mail address I mentioned, `duma211@gmail.com`.
14 I note it was also sent to the attorney David
15 Carlebach at his e-mail address. And the
16 subject listed is "Jack Lefkowitz - President
17 and CEO."

18 A. Right.

19 Q. Have you ever seen a copy of this
20 e-mail?

21 A. Yes.

22 Q. When did you see a copy of this
23 e-mail?

24 A. I got it from Scott Krinsky
25 questioning me what this is and why it was sent

1 LEFKOWITZ

2 something else?

3 A. My born English name? No. My born
4 English name is Yitzchok.

5 Q. Have you ever been called Isaac?

6 A. Yes.

7 Q. Are you presently called Isaac by
8 some?

9 A. My classmates, they call me Isaac.

10 Q. But this is not your e-mail
11 address?

12 A. No.

13 Q. Is it any member of your family's
14 e-mail address?

15 A. No. Not that I know of.

16 Q. So you don't know why whoever this
17 person was that sent this e-mail to me and
18 David Carlebach would have sent it?

19 A. No clue. I don't know what it is.
20 Basically a copy of our Web site. This is
21 listed on our Web site. I don't know what the
22 purpose is.

23 Q. This is the Web site of the Care to
24 Care, LLC entity that you mentioned to me
25 before?

1 LEFKOWITZ

2 A. Correct.

3 (Discussion off the record.)

4 (Trustee Exhibit 3 for
5 identification, copy of voluntary
6 petition and schedules filed in present
7 bankruptcy case.)

8 Q. Mr. Lefkowitz, you now have in
9 front of you what's been marked as Trustee
10 Exhibit 3 for identification. Do you recognize
11 that to be a copy of the voluntary petition and
12 schedules that were filed in the present
13 bankruptcy case that we're talking about here?

14 A. Yeah.

15 Q. I'm sorry?

16 A. Yes, sir.

17 Q. You don't have to say "sir."

18 A. It's just a habit. If you get
19 offended by it, I won't do it.

20 Q. That's okay. Name of lender is
21 listed as Kollal Match Efrain, LLC.

22 Does such an entity exist?

23 A. Not to my knowledge.

24 Q. You signed the original of this
25 petition; is that correct?

1 LEFKOWITZ

2 A. Yes.

3 Q. Can you tell me why a petition was
4 filed with your signature on it for an entity
5 that you tell me does not exist?

6 A. Because the attorneys made an error
7 in the entity name, and there were corrections
8 afterwards. I don't know if this is the first
9 petition or the second petition. There were
10 two petitions.

11 Q. I will represent to you that this
12 is the first petition.

13 A. This was erroneously, and then he
14 pulled it again. He called me up and said, "I
15 made a mistake. We've got to refile it." Up
16 to today, I don't know exactly which error
17 corrected what, but I know there were a lot of
18 errors in the filing.

19 MR. WOLF: Would you read back the
20 last answer?

21 (The preceding answer was read
22 back.)

23 Q. What other errors were there in the
24 filing, this filing we're looking at now,
25 Trustee Exhibit 3?

1 LEFKOWITZ

2 A. Mainly that dealt with the name of
3 the entity and the Federal ID of the entity.

4 Q. I don't see any Federal ID --

5 A. But I remember there were
6 discussion about two errors in the file.

7 Q. Do you know if there was a Federal
8 ID number listed anywhere for this Debtor
9 entity -- for this named entity called Kollo
10 Match Efraim in the schedules?

11 A. I don't know. You asked me about
12 what errors I remember. I remember these two
13 errors.

14 Q. My question --

15 A. I don't see any Federal ID number
16 here.

17 Q. Just while we're on this name --

18 A. Right.

19 (Discussion off the record.)

20 Q. -- those are Hebrew words or names;
21 is that correct?

22 A. Correct.

23 Q. Can you tell me what they mean?

24 A. "Kolo" means general. "Match" --

25 Q. General?

1 LEFKOWITZ

2 A. General.

3 Q. As opposed to specific?

4 A. Like --

5 Q. Or general of an army?

6 A. Like the bank in France now that's
7 going down, Societe Generale. General.

8 Instead of specific, general.

9 Q. Now you're talking. General.

10 Okay.

11 A. "Kolo" means general.

12 Q. Doesn't it also, euphemistically,
13 mean a voice?

14 A. No. That's K-O-L. In Hebrew when
15 you say "Kolel," it means this wallet includes
16 the book. It's "Kolel," the book.

17 Q. The overall general thing?

18 A. Right.

19 Q. And "Mateh"? What does that mean?

20 A. Tribe.

21 Q. Tribe? Is it ever used to mean a
22 staff?

23 A. No. Staff is --

24 Q. Meaning like Moses held that type
25 of staff.

1 LEFKOWITZ

2 A. Oh. That's --

3 Q. Spelled how?

4 A. I don't know how you spell it.

5 There's "Mateh." "Mateh" is staff. "Mati" is
6 tribe.

7 Q. Are you pronouncing your middle
8 name here as "Mateh"?

9 A. Right.

10 (Discussion off the record.)

11 Q. What is Efraim?

12 A. Efraim is the son of Jacob, one of
13 the tribes, which is also a nickname. Jews.
14 "Jews" has a nickname of "Mateh Efraim."

15 Q. The last two names of this LLC
16 entity is a nickname or euphemism for "Jews"?

17 A. Correct.

18 MR. WOLF: This will be Exhibit 4.

19 (Trustee Exhibit 4 for
20 identification, second bankruptcy
21 filing.)

22 Q. Mr. Lefkowitz, now you have in
23 front of you what has been marked as Trustee
24 Exhibit 4 for identification.

25 A. Okay.

1 LEFKOWITZ

2 Q. And this appears to be what you
3 referred to before as the second bankruptcy
4 filing.

5 A. Right.

6 Q. And here the named Debtor is Match
7 Ephraim, LLC, dba Kolliel Match Efraim, LLC.

8 Was this petition the one that, in
9 your words, corrected the mistake as to the
10 name of the Debtor entity in the first petition
11 we looked at, Trustee Exhibit 3?

12 A. It was supposed to correct, but it
13 didn't correct at all.

14 Q. First of all, did you sign this
15 petition?

16 A. I think so. Is this a signed
17 petition that I have?

18 Q. If you look at the second page,
19 there appears to be what we call a conformed
20 signature.

21 A. Correct.

22 Q. Do you recall signing the original
23 of this petition?

24 A. I don't recall it specifically, but
25 I think I signed it.

1 LEFKOWITZ

2 Q. You just said, before, that this
3 did not correct certain things from the
4 petition that has been marked as Trustee
5 Exhibit 3. What didn't it correct?

6 A. Well, the named entity is Match,
7 M-A-T-E-H, Ephraim, E-P-H-R-A-I-M, LLC.

8 Q. Okay.

9 A. It never really had a dba of Kolliel
10 Match Ephraim, LLC, and I think the EIN number
11 is wrong on this petition.

12 Q. So why did you sign this petition
13 if it contained these errors?

14 A. I signed whatever my attorney put
15 in front of me. I really signed the signature
16 page. "Here's something to be corrected," so I
17 signed it.

18 Q. Didn't you review the contents of
19 this petition before you signed it?

20 A. He basically just told me that I'm
21 correcting some corrections. "Sign it." So I
22 signed it.

23 Q. Did he tell you what corrections
24 were being made by way of this petition?

25 A. No.

1 LEFKOWITZ

2 Q. Are there any other errors
3 contained in Trustee Exhibit 4?

4 A. These are the two errors that I
5 recall.

6 Q. What, if anything, did you do to
7 correct those errors?

8 A. Me?

9 Q. Yes.

10 A. I didn't do nothing.

11 Q. Do you know if the creditors listed
12 on the schedules to the petition that is
13 Trustee Exhibit 4 are the same creditors in the
14 same amounts listed in the petition that's been
15 marked as Exhibit 3? Without yet comparing, do
16 you know?

17 A. Don't know.

18 Q. Would you accept my representation
19 if I told you that they are identical both in
20 name of creditor and in amount?

21 A. I told you before, I'll accept
22 anything you say.

23 Q. I don't want you to accept anything
24 I say --

25 A. Why not?

1 LEFKOWITZ

2 Q. -- unless you believe what I said
3 was true. Do you understand that, by the way?

4 A. I have no reason not to believe.
5 I'll accept whatever you say. I don't think it
6 matters. It is what it is. A record is a
7 record.

8 Q. Is it your recollection that the
9 creditors listed on the schedules to the
10 petition in Trustee Exhibit 4 were the same as
11 those listed on the schedules to the petition
12 in Trustee Exhibit 3?

13 A. I just glanced at them. They look
14 the same.

15 Q. When was the entity Match Ephraim
16 LLC formed?

17 A. Late '90s.

18 Q. And from its inception were you its
19 sole member?

20 A. Yes.

21 Q. And did that remain true right
22 through the date that this petition, Trustee
23 Exhibit 4, was filed?

24 A. Yes.

25 Q. You've always been the sole member

1 LEFKOWITZ

2 of that LLC?

3 A. I believe so.

4 Q. And so you've also been the sole
5 managing member of that LLC?

6 A. I believe so.

7 Q. Are there any other positions or
8 titles you have held with that LLC?

9 A. Maybe president.

10 Q. Anything else?

11 A. Not that I recall.

12 Q. For what purpose was the LLC
13 formed?

14 A. For the sole purpose of real
15 estate.

16 Q. And was there a particular property
17 or properties that the LLC acquired an interest
18 in within the first year after it was formed?

19 A. No.

20 Q. It did not acquire an interest in
21 any real estate?

22 A. Not that I recall.

23 Q. First, did it acquire title to any
24 real estate?

25 A. No.

1 LEFKOWITZ

2 MR. KRINSKY: Again, your question
3 refers to the first year it was formed?

4 MR. WOLF: Yes.

5 Q. Did it become a contract vendee
6 within the first year of any real estate after
7 it was formed?

8 A. No.

9 Q. Did it become a tenant of any
10 property within the first year after it was
11 formed?

12 A. Not that I recall.

13 Q. Have there been any other officers
14 of the Debtor -- I'm sorry -- of Match Ephraim
15 LLC other than you as president?

16 A. I don't think so.

17 Q. Has that LLC ever had any
18 employees?

19 A. No.

20 Q. You were never an employee of that
21 LLC?

22 A. No.

23 Q. Are you familiar with an individual
24 named Abraham Steinwurzels?

25 A. Yes.

1 LEFKOWITZ

2 Q. Is he an ordained rabbi?

3 A. I think so.

4 Q. Did he ever have any role with the
5 LLC?

6 A. With the LLC itself?

7 Q. Yes.

8 A. I think he came in towards
9 recently.

10 Q. And by "recently," when do you
11 mean?

12 A. The last few years.

13 Q. Meaning within the last three
14 years? Four years?

15 A. Yes. Last two to three years.

16 Q. What did he come in as?

17 A. As a member.

18 Q. I thought you just said you've
19 always been the sole member of the LLC.

20 A. You asked me a year after it was
21 formed.

22 Q. Not with regard to that question.

23 A. Oh, then you threw me off, then.

24 Q. My questions with regard to
25 membership were -- I asked you, before, from

1 LEFKOWITZ

2 inception until the date that the LLC filed its
3 petition marked as Trustee Exhibit 4, were you
4 the sole member? And I believe your answer was
5 yes.

6 A. That's '04. We're '08 already.

7 Q. So you're telling me that sometime
8 after the LLC's petition was filed, Abraham
9 Steinwurzle became a member of the LLC?

10 A. Right. Right.

11 Q. What percentage member did he
12 become?

13 A. I don't recall what it was, but I
14 put him in as a member of the LLC.

15 Q. Did this LLC, at its inception,
16 file what are called articles of organization?

17 A. I think so. It can't incorporate
18 without it.

19 Q. Did those articles indicate that
20 you were the 100 percent member of that LLC at
21 that time?

22 A. I don't recall.

23 Q. Was there a filing done after Mr.
24 Steinwurzle became a member to indicate that he
25 had become a member of that LLC?

1 LEFKOWITZ

2 A. I don't think there is such a
3 structure of filing memberships. Why would
4 such a thing happen? Where do you file this?

5 Q. Let me rephrase my question. Was
6 there ever a document prepared and signed by
7 anyone to indicate -- I'm sorry --

8 A. Go ahead.

9 Q. I'm going to need to ask you to put
10 your BlackBerry aside. This is examination.

11 A. Don't get distracted by this.

12 Q. But I don't want you to be
13 distracted.

14 A. I'm not distracted.

15 Q. Please put it away. Thanks.

16 Was there a time when a document
17 was entered into which indicated that -- does
18 he go by Mr. Steinwurzlel or Rabbi Steinwurzlel?

19 A. Rabbi Steinwurzlel.

20 Q. -- Rabbi Steinwurzlel had become a
21 member of that LLC, whether it was filed or
22 not?

23 A. I don't recall.

24 Q. In becoming a member of the LLC,
25 did Rabbi Steinwurzlel make some capital

1 LEFKOWITZ

2 contribution to the LLC?

3 A. No.

4 Q. What was the reason for having him
5 come in as a member of the LLC?

6 A. He made other contributions. Sweat
7 equity contributions.

8 Q. And what specifically were the
9 nature of those sweat equity contributions?

10 A. He was basically maintaining the
11 property there.

12 Q. Maintaining what property?

13 A. The property -- the subject
14 property of this litigation matter. You want
15 me to spell out the address?

16 Q. You're talking about what is
17 commonly referred to as the Meadows property?

18 A. Correct.

19 Q. And you say he was responsible for
20 maintaining the Meadows property. What
21 specifically did he do in that regard?

22 A. He called the landscaper when the
23 grass was too tall. He bought chlorine when
24 the pool was dirty. Made sure the oil was in
25 the tank. If the septic tank overflowed, he

1 LEFKOWITZ

2 Q. What I'm asking is: What were the
3 circumstances that first led him to become
4 involved with the LLC? You said he didn't
5 become involved with the LLC until after the
6 LLC's bankruptcy petition was filed.

7 A. Right. What happened was, I
8 signed -- let's see. What happened? I signed
9 a petition. That was in '04. I wouldn't
10 recall exactly the circumstances, when and how
11 he became a member.

12 Q. Had you known Rabbi Steinwurzle
13 prior to the time that the LLC filed its
14 petition?

15 A. Yes.

16 Q. For how long had you known him?

17 A. Twenty-five years.

18 Q. How had you known him?

19 A. Known him as a rabbi in the
20 community.

21 Q. Was he the rabbi of a particular
22 congregation?

23 A. He is a rabbi of a congregation
24 Kolel Mateh --

25 Q. K-O-L-E-L, M-A-T-E-H --

1 LEFKOWITZ

2 A. I wouldn't know how he spells it.
3 But it's called Kolel, I believe, Efraim.

4 MR. KRINSKY: Can we take a
5 two-minute break?

6 MR. WOLF: Can I finish this train
7 of thought?

8 Q. Were you a member at the time of
9 his congregation?

10 A. No.

11 Q. Had you ever been?

12 A. No.

13 Q. So how did you get to know him as a
14 rabbi? Were you in school together?

15 A. No. Know him as a rabbi. Just
16 like you know lawyers. Known rabbis. Known
17 doctors.

18 Q. What were the circumstances
19 pursuant to which you first met him?

20 A. I wouldn't recall. That was
21 twenty-five years ago.

22 MR. WOLF: Why don't we take a
23 two-minute break.

24 MR. WOLF: Trustee Exhibit 5.

25 (Trustee Exhibit 5 for

1

LEFKOWITZ

2

identification, copy of affidavit of

3

Rabbi Steinwurz, sworn to 5-21-07,

4

filed in subject bankruptcy case.)

5

Q. Mr. Lefkowitz, you've been handed

6

what has been marked Trustee Exhibit 5 for

7

identification. It is a copy of an affidavit

8

of Rabbi Steinwurz, sworn to May 21, 2007,

9

filed in the subject bankruptcy case.

10

Do you recall seeing this document

11

at or about the time that it was filed?

12

A. No.

13

Q. Do you recall ever seeing it?

14

A. No.

15

Q. I'd like you to take a look at

16

paragraph 1, numbered 1 --

17

A. Right.

18

Q. -- in Rabbi Steinwurz's affidavit

19

and tell me if, in that paragraph, Rabbi

20

Steinwurz has accurately described what

21

functions he performed on behalf of the Debtor.

22

A. Yes.

23

Q. He accurately describes it?

24

A. Yes.

25

Q. And in the very first line of

1 LEFKOWITZ

2 paragraph 1 he states, "I have been the rabbi
3 for the Debtor" -- off the record --

4 (Discussion off the record.)

5 Q. "-- for the Debtor Kolllel Mateh
6 Efraim LLC, aka Kolllel Mateh Ephraim LLC, which
7 is defined as the Debtor.

8 (A conference was held between the
9 witness and his attorney.)

10 Q. What functions did -- when he says
11 he is -- he was the rabbi for the Debtor, what
12 did he do as the rabbi for the Debtor?

13 A. There's a lot of things. Made sure
14 the kitchen is kosher there. He was performing
15 all the rabbinical duties that needed to be
16 done on the premises.

17 Q. In paragraph 3 it continues on the
18 second page of his affidavit.

19 A. Right.

20 Q. He states, "In fact, the Debtor has
21 not earned any money subsequent to the filing
22 of its Chapter 11 case way back on October 4,
23 2004."

24 A. Right.

25 Q. "Rather, the Debtor has subsisted

1

LEFKOWITZ

2

on insider loans and donations from its

3

congregation."

4

A. Right.

5

Q. What congregation is he referring

6

to?

7

A. Maskil el-Dal

8

Q. What is Maskil el-Dal?

9

A. Religious corporation.

10

Q. And are you a Trustee or member of

11

the board of directors of that entity?

12

A. Yes.

13

Q. Are there any other trustees or

14

directors of that entity?

15

A. Yes.

16

Q. Who?

17

A. Six of them.

18

Q. Is Rabbi Steinwurzle one of them?

19

A. No.

20

Q. Has he ever been?

21

A. No.

22

Q. Is your wife one of them?

23

A. No.

24

Q. Is any family -- immediate family

25

member of yours one of them?

1

LEFKOWITZ

2

Q. And when was Maskil el-Dal formed?

3

A. About 30 years ago.

4

Q. Did you form it at that time?

5

A. No.

6

Q. Your father-in-law did?

7

A. He was one of the founders.

8

Q. When did you become a member of the

9

board? Are you a Trustee or director of that

10

congregation?

11

A. Trustee.

12

Q. When did you become a trustee?

13

A. About 20-some-odd years ago.

14

Q. So the corporation was incorporated

15

under the laws of the State of Israel?

16

A. State of New York.

17

Q. Has that always been so?

18

A. Yes.

19

Q. Well, has it ever been

20

incorporated, or whatever the equivalent is, in

21

the State of Israel under the laws of the State

22

of Israel?

23

A. I'm sure it has.

24

Q. But you don't know for sure?

25

A. No.

1 LEFKOWITZ

2 Q. Has Maskil el-Dal ever operated or
3 had a congregation located in New York?

4 A. It had offices in New York.

5 Q. That's not my question. Did it
6 ever have a congregation that worshipped in a
7 synagogue in New York?

8 A. Not to my knowledge.

9 Q. Are you and Rabbi Steinwurzlel
10 fellow members of any other LLC besides the one
11 we've been talking about this morning?

12 A. I am. I don't know about him.

13 Q. I'm asking for instances other than
14 with regard to what we've already been talking
15 about this morning. Are there any other LLCs
16 in which you and he are both, together,
17 members?

18 A. No. He's really not a member of
19 this LLC, either. He's just the manager.

20 Q. You said, before, he was a member.

21 A. He's a manager.

22 Q. Are you correcting what you said
23 before?

24 A. Correct.

25 Q. So he's not a member. So you've

1 LEFKOWITZ
2 always been 100 percent member of the LLC known
3 as Mateh Ephraim LLC?

4 A. Correct.

5 Q. And he has never been a member of
6 that entity?

7 A. Correct.

8 Q. He is the manager of that entity?

9 A. Correct.

10 Q. So is there any written document
11 pursuant to which he was appointed as the
12 manager of that LLC?

13 A. No. Not that I know of.

14 Q. Again, he began functioning as the
15 manager of that LLC subsequent to the time that
16 that LLC filed its petition, which has been
17 marked as Trustee Exhibit 4?

18 A. Correct.

19 THE WITNESS: Can we go off the
20 record?

21 (Discussion off the record.)

22 MR. WOLF: Mark Trustee Exhibit 6.

23 (Trustee Exhibit 6 for
24 identification, copy of articles of
25 organization of Mateh Ephraim LLC.)

1 LEFKOWITZ

2 Q. Mr. Lefkowitz, do you recognize
3 Trustee Exhibit 6, which is now in front of
4 you, to be a copy of the articles of
5 organization of the entity Match Ephraim LLC?

6 A. Correct.

7 (Discussion off the record.)

8 Q. Are you the person that caused
9 these articles of organization to get filed?

10 A. No.

11 Q. Did you request anyone to prepare
12 these articles and get them filed?

13 A. Yes.

14 Q. Of whom did you request it?

15 A. Meryl Wenig.

16 Q. Is she or was she at the time an
17 attorney?

18 A. Yes.

19 Q. Spell it for the court reporter.

20 A. Spelled on page 2.

21 MR. KRINSKY: The document, if I
22 can identify it, is three pages. My
23 understanding is that it's two separate
24 documents. The third page is a printout
25 which is not part of the two pages

1 LEFKOWITZ
2 before. In essence, they're two separate
3 documents, although they reflect similar
4 information.

5 MR. WOLF: Right. The third page
6 is from the New York State Department of
7 State to indicate that the articles of
8 organization were filed on July 30, 1999.
9 Thank you.

10 Q. I see Meryl Wenig's name on the
11 second page, listing her as a filer. Was she
12 an attorney at the time?

13 A. Yes.

14 Q. Was she with a particular law firm?

15 A. Meryl Wenig.

16 Q. It was her own law firm?

17 A. Yes.

18 Q. Located on Montague Street in
19 Brooklyn?

20 A. At that time, right.

21 Q. Once these articles of organization
22 were filed, was she the attorney for the LLC?

23 A. She's my attorney.

24 Q. She performs various services for
25 you?

1 LEFKOWITZ

2 A. Correct.

3 Q. Did those services include services
4 on behalf of the LLC?

5 A. Correct.

6 Q. Since you mentioned, before, why
7 the Debtor was formed, subsequent to its
8 formation what has been its business?

9 A. I don't think it really had any
10 business other than trying to acquire property.

11 MR. WOLF: Off the record.

12 (Discussion off the record.)

13 MR. WOLF: Temporarily we're going
14 to deem a copy of a document that I'm
15 about to show the witness as Trustee
16 Exhibit 7. It has a marking on it of
17 mine. At a break, as I mentioned to
18 Counsel, we will get a clean copy of it
19 and mark that as the actual Trustee
20 Exhibit 7.

21 (Trustee Exhibit 7 to be marked for
22 identification, lease with rider.)

23 Q. Right now I'm going to show you
24 what will ultimately be marked as Trustee
25 Exhibit 7, Mr. Lefkowitz. I ask you if you can

1 LEFKOWITZ

2 identify that document for us.

3 A. It is the front page. The name is
4 "Doctorate"?

5 Q. No. It's not coming out well.
6 Maybe you can look through the document and
7 tell me, then, what it is.

8 A. Okay.

9 MR. KRINSKY: Note how many pages
10 it is for the record, when you get a
11 chance.

12 THE WITNESS: Okay.

13 Q. Do you recognize what that document
14 is?

15 A. I don't recognize it, but I see it.

16 Q. What is it, pursuant to your
17 understanding?

18 A. It looks like it's a lease between
19 -- something -- Garden City -- and -- not
20 clear. A lease, with a rider to a lease.

21 Q. Who are the parties listed on the
22 rider to the lease?

23 A. Ingaiolola.

24 Q. Is that listed as the landlord?

25 A. Right. On the rider.

1 LEFKOWITZ

2 Q. And who's listed --

3 A. Match Ephraim LLC.

4 Q. Do you see any signatures on any
5 portion of that document?

6 A. Yeah.

7 Q. Is your signature on there?

8 A. No.

9 Q. Is there a signature on behalf of
10 the tenant entity you just mentioned?

11 A. Yeah.

12 Q. And who is it?

13 A. I don't recognize it. I don't
14 recognize the signature.

15 Q. Do you recognize this to be Rabbi
16 Steinwurzels signature?

17 A. No.

18 Q. It's not? Or you don't recognize
19 it?

20 A. I don't recognize it.

21 Q. Have you ever seen his signature
22 before?

23 A. I'm sure I have.

24 Q. But you don't recognize this to be
25 his signature?

1 LEFKOWITZ

2 A. Don't recognize it.

3 MR. KRINSKY: Bob, can we identify
4 the number of pages in the document?

5 (A conference was held between the
6 witness and his attorney.)

7 Q. Did you notice who notarized it?
8 It appears to be alongside the signature, on
9 behalf of the tenant entity here. Did you
10 notice the notarization was done by Meryl
11 Wenig?

12 A. Yes. Meryl Wenig.

13 Q. Do you recollect that shortly after
14 its articles of organization were filed by
15 Merle Wenig that the entity Match Ephraim LLC
16 entered into a lease with the then landlord of
17 the property, I believe it's 5608 13th Avenue,
18 Brooklyn, New York?

19 A. Yeah.

20 Q. You're aware of that?

21 A. Yeah.

22 Q. And am I correct that 5608 13th
23 Avenue, Brooklyn, New York is the present
24 location of the synagogue congregation known as
25 Kolel Match Efraim, of which Rabbi Steinwurz

1 LEFKOWITZ

2 is the rabbi?

3 A. Yeah.

4 Q. Does this refresh your recollection
5 that shortly after the LLC was formed, it did
6 become the tenant of that property?

7 A. Who became the tenant?

8 Q. The LLC.

9 A. It was shortly after, I'm now
10 recollecting, that I bought the business.

11 Q. You bought what business?

12 A. I bought a furniture business.

13 Q. You bought a furniture business?

14 A. Yeah.

15 Q. You bought a furniture business
16 through what entity?

17 A. I don't remember the entity.

18 Q. The furniture business was located
19 where?

20 A. 13th Avenue.

21 Q. 5608 13th Avenue?

22 A. Correct.

23 Q. Rabbi Steinwurzels congregation
24 that I just mentioned, the synagogue is
25 presently located at 5608 13th Avenue?

1 LEFKOWITZ

2 A. After we left, they came in.

3 Q. After who?

4 A. My furniture business.

5 Q. When was that?

6 A. Late '90s.

7 Q. Well, the LLC was not formed until
8 July 26th, 1999.

9 A. That's late '90s; right?

10 Q. That's the last five months of the
11 1990s.

12 A. Okay. What would you call that?
13 Early 2000s? Or late '90s?

14 Q. How long did you have the furniture
15 business?

16 A. About a year.

17 Q. That would take you into 2000.

18 A. Right.

19 Q. So you want to amend your prior
20 answer as to when Rabbi Steinwurzels
21 congregation started the synagogue at that
22 location?

23 A. I wouldn't amend any answer because
24 I don't know any specific dates. I'm telling
25 you late '90s I remember now buying the

1 LEFKOWITZ

2 furniture business. I operated it about a
3 year. I don't mind the record being confused
4 on those dates.

5 Q. I do mind.

6 A. The document speaks for itself.

7 Q. I'm asking you questions, Mr.
8 Lefkowitz.

9 A. Yes.

10 Q. How long did you operate that
11 furniture business?

12 A. I told you. About a year.

13 Q. And then what happened with regard
14 to the tenancy that the LLC had at that
15 location?

16 A. I remember I left.

17 Q. Is it your understanding that the
18 religious congregation acquired title to the
19 property at 5608 13th Avenue?

20 A. I remember subsequently.

21 Q. Were you involved in any aspect of
22 that acquisition?

23 A. I don't recall.

24 Q. You don't recall if you were
25 involved in some aspect of that acquisition?

1 LEFKOWITZ

2 A. Right.

3 Q. For a synagogue?

4 A. Exactly. Yeah. I remember being
5 the tenant in that building. I don't recall
6 being involved in --

7 Q. Did the LLC continue to be a tenant
8 of the synagogue after the synagogue acquired
9 the property?

10 A. No.

11 Q. Did the LLC give up its lease?

12 A. I don't know. I don't recall.
13 There's documents on it. I don't recall.

14 (REQ) Q. There are documents?

15 A. Sure. If there's a lease --

16 MR. WOLF: I call for their
17 production.

18 THE WITNESS: I don't know if I
19 have it.

20 Q. Calling for it. Take a look. If
21 you have it, produce it through your counsel.

22 A. The last address of that LLC is One
23 World Trade Center. Where do you want me to
24 look? In the pit? Staten Island?

25 MR. KRINSKY: There's no question

1 LEFKOWITZ

2 pending.

3 Q. I've just said that I've made a
4 request. Take a look and see if you have any
5 of the documents. If you do, you'll give them
6 to your counsel who will get them to me.

7 A. I can tell you right now I don't
8 have any documents.

9 Q. That's not what you just said a
10 minute ago.

11 A. I don't know what I said a minute
12 ago. Right now, if you're asking if I have any
13 lease documents or termination lease documents
14 or any documents relating to the furniture
15 business of Mateh Ephraim LLC, prior to 2001,
16 if they exist, they're in the Staten Island
17 burial site of the WTC.

18 Q. When did Mateh Ephraim LLC move out
19 of 13th Avenue?

20 A. I told you sometime in '00.

21 Q. And moved right to the World Trade
22 Center?

23 A. It was always in World Trade
24 Center. It just operated a business at 13th
25 Avenue. The office was in World Trade Center.

1 LEFKOWITZ

2 Q. Who ran the furniture business
3 there?

4 A. I don't recall right now, but I
5 think the rabbi's wife was involved. He was
6 involved a bit.

7 Q. Did you pay them as employees of
8 the company?

9 A. No.

10 Q. As of the time the LLC entered into
11 this lease, did the congregation known as Kolel
12 Mateh Efraim exist?

13 A. I have no clue.

14 Q. Was Rabbi Steinwurzel a rabbi of
15 any congregation as of the time that you ran
16 this furniture company?

17 A. No clue.

18 Q. Do you know approximately when the
19 congregation acquired title to 5608 13th
20 Avenue?

21 A. No clue.

22 Q. Have you ever worshipped at that
23 synagogue?

24 A. No.

25 (Discussion off the record.)

1 LEFKOWITZ

2 MR. WOLF: Trustee Exhibit 8.

3 (Trustee Exhibit 8 for
4 identification, page from Kallah
5 Magazine, summer 2000 issue.)

6 Q. Are you aware, Mr. Lefkowitz, as to
7 whether anyone on behalf of the LLC has ever
8 engaged in the flower business?

9 A. No.

10 Q. I'm showing you what's been marked
11 as Trustee Exhibit 8. It is a page from Kallah
12 Magazine --

13 A. Meaning "bridal."

14 Q. It's the summer 2000 issue, also
15 known as the Jewish year of 5767. In the upper
16 right-hand corner there is an ad with the name
17 Kollel Match Efraim. Have you ever seen that
18 ad before?

19 A. Yes.

20 Q. When have you seen it before?

21 A. 341 meeting.

22 Q. Is it something I showed you at
23 that time?

24 A. Correct.

25 Q. Had you ever seen it before that?

1 LEFKOWITZ

2 A. No.

3 Q. Are you familiar now with some
4 flower business that has been operated under
5 the name Kolllel Match Efraim?

6 A. No.

7 Q. There is a line towards the bottom:
8 "Inquire with Reb." Is that short for
9 "Rebitizen"?

10 A. Right.

11 Q. Meaning the wife?

12 A. Right.

13 Q. Meaning Rabbi Steinwurzlel's wife?

14 A. I should hope so.

15 Q. C.F.W. Stein?

16 A. Correct.

17 Q. Do you understand her to be Rabbi
18 Steinwurzlel's wife?

19 A. Yes.

20 Q. What does that stand for?

21 A. I believe Chaia. It could be
22 Hannah. I don't know her first name.

23 Q. Would you spell Rebitizen for the
24 reporter?

25 A. R-E-B-I-T-I-Z-E-N.

1 LEFKOWITZ

2 (Discussion off the record.)

3 Q. Is it your understanding that Rabbi
4 Steinwurzels wife has been operating some type
5 of flower business under the name Kolliel Mateh
6 Efraim?

7 A. I have no clue.

8 Q. It has not been done at your
9 direction?

10 A. Not at all.

11 Q. Has it ever been done at your
12 direction?

13 A. No.

14 Q. Have you ever discussed with her or
15 with Rabbi Steinwurzels why they are operating
16 that -- or she is operating that business under
17 the name Kolliel Mateh Efraim?

18 A. No.

19 Q. Has any fee or any other monetary
20 amount or amounts ever been paid to the entity
21 that's the named Debtor in this bankruptcy case
22 by this flower business in this ad?

23 A. I was reading. I'm sorry.

24 Q. At any time has this flower
25 business ever paid any monetary sum to the

1

LEFKOWITZ

2 entity that is the Debtor in this bankruptcy
3 case?

4 A. Not a cent.

5 Q. By the way, do you recognize the
6 phone numbers that are on this ad?

7 A. I think this is his home number.

8 Q. Rabbi Steinwurzel's home number?

9 A. I believe so.

10 Q. Now, from the time that it was
11 first organized until its petition was filed in
12 bankruptcy, did the entity Match Ephraim LLC
13 have its business location at One World Trade
14 Center?

15 A. Until the towers collapsed.

16 Q. I'm sorry. Right. And then it
17 moved its premises to 751 Second Avenue?

18 A. Correct.

19 Q. Has it ever had any other location
20 out of which it has operated?

21 A. No, except the subject property.

22 Q. Meaning the Meadows property?

23 A. Correct.

24 Q. Let me mention some other addresses
25 that I've seen referenced in connection with

1

LEFKOWITZ

2 the named Debtor entity. Tell me if it was
3 ever an address that it used.

4 1526 52nd Street, Brooklyn, New
5 York.

6 A. Yes.

7 Q. It has used that address?

8 A. Yes.

9 Q. When did it use that address?

10 A. I think it used it relating to the
11 acquisition of the adjacent parcels.

12 MR. WOLF: Would you read that
13 answer back?

14 (The preceding answer was read
15 back.)

16 Q. In Cohecton, New York?

17 A. Correct.

18 Q. The parcels adjacent to the Meadows
19 property?

20 A. Correct.

21 Q. Whose address is that?

22 A. My home address.

23 Q. Is there a reason your home address
24 was used with regard to the acquisition rather
25 than the 750 Second Avenue address?

1 LEFKOWITZ

2 footage?

3 A. It had an office.

4 Q. I'm sorry?

5 A. An office. Ten by 20.

6 Q. And who occupied that office?

7 A. I do.

8 MR. KRINSKY: Which address is
9 this?

10 MR. WOLF: 751 Second Avenue.

11 Q. You said "I do" in the present
12 tense. Did you say, before, that address is
13 also the office of the diagnostic company?

14 A. Correct.

15 Q. Did the LLC ever pay any rent for
16 the 751 Second Avenue property?

17 A. No.

18 Q. Who paid the rent?

19 A. Who paid the rent for 751 Second
20 Avenue?

21 Q. Yes.

22 A. New York MedScan.

23 Q. And does New York MedScan have a
24 lease for that property?

25 A. Yes.

1 LEFKOWITZ

2 Q. The MedScan entity had a lease at
3 the World Trade Center, also?

4 A. I don't think so. No.

5 Q. Who had the lease at that location?

6 A. Barclay Dwyer.

7 Q. What's that?

8 A. A company.

9 Q. A company of yours?

10 A. Right.

11 Q. What kind of company?

12 A. Real estate.

13 Q. Did it own any real estate?

14 A. At that time it did, yeah.

15 Q. In Manhattan?

16 A. Yes.

17 Q. Does it own real estate now?

18 A. No.

19 Q. What happened to that real estate?

20 A. Sold.

21 Q. Did Barclay Dwyer ever file for
22 bankruptcy?

23 A. No.

24 Q. What was your position with Barclay
25 Dwyer?

1

LEFKOWITZ

2

A. Owner. Principal.

3

Q. Was it an LLC?

4

A. I don't believe so.

5

Q. Corporation?

6

A. Yes.

7

Q. Were you the sole shareholder?

8

A. Yes.

9

Q. Did the Debtor ever pay any rent

10 for use and occupancy for its use of any

11 portion of the premises at One World Trade

12 Center?

13

A. No.

14

Q. 5608 13th Avenue, Brooklyn. Has

15 the LLC ever used that address?

16

A. Yes.

17

Q. When?

18

A. Late '99, early '00.

19

Q. When it was operating that

20 furniture company?

21

A. Correct.

22

Q. And did the LLC buy and sell

23 furniture at that time?

24

A. It was more donating furniture than

25

selling.

1 LEFKOWITZ

2 Q. To whom was it donating furniture?

3 A. To poor people.

4 Q. Did it donate any furniture to any
5 synagogue?

6 A. No.

7 Q. Did it ever?

8 A. No. Synagogues don't use bedroom
9 sets.

10 Q. Is that all the type of furniture
11 it sold?

12 A. Kitchen and bedroom furniture.

13 Q. And where did the LLC acquire that
14 furniture from?

15 A. I don't remember the furniture
16 company. It was a furniture company.

17 Q. Do you have any records which would
18 refresh your recollection as to what company
19 sold that furniture to the LLC?

20 A. I don't.

21 Q. Who would?

22 A. Osama bin Laden. It was in the
23 World Trade Center.

24 Why are you giving me the looks?

25 Q. I thought that was an unnecessary

1 LEFKOWITZ

2 comment. I asked you a straightforward
3 question.

4 A. I answered you straightforward.
5 The company had offices in the World Trade
6 Center, North Tower.

7 Q. We all know what happened.

8 A. You're bringing my emotions out. I
9 told you the documents got destroyed in the
10 fire and you asked me who would. I told you
11 before. You're giving me the looks like --

12 Q. I asked you who would know what the
13 name of the company was that furnished the
14 furniture to the LLC?

15 A. My answer is, I don't know. It's
16 in the documents. You asked who has the
17 documents. I answered Osama bin Laden.

18 (INF) Q. I'll leave a blank. When you look
19 at the transcript and your recollection is
20 refreshed, I ask you to put in the name of the
21 company.

22 (INFORMATION REQUESTED: -----
23 -----.)

24 Q. 1175 58th Street, Brooklyn, New
25 York.

1 LEFKOWITZ

2 A. Could be someone in my office.
3 Could be an accountant. Could be a law firm.

4 Q. Was that number obtained at the
5 time -- concurrently with the time in July of
6 1999 when the articles of organization of the
7 LLC were filed?

8 A. I believe so.

9 Q. And what's the basis of that
10 belief?

11 A. That's how it usually works.

12 Q. I know that's how it usually works.

13 A. You form a company, you form a tax
14 ID number, and you operate.

15 Q. Did that happen in this instance
16 with regard to this LLC?

17 A. I don't know.

18 Q. Do you recall whether, in the last
19 three years, the LLC obtained an employer
20 identification number, whether it was a new
21 number or its initial number?

22 A. I remember there was a whole to-do
23 in the Bankruptcy Court about Federal ID
24 number.

25 Q. Right. As of that time when there

1 LEFKOWITZ

2 was that to-do, as you called it, did the LLC
3 go about obtaining an employer identification
4 number?

5 A. I don't know "obtaining," but we
6 were clarifying what the number is.

7 Q. Who went about getting that
8 clarification?

9 A. The law firm.

10 Q. Mr. Krinsky's law firm?

11 A. Right.

12 Q. Do you recall what they were able
13 to obtain?

14 A. Don't recall.

15 Q. Do you recall that a new employer
16 identification number was obtained?

17 A. Don't recall.

18 Q. Do you recall whether the LLC ever
19 used an erroneous employer identification
20 number on any document other than the petition
21 that it filed which we marked as Trustee
22 Exhibit 4?

23 A. I wouldn't know.

24 MR. WOLF: Mr. LaRocco, my
25 colleague, is going to ask you a few

1 LEFKOWITZ
2 questions in a distinct area, and then
3 I'll resume my questioning of other areas
4 that I have.

5 THE WITNESS: Off the record.

6 (Discussion off the record.)

7 EXAMINATION BY MR. LaROCCO:

8 Q. Mr. Lefkowitz, did the Debtor
9 entity have any bank accounts in the six years
10 prior to the filing of the Chapter 11 petition?

11 A. I think there was a D.I.P.

12 Q. Prior to filing Chapter 11
13 bankruptcy?

14 A. Yes. I believe so.

15 Q. How many such bank accounts?

16 A. I think one bank account.

17 Q. Where -- with what bank was this
18 account?

19 A. I believe Citibank.

20 Q. And it was just the one bank
21 account with Citibank?

22 A. Right.

23 Q. What was the location of the bank
24 which the Debtor used?

25 A. The lobby of the World Trade

1 LEFKOWITZ

2 Center.

3 Q. Do you recall the account number
4 for that bank account?

5 A. No.

6 Q. Do you retain any documentation
7 regarding that bank account?

8 A. No.

9 Q. Who were the signatories on that
10 bank account?

11 A. I presume it was me.

12 Q. Would there be any other signatory?

13 A. No.

14 Q. Was this account still open at the
15 time the Chapter 11 case was commenced?

16 A. I don't believe so.

17 Q. Do you recall when it was closed?

18 A. 9-11-01.

19 Q. Do you recall what the balance of
20 that account was when it was closed?

21 A. No.

22 Q. Subsequent to 9-11-01, did the
23 Debtor open another bank account?

24 A. Not prior to bankruptcy, no.

25 Q. So between 9-11-01 and the filing

1

LEFKOWITZ

2 of the Chapter 11 bankruptcy in '04, there was
3 no bank account for the Debtor?

4 A. Not to my knowledge.

5 Q. Did the Debtor have any funds
6 during that time between '01 and '04?

7 A. '01? No.

8 Q. You indicated that at the time the
9 Chapter 11 bankruptcy, the Debtor opened a new
10 account?

11 A. I believe so.

12 Q. Was that a debtor-in-possession
13 account?

14 A. I believe so. Yes.

15 Q. Where was that account set up?

16 A. Don't know.

17 Q. You don't recall the name of the
18 bank?

19 A. No.

20 Q. Do you recall the general location
21 of the bank?

22 A. I don't recall. I think it's in
23 the records that we submitted.

24 Q. Was it Astoria Federal Savings?

25 A. Could be.

1 LEFKOWITZ

2 Q. Do you recall offhand the account
3 number for that bank account?

4 A. No.

5 Q. Were there any other bank accounts
6 set up at the time of the Chapter 11 filing on
7 behalf of the Debtor?

8 A. No.

9 MR. LaROCCO: Mark this as Trustee
10 Exhibit 9.

11 (Trustee Exhibit 9 for
12 identification, bank statements submitted
13 by witness's counsel showing bank account
14 for Kolel Mateh Efraim, D.I.P.)

15 Q. I represent that this is bank
16 statements submitted to us by your counsel
17 which show a bank account for Kolel Mateh
18 Efraim, D.I.P. I also represent there's a name
19 of Abraham Steinwurzlel, with the address 1264
20 56th Street.

21 Mr. Lefkowitz, why was Abraham
22 Steinwurzlel's name put on this bank account?

23 A. I don't know.

24 Q. Are you the managing member of the
25 entity that is the owner of this bank account?

1 LEFKOWITZ

2 A. No. I'm the manager of Kolel Match
3 Efraim LLC. I assume that Steinwurzle was
4 asked to open the account.

5 Q. By whom?

6 A. I don't recall the circumstances of
7 the opening of the account in '04, so I don't
8 remember. And I've never seen these statements
9 before.

10 Q. Do you have in your possession the
11 statement of the Debtor's D.I.P. account?

12 A. No.

13 Q. What are the circumstances that
14 would lead you not to have those bank
15 statements?

16 A. They were never mailed to me.

17 Q. So as the managing member of the
18 Debtor, you never had bank statements of the
19 Debtor's bank account mailed to you?

20 A. Correct.

21 Q. Do you have any idea why your
22 counsel would have sent the bank statements for
23 this bank account?

24 A. No.

25 Q. Is it your contention that these

1 LEFKOWITZ

2 statements do not reflect a bank account owned

3 by or associated with the Debtor?

4 A. I have no clue what this is.

5 Exhibit 9?

6 Q. Yes. Take your time.

7 A. I'm seeing it for the first time in

8 my life.

9 Q. I understand that. Please take

10 your time to review it.

11 A. I've reviewed it. Every page of

12 it.

13 Q. So you answered earlier that the

14 Debtor did set up a bank account at the time of

15 the Chapter 11 filing.

16 A. Right.

17 Q. But that you do not have any

18 statements for that.

19 A. Correct.

20 MR. LaROCCO: I'd like to call for

21 the production of those statements.

22 (REQ) Q. Please take the time to review

23 your records and see if you have any statements

24 of the bank account.

25 A. Sure.

1 LEFKOWITZ

2 MR. KRINSKY: I can represent to
3 you it's my understanding these are the
4 statements.

5 Q. With that representation in mind,
6 did you ever ask Abraham Steinwurzle to set up
7 a bank account on behalf of the Debtor entity?

8 A. I don't recall.

9 Q. Has the Debtor entity ever used the
10 name Kolel Match Efraim, as reflected on
11 Trustee Exhibit 9?

12 A. It's used in all the petition
13 documents. DBA. AKA.

14 MR. LaROCCO: I'd like to mark this
15 as Trustee Exhibit 10.

16 (Trustee Exhibit 10 for
17 identification, checks written on the
18 account whose statements are in Trustee's
19 Exhibit 9.)

20 Q. I'll represent that these are
21 checks written on the account of which the
22 statements are in Trustee's Exhibit 9. Please
23 take a moment to look through them.

24 A. Yeah.

25 Q. Have you ever seen any of these

1 LEFKOWITZ

2 checks, to your recollection?

3 A. No.

4 Q. Are you familiar with the payee of
5 the first check on the first page, Frank Smith
6 & Sons?

7 A. No.

8 Q. Are you familiar with the payee on
9 the second check on the first page, Sutton
10 Underground?

11 A. No.

12 Q. Are you familiar with the third
13 payee, Carlebach, as attorney for what looks
14 like Helen-May Holdings?

15 A. Yes.

16 Q. Do you have any understanding of
17 why a check was written from this bank account
18 to Carlebach as attorney for Helen-May on July
19 10th, 2006?

20 A. No.

21 Q. Do you recognize the signature on
22 each of these checks on the first page?

23 A. No.

24 Q. I'm now looking at the first check
25 on the second page of this document, which is

1 LEFKOWITZ

2 payee NCO Financial System. Are you familiar
3 with that entity?

4 A. No.

5 MR. KRINSKY: Note it's a
6 three-page document.

7 Q. I am looking at the signatory --

8 A. Basically it says NYSEG. I know
9 what is that.

10 Q. What is that?

11 A. Utility company in the Meadows.

12 Q. And the signatory on that is NCO
13 Financial System, Inc., as authorized signatory
14 for Kolel Mateh Efraim. NYSEG, my set. Are
15 you familiar with any authorization provided to
16 NCO Financial to write checks?

17 A. No.

18 Q. The next three checks here are also
19 payments to Carlebach as attorney for Helen-May
20 Holdings. Do you have any recollection as to
21 why checks were written from this account to
22 David Carlebach, as attorney for Helen-May
23 Holdings?

24 A. No.

25 Q. Now, looking at the third page, the

1 LEFKOWITZ

2 second check on the third page appears to have
3 been written to A-I-L-E Processing. Are you
4 familiar with that entity?

5 A. I know who Aile Processing is, but
6 I'm not familiar with this transaction.

7 Q. Who is Aile Processing?

8 A. A company that sells chicken.

9 Q. Chicken?

10 A. Yes.

11 Q. And did the Debtor purchase chicken
12 from Aile Processing?

13 A. I have no clue. I'm seeing this
14 for the first time. You ask me who Aile
15 Processing is. I assume it's the chicken
16 company.

17 Q. Did the Debtor ever purchase
18 chicken from Aile Processing?

19 A. Not that I know.

20 Q. How are you familiar with the fact
21 that Aile Processing is a chicken distributor?

22 A. One of the largest chicken
23 companies in New York.

24 Q. I didn't know that. Are you
25 familiar with the payee of the next check,

1 LEFKOWITZ

2 which appears to be ANB Fish Company?

3 A. I know who ANB Fish Company is, but
4 I have no idea what this \$1500 check is.

5 Q. How are you familiar with ANB Fish
6 Company?

7 A. A very famous gefilte fish company.

8 Q. The fourth check on this page,
9 Golden Flow, is the payee. Are you familiar
10 with Golden Flow?

11 A. Yes.

12 Q. Can you tell me who that company
13 is?

14 A. They sell milk.

15 Q. Can you tell me how you've become
16 familiar with the various food distributors
17 that these checks are paid to?

18 A. These are all brand-name. Golden
19 Flow is a milk company. Aile Processing is a
20 chicken company. ANB Fish -- I eat ANB Fish
21 once a week. But I have no idea what these
22 transactions mean.

23 Q. Are any of the businesses you're
24 involved in, do they require food service?

25 A. The business that I'm --

1 LEFKOWITZ

2 Q. Do any of the businesses that you
3 are the manager or Trustee or have any
4 involvement --

5 A. Other than the Debtor?

6 Q. Including the Debtor.

7 A. The Debtor had something to do with
8 food. It operated some operations over there
9 in the Meadows which needed food.

10 Q. Do you believe that these checks
11 were used for that purpose -- I'm sorry.

12 Excuse me. Strike that question.

13 Do you believe that the checks in
14 Exhibit 10 to these food service companies were
15 made for the food services in the Meadows
16 property?

17 A. I have no clue what these checks
18 are.

19 Q. The Debtor's bank account set up on
20 the Chapter 11 filing, did the Debtor continue
21 to retain that account after the case was
22 converted to a Chapter 7 in October of '07?

23 A. I don't know.

24 Q. And you don't recall where that
25 checking account was set up?

1 LEFKOWITZ

2 A. No.

3 Q. Or -- I'm sorry. Where the account
4 was set up.

5 I'm going to read a series of bank
6 account numbers from Astoria Federal Savings
7 Bank. Please indicate after each one whether
8 you recognize the account.

9 A. I can help you out. I have no
10 relationship with any account in Astoria
11 Federal Savings Bank. You can go through the
12 numbers. They mean nothing to me.

13 MR. KRINSKY: Why don't you let him
14 ask the question.

15 Q. To your knowledge, you have no
16 affiliation with any bank account with Astoria
17 Federal Savings Bank?

18 A. Correct.

19 Q. Is Abraham Steinwurzlel a signatory
20 on the Debtor's D.I.P. account?

21 A. Don't know.

22 Q. Do you know who set up the Debtor's
23 D.I.P. account?

24 A. I don't recall the circumstances.

25 Q. You're the managing member of the

1 LEFKOWITZ

2 Debtor?

3 A. Correct.

4 Q. You do not know who is the
5 signatory to the Debtor's bank accounts?

6 A. Correct. Could be I am. I don't
7 know.

8 Q. Could be --

9 A. Could be I'm signatory. Could be
10 I'm not.

11 Q. If you were not signatory to the
12 Debtor's bank accounts, who would be?

13 A. The records would reflect it. It
14 wasn't an active account. No major funds ran
15 through these accounts. I don't know.

16 Q. To your knowledge is Rabbi Abraham
17 Steinwurzle a signatory on the Debtor's bank
18 account?

19 A. I don't know.

20 Q. To your knowledge, are there any
21 funds left in any accounts of the Debtor?

22 A. Not to my knowledge.

23 Q. And to your knowledge, there's
24 currently only one bank account associated with
25 the Debtor entity?

1 LEFKOWITZ

2 A. I remember when we filed for
3 bankruptcy that the lawyers asked us to open up
4 a D.I.P. account. A D.I.P. account was opened.
5 I don't believe there is any money in that
6 account. I don't believe any money went into
7 that account. I don't know if there's any
8 money left in that account. If there is, it's
9 minute.

10 Q. And you're not aware of any other
11 accounts?

12 A. Correct.

13 EXAMINATION CONTINUED BY MR. WOLF:

14 Q. Let me make a suggestion, Mr.
15 Lefkowitz. I understood what you were just
16 saying in your last two answers. You mentioned
17 that the attorneys for the named Debtor entity
18 advised that a debtor-in-possession account
19 should be set up; is that correct?

20 A. Correct.

21 Q. When you received that advice, did
22 you instruct someone to set up such an account
23 with someone other than you as the authorized
24 signatory?

25 A. I don't recall the circumstances.

1 LEFKOWITZ

2 Q. Did Rabbi Steinwurzle discuss with
3 you at any point in time who should be the
4 signatories to the debtor-in-possession
5 account?

6 A. Don't recall that.

7 Q. You also said just a little while
8 ago in one of your answers that you're not
9 aware of any money running through a
10 debtor-in-possession account.

11 A. I said major money.

12 Q. Okay. You do acknowledge, do you
13 not, that the checks that we see here reflected
14 in Trustee Exhibit 10 were disbursements made
15 by check out of that opened
16 debtor-in-possession account; right?

17 A. Correct, which I call minor monies.

18 Q. But there were certain monies that
19 did flow through the debtor-in-possession
20 account.

21 A. This account. Right.

22 Q. And what was the source of those
23 monies?

24 A. No clue.

25 Q. Did you individually put any money

1 LEFKOWITZ

2 or deposit any money into the
3 debtor-in-possession account?

4 A. Me, personally, no. I think I
5 remember Maskil el-Dal advanced some money to
6 Debtor.

7 Q. Was it deposit or deposits into the
8 debtor-in-possession account?

9 A. I don't know if deposits or wires
10 or transfers.

11 Q. Do you recall approximately how
12 much Maskil el-Dal, in total, caused to be
13 deposited into the debtor-in-possession account
14 from the beginning of that account until that
15 account ceased to operate or function?

16 A. No. Don't recall.

17 MR. WOLF: Off the record.

18 (Discussion off the record.)

19 MR. WOLF: Exhibit 11.

20 (Trustee Exhibit 11 for
21 identification, one-page document,
22 "Corporate Resolution," Kolel Mateh
23 Efraim D.I.P.)

24 Q. Mr. Lefkowitz, you've been shown
25 now what has been marked as Trustee Exhibit 11.

1 LEFKOWITZ

2 It's a one-page document labeled "Corporate
3 Resolution." The name of the entity listed is
4 Kolel Mateh Efraim D.I.P.

5 Have you ever seen an original or
6 copy of this document before?

7 A. No.

8 Q. Okay. Are you aware that at some
9 point in time there was a signed corporate
10 resolution of the debtor-in-possession given to
11 Astoria Federal Savings in order to set up the
12 debtor-in-possession account?

13 A. No.

14 Q. Do you recognize the address listed
15 under the debtor-in-possession entity to be
16 that of Rabbi Steinwurzle, his home address?

17 A. Correct.

18 Q. 1264 56th Street, Brooklyn, New
19 York?

20 A. Yes.

21 Q. Do you recognize Rabbi
22 Steinwurzle's signature on this document?

23 A. No.

24 Q. Do you have any reason to believe
25 that the person who signed this document is

1 LEFKOWITZ

2 anyone other than Rabbi Steinwurzel?

3 A. I don't know. I don't know either
4 way. I also notice that, you know, D.I.P. was
5 written into it. I don't know when it was
6 written into it. It's definitely not a
7 debtor-in-possession.

8 Q. I'm sorry. What are you referring
9 to?

10 A. It's not the original LLC.

11 Q. You mean it's not --

12 A. I don't know. It doesn't have all
13 the names listed and the bankruptcy --

14 Q. All the names listed as the Debtor
15 entity in the case we're now taking this
16 examination in?

17 A. Right.

18 Q. Right. And that's true, also, on
19 these checks that we saw marked as Trustee
20 Exhibit 10; correct?

21 A. I don't have Exhibit 10.

22 Correct.

23 Q. But do you know if there was any --

24 A. I don't know either way.

25 Q. Let me finish. Do you know if

1 LEFKOWITZ

2 there was any debtor-in-possession bank account
3 set up other than what appears to be the
4 debtor-in-possession account whose checks are
5 included in Trustee Exhibit 10?

6 A. I don't know.

7 Q. When the LLC was first organized in
8 July of 1999, was it provided with any working
9 monetary capital?

10 A. Don't recall.

11 Q. Who made the lease payments under
12 that lease that we tentatively marked as
13 Trustee Exhibit 7?

14 A. Mateh Ephraim.

15 Q. The LLC entity I've been referring
16 to?

17 A. Correct.

18 Q. Where did the LLC get the funds to
19 make those rent payments?

20 A. I don't recall how it got funded.
21 Probably myself.

22 Q. You, individually?

23 A. Correct.

24 Q. Do you remember what the monthly
25 rent payments were?

1 LEFKOWITZ

2 A. No.

3 Q. Were there other times between the
4 time of its formation and the time that it
5 filed its Chapter 11 petition that the LLC
6 received funds?

7 MR. KRINSKY: Could you read that
8 back?

9 (The pending question was read
10 back.)

11 A. Which time was that, again?

12 Q. From the time of its inception in
13 July of 1999 until it filed its petition. I
14 believe the date on the LLC's petition --

15 A. '04. Sometime in '04.

16 Q. Yes. Sometime in '04. I don't
17 seem to have the date here. That's the period
18 of time.

19 A. The last time it had a bank account
20 was 9-11-01.

21 Q. You misunderstood my question.

22 (A conference was held between the
23 witness and his attorney.)

24 Q. Talking about capitalization of the
25 LLC. You mentioned at its inception you

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LEFKOWITZ

2 believe that you probably gave it some funds of
3 your own.

4 A. And then in '04 I caused a lot of
5 funds to be lent to the entity.

6 Q. By whom?

7 A. Myself.

8 Q. You, individually?

9 A. No. I was the one that caused
10 lending money to Match Ephraim.

11 Q. Who actually lent the money?

12 A. Maskil el-Dal.

13 Q. Do you recall how much over that
14 period of time in the total was lent to the LLC
15 by Maskil el-Dal?

16 A. 1.5, \$1.6 million.

17 Q. And were those loans? Or were they
18 capital contributions?

19 A. Loans.

20 Q. And do you recall approximately how
21 many such loans there were?

22 A. As-needed basis.

23 Q. And each time a loan from Maskil
24 el-Dal to the LLC was made, did the LLC give a
25 promissory note to Maskil el-Dal?

1 LEFKOWITZ

2 A. No.

3 Q. Did it ever do so?

4 A. No.

5 Q. Were there ever any written loan
6 agreements between Maskil el-Dal and the LLC?

7 A. Not that I recall.

8 Q. Did the LLC ever pledge any assets
9 in writing to Maskil el-Dal?

10 A. Not that I recall.

11 Q. Did it ever give a signed security
12 agreement or signed collateral agreement to
13 Maskil el-Dal?

14 A. Don't know.

15 MR. WOLF: I'm about to get into a
16 new area. I think now might be a good
17 break time.

18 (Discussion off the record.)

19 (The luncheon recess was taken at
20 1:00 a.m.)

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A F T E R N O O N S E S S I O N .

2:10 p.m.

EXAMINATION RESUMED BY MR. WOLF:

Q. One follow-up question to this morning's session. With regard to the bank account that the Debtor had at Citibank at the branch in One World Trade Center, you said once 9/11 occurred, that was the end of that account.

I realize the branch no longer, unfortunately, existed, but the account would have still been in existence. Citibank obviously continued to operate. So --

A. It was shut down altogether.

Q. Didn't the account itself still continue in existence beyond 9/11?

A. I had a bunch of accounts with Citibank at the time, and we were fighting over records and what not. I remember post-9/11 I shut down all my accounts there.

Q. I'm sorry. You said fighting about records?

A. Yeah.

Q. With Citibank?

1 LEFKOWITZ

2 A. Yeah.

3 Q. What was the fight about?

4 A. I don't remember exactly what it
5 was, but I had a dispute with Citibank over
6 accounts records.

7 Q. Were you contending that there was
8 not as much being shown in your account --

9 A. There were deposits on that day
10 that didn't reflect.

11 Q. On which day?

12 A. 9/11.

13 Q. Did that -- how much were those
14 deposits?

15 A. I don't remember. Not just in the
16 Debtor. It was my other accounts.

17 Q. Do you recall whether or not, as
18 far as the Debtor's account was concerned, that
19 issue got rectified?

20 A. Yeah. I think so.

21 Q. And what happened -- so there was
22 money recredited to the Debtor under that
23 account?

24 A. I don't remember exactly what
25 happened, but I remember the accounts got

1 LEFKOWITZ

2 closed and I didn't do business with Citibank
3 again. I didn't open any new accounts.

4 Q. Do you have any records of the
5 Debtor with regard to the ultimate closing of
6 that Citibank account?

7 A. No.

8 Q. Let's talk about the Meadows
9 property. How did you first become aware of
10 that property?

11 A. Through a broker.

12 Q. And who was that broker?

13 A. That broker was -- I forgot his
14 name. Who was that broker? I don't recall the
15 name. But I remember I paid him a commission.
16 That, I do remember.

17 Q. His name wasn't Chaim Lefkowitz,
18 was it?

19 A. No. Chaim introduced me to that
20 broker.

21 Q. Is Chaim a broker?

22 A. He's my brother.

23 Q. Is he a licensed real estate
24 broker, your brother?

25 A. I don't know.

1 LEFKOWITZ

2 Q. So he introduced you to the broker
3 whose name you can't remember who introduced
4 you to the Meadows property?

5 A. Correct.

6 Q. And approximately when was that?

7 A. That was in the winter of '04.

8 Winter of '04? Summer '03 -- winter '03.

9 Winter '03. Summer '03/winter '04.

10 Q. Either late 2003 or early 2004?

11 A. Right.

12 Q. Did you go up to view the property?

13 A. Yes.

14 Q. Did you put a bid in on the
15 property?

16 A. No.

17 Q. Did anyone on your behalf put in a
18 bid for that property?

19 A. No.

20 Q. At some point an individual named
21 Aron --

22 A. Aron.

23 Q. -- A-R-O-N, Fixler entered into a
24 contract with the owner of that property,
25 Helen-May Holdings, LLC. I'll refer to that

1 LEFKOWITZ

2 entity as Helen-May.

3 (Discussion off the record.)

4 Q. Aron Fixler entered into a contract
5 with Helen-May for the Meadows property. Did
6 you know Aron Fixler at the time?

7 A. Yes.

8 Q. How did you know him?

9 A. We grew up together.

10 Q. Did the two of you grow up together
11 in Borough Park?

12 A. No.

13 Q. Where?

14 A. In Williamsburg.

15 Q. Williamsburg, Brooklyn.

16 A. Right.

17 Q. And were you aware that Aron Fixler
18 was going to be entering into the contract to
19 buy the Meadows property?

20 A. No. When I got to know the whole
21 gang, he was in contract already.

22 Q. Oh. So when you were introduced to
23 this property, he had already entered into a
24 contract?

25 A. Right. He was in the contract

1 LEFKOWITZ

2 already.

3 Q. When you say he was in the
4 contract, he'd signed it already?

5 A. Yeah.

6 MR. WOLF: Let's mark the contract.

7 (Trustee Exhibit 12 for
8 identification, copy of contract,
9 4-27-04, between Helen-May as seller and
10 Aron Fixler as purchaser.)

11 (Discussion off the record.)

12 Q. Mr. Lefkowitz, you now have in
13 front of you what has been marked as Trustee
14 Exhibit 12 and appears to be a copy of the
15 contract bearing a date of April 27, 2004
16 between Helen-May as seller and Aron Fixler as
17 purchaser. You've seen a copy of that contract
18 before?

19 A. Yes.

20 Q. When for the first time did you see
21 a copy of that contract?

22 A. When the assignment was negotiated.

23 Q. The assignment of Mr. Fixler's
24 position as purchaser?

25 A. Correct.

1 LEFKOWITZ

2 Q. And now that you see the date on
3 this contract, April 27, 2004, can you tell me
4 whether the broker who introduced you to the
5 Meadows property did so prior to April 27, 2004
6 or after April 27, 2004?

7 A. It was after.

8 Q. Okay. And did he indicate to you
9 that Aron Fixler was looking to assign his
10 interest as purchaser on that contract?

11 A. Actually, I was introduced to go
12 partners with Fixler.

13 Q. After Fixler had signed the
14 contract?

15 A. Right.

16 Q. And did you have any negotiations
17 to become Fixler's partner?

18 A. I sat down with him and ultimately
19 I agreed to take it over.

20 Q. Was there a written -- I'm going to
21 show you in a few minutes the short one-page
22 assignment of his rights. But putting that
23 document aside, was there an actual written
24 agreement between you and Fixler or between
25 someone on your behalf and Fixler agreeing to

1 LEFKOWITZ

2 purchase his rights under the contract?

3 A. There was no other document that I
4 know of other than what's in the record of the
5 case.

6 Q. A record --

7 A. In the record of the case. It was
8 submitted all kinds of records, in the subject
9 litigation.

10 Q. Did you or someone on your behalf
11 pay something to Fixler to get an assignment of
12 the contract?

13 A. I paid -- I basically paid by
14 replacing his deposit money.

15 Q. How much had he deposited?

16 A. I think \$140,000.

17 Q. So you caused a new \$140,000 to be
18 delivered on your behalf to Helen-May in
19 substitution for his \$140,000 deposit?

20 A. Not to Helen-May. To Fixler.

21 Q. You gave the \$140,000 to Fixler?

22 A. Right. Fixler gave \$140,000 to
23 Helen-May and I gave 140,000 to Fixler.

24 Q. I understand that. And he then
25 assigned the contract.

1 LEFKOWITZ

2 A. Right.

3 Q. Are you telling me he didn't make a
4 cent on the assignment?

5 A. Not didn't he make a cent, but he
6 lost some money, probably, in legal fees. And
7 I also paid the broker that introduced him to
8 Helen-May. So I took over that obligation and
9 I took -- and I saved his deposit.

10 Q. Why didn't Fixler proceed to pursue
11 the contract, to close on the contract himself
12 or with you as a partner?

13 A. Himself, he couldn't get financing
14 to close.

15 Q. Right.

16 A. So he came to me for money. And I
17 didn't find a reason to become his partner. So
18 I told him, "Listen. You don't have money to
19 close. You don't have anything to contribute
20 to the partnership. I'm offering to take you
21 out of it."

22 Q. And he said okay.

23 A. He said okay.

24 Q. Did Fixler have an attorney
25 representing him?

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LEFKOWITZ

2

A. Michael Halberstam.

3

(Discussion off the record.)

4

Q. Were you represented by an

5

attorney?

6

A. No.

7

Q. You did it on your own?

8

A. Yes.

9

Q. At the time that he assigned the

10

contract, what business was Fixler in?

11

A. I think he's in the clothing

12

business. I think so.

13

Q. Do you know if, at the time, he

14

owned any real estate?

15

A. No idea.

16

Q. And why were you interested in the

17

property?

18

A. I was looking to do a development

19

upstate.

20

Q. What type of development?

21

A. Second home residential

22

development.

23

Q. And so you were thinking of doing

24

that on the Meadows property?

25

A. Correct.

1 LEFKOWITZ

2 Q. Were you going to make use of the
3 existing structures on the Meadows property for
4 that purpose?

5 A. No.

6 Q. Were you considering tearing down
7 those existing structures?

8 A. The existing structures are sitting
9 on maybe three acres of land. I was looking
10 more to the acreage of the parcel than the
11 structures.

12 MR. WOLF: Would you read that
13 back?

14 (The preceding answer was read
15 back.)

16 Q. You mean the overall acreage.

17 A. Yes.

18 Q. And what were you looking to do:
19 Build freestanding residential units? Or
20 connected townhouse-type units?

21 A. No. One-family homes.

22 Q. And were you anticipating these
23 would be used as second homes by families
24 primarily in the summer?

25 A. It's winterized homes being used as

1 LEFKOWITZ

2 a secondary home.

3 Q. So they could be used all year
4 around.

5 A. Right.

6 Q. And did you, before the assignment
7 was made by Fixler, do any or cause anyone to
8 do any studies or plans of what such a
9 second-family home residential development
10 would look like?

11 A. Yes.

12 Q. Who did you use for that purpose?

13 A. Well, it was myself. Before I did
14 the deal I met with the owners and sat in the
15 owners' office. Went through plans. Took
16 along my contractor who I've built other sites
17 with. We studied the site, the plans, the
18 zoning. And we made our conclusions.

19 Q. What contractor was that?

20 A. Catskill Vacation Home Builders.

21 Q. Are they located in the Catskill
22 area?

23 A. Yes.

24 Q. You said you had worked with that
25 contractor to build other developments. Other

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LEFKOWITZ

2 developments in the Catskill region?

3 A. Correct.

4 Q. How many such developments?

5 A. Two.

6 Q. Where are they located?

7 A. In Fallsburg.

8 Q. Both in Fallsburg?

9 A. Yes.

10 Q. Fallsburg proper? Or South

11 Fallsburg?

12 A. Fallsburg.

13 Q. Were they on the sites of former

14 resorts in the Catskills?

15 A. Everything in the Catskills is
16 former resorts, especially these size of sites.

17 Q. I'm sorry --

18 A. Same size of parcels.

19 Q. And are there names to these two

20 sites?

21 A. Yes.

22 Q. What are they?

23 A. One is called Twin Oaks and one is
24 called Lake Forest.

25 Q. And how many units does Twin Oaks

1 LEFKOWITZ

2 have?

3 A. Twin Oaks has 86.

4 Q. And the other?

5 A. The other has 142.

6 Q. And when was Twin Oaks built?

7 A. Twin Oaks was built in 1999.

8 Q. And -- I'm sorry. The other is --

9 what's the name?

10 A. Lake Forest.

11 Q. Lake Forest. When was that built?

12 A. We started in '00. We completed it
13 in '03.

14 Q. And did you build Twin Oaks -- who
15 owned the property of Twin Oaks when the
16 residential development -- when you were first
17 starting the residential development, to build
18 it?

19 A. Who I bought it from?

20 Q. No. In what name did you buy it?

21 A. Oh. I think it was in Barclay

22 Dwyer.

23 Q. And what about Lake Forest?

24 A. Same.

25 Q. Barclay Dwyer. Does Barclay Dwyer

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LEFKOWITZ

2 own any units at the present time up there?

3 A. No.

4 Q. Are those units owned as

5 condominiums?

6 A. Condominiums.

7 Q. So each of the units has been sold.

8 A. Yes.

9 (Discussion off the record.)

10 THE WITNESS: Back to Fixler.

11 Q. Well, sort of. On the assignment,

12 to which entity were Fixler's purchase rights

13 in the Meadows property assigned to?

14 A. Supposed to be assigned to Mateh

15 Efraim LLC.

16 Q. The LLC we've been talking about

17 earlier today?

18 A. Correct.

19 Q. The LLC that is a named Debtor in

20 this bankruptcy case?

21 A. Correct.

22 Q. You say it was supposed to be. Are

23 you indicating that that's not what happened?

24 A. No.

25 Q. I'm sorry. No, that's not what

1 LEFKOWITZ

2 happened?

3 A. Right.

4 Q. We've got to watch our double
5 negatives, you and me both.

6 So to whom was Fixler's contract
7 rights assigned?

8 A. I was negotiating the assignment.
9 I was sitting in Halberstam's office. I wrote
10 a check. I had to leave. I was there with
11 Steinwurzle. Steinwurzle signed it and wrote
12 Kolel Mateh Efraim, but it should have been
13 Mateh Efraim, LLC.

14 Q. When you said he wrote Kolel,
15 you're talking about Kolel Mateh Efraim; is
16 that correct?

17 A. Yes.

18 MR. KRINSKY: I think he said
19 Steinwurzle was there.

20 Q. Steinwurzle signed it?

21 A. Yes.

22 Why was Steinwurzle there?

23 Q. That wasn't going to be my next
24 question, but go ahead. Answer the question.

25 A. Because I was looking to carry the

1 LEFKOWITZ
2 property until development, so I was speaking
3 to him whether he can occupy the property in
4 the interim. And there was this long marathon
5 negotiation, and I left him there. I said,
6 "Here's a check. Make sure it gets assigned
7 over and we'll deal with it afterwards."

8 Q. It's your understanding that he
9 signed the assignment instrument?

10 A. Right.

11 (Trustee Exhibit 13 for
12 identification, assignment instrument.)

13 A. Yeah.

14 MR. KRINSKY: Wait till there's a
15 question pending.

16 Q. You have in front of you Trustee
17 Exhibit 13?

18 A. Right.

19 Q. Do you recognize that document?

20 A. Yep.

21 Q. Is that the assignment instrument
22 you were just referring to?

23 A. Yep.

24 Q. And Rabbi Steinwurzle signed that
25 instrument?

1 LEFKOWITZ

2 A. Right.

3 Q. So you say that the incorrect
4 entity name, incorrect entity, was typed below
5 the signature line?

6 A. Correct.

7 Q. At some point in time did you or
8 Rabbi Steinwurzel rectify that error?

9 A. There were discussions about it,
10 but I don't know if there were letters going
11 back and forth with Halberstam. I remember
12 discussions about it.

13 Q. Do you know if there was ever a new
14 assignment instrument executed that made clear
15 that Fixler was assigning the purchase rights
16 under the contract to the entity Match Ephraim
17 LLC?

18 A. I remember there was such
19 discussion. Could be there was some letters
20 back and forth.

21 Q. Have you ever seen such a document?

22 A. "Document" meaning a rectifying
23 document?

24 Q. Correct.

25 A. I've got to go through the letters

1 LEFKOWITZ

2 between Scher and Halberstam. There could be
3 something in the correspondence.

4 (REQ) MR. WOLF: I request production of
5 that correspondence.

6 A. I think we did that. Something in
7 the Scher and Halberstam.

8 (REQ) Q. I make a request on the record for
9 any documentation you have, whether it was
10 between Mrs. Scher and Halberstam or otherwise,
11 that was with regard to rectifying what you've
12 indicated was an error in the entity to whom
13 Fixler's rights were assigned.

14 MR. KRINSKY: I think there may
15 have been one other request already. I
16 can't remember. I suggest there will be
17 more requests. I assume you'll
18 memorialize in a letter?

19 MR. WOLF: We will.

20 (Discussion off the record.)

21 Q. The check that was delivered to
22 Fixler in connection with this assignment was
23 in what amount?

24 A. I recall \$140,000.

25 Q. On whose account was that check

1 LEFKOWITZ

2 drawn?

3 A. Maskil el-Dal.

4 Q. Once this assignment document,
5 Trustee 13, was executed, was someone at
6 Helen-May notified of the assignment?

7 A. I think so.

8 Q. And do you know who notified whom
9 in that regard?

10 A. Halberstam to Scher. I think there
11 was even consent. There was some consent
12 required.

13 Q. Do you recall seeing a consent
14 document in writing?

15 A. I recall something about consent,
16 yes.

17 (REQ) MR. WOLF: Requesting also
18 production of whatever consent there was.

19 THE WITNESS: I think all those
20 documents have been produced to you.

21 Q. We will take another look. Off the
22 top of my head, I'm not remembering seeing such
23 a document.

24 A. Okay.

25 (Trustee Exhibit 14 for

1 LEFKOWITZ

2 identification, copy of fronts and backs
3 of various checks.)

4 Q. I'm focusing on the top check of
5 the first page at the present time. Exhibit 14
6 is a copy of a bunch of fronts and backs of
7 various checks. My only question is, focusing
8 right now, Mr. Lefkowitz, on the top check on
9 the first page of Trustee Exhibit 14, it's
10 drawn on the account of Maskil el-Dal, and it's
11 dated 5-19-04, which would appear to be the day
12 after the date of the assignment by Fixler.

13 It's a check made out to Michael J.
14 Halberstam, Esq., in the amount of \$135,000.
15 And in the lower left corner in the memo
16 section there is handwritten "Loan to Kolliel
17 Mateh Efraim on camp contract."

18 First of all, whose handwriting is
19 on this check?

20 A. Looks like mine.

21 Q. Is that your signature on the
22 check?

23 A. Yeah.

24 Q. I'm sorry?

25 A. Yes, sir.

1 LEFKOWITZ

2 (Discussion off the record.)

3 Q. What did this \$135,000 represent?

4 A. I don't know. I really don't.

5 What's the date of the assignment?

6 MR. KRINSKY: The day before.

7 Q. May 18th, 2004. The day before.

8 Isn't this -- I'm assuming the \$135,000 was
9 going towards the equivalent of the security
10 deposit that you said, before, Fixler had given
11 to Helen-May as a down payment under the
12 contract.

13 A. But he had 140, not 135. Let me
14 just check this.

15 Q. Okay.

16 A. I don't see his deposit. My
17 assumption would be 10 percent deposit. I
18 don't know what -- this calls for a \$49,000
19 deposit, so I don't know what it is.

20 Q. Where do you see reference to a
21 \$49,000 deposit?

22 A. At the signature page of the
23 contract. "The undersigned escrowee hereby
24 acknowledges receipt of \$49,000 by check
25 subject to collection, held in escrow by Dan

1 LEFKOWITZ

2 Scher."

3 MR. KRINSKY: If I can refresh his
4 recollection.

5 MR. WOLF: If you want to go off
6 the record and say something with all of
7 us present, that's fine.

8 (A conference was held between the
9 witness and his attorney.)

10 (Discussion off the record.)

11 Q. You don't know. Okay. The second
12 check on this first page, also that of Maskil
13 el-Dal, is dated May 20, 2004. "Pay to the
14 order of Cong. Nyiregyhaz," \$75,000."

15 Does "Cong." stand for
16 "congregation"?

17 A. I don't know.

18 Q. Is that your signature at the lower
19 right-hand corner of the check?

20 A. Yeah.

21 Q. Who would have typed in the content
22 on this check?

23 A. Must have been someone in my
24 office. I don't know how to type.

25 Q. The memo at the bottom says, "Loan

1 LEFKOWITZ

2 to Kolel Mateh Efraim, camp contract, payment

3 to CS" -- all that's visible is "Lefko."

4 A. I think this is the commission. I

5 assume this is the commission payment between

6 Fixler and --

7 Q. Is "CS" the initials of your

8 brother Chaim Lefkowitz?

9 A. Chaim. Could be. I don't know.

10 Q. Does he have a middle name?

11 A. No. He's known by "Chaim." I know

12 he was involved in introducing the contract.

13 It could be he was the one that transferred

14 that check over to the commission guy. I

15 remember it being a \$75,000 commission payment.

16 Q. Do you know how you pronounce the

17 name that starts with "N" on this check?

18 A. No.

19 Q. Are you familiar with a Jewish

20 congregation that is known by that name?

21 A. No.

22 Q. Do you recall why a payment you say

23 appears to be made for broker's commission

24 would have been made payable to what appears to

25 be a congregation?

1 LEFKOWITZ

2 A. I think there was something about
3 keeping it in escrow until they agreed. I
4 don't recall. I remember it was a \$75,000
5 payment. I didn't want to pay directly to the
6 broker because I didn't have an agreement with
7 the broker. There was some third party
8 involved with holding this \$75,000.

9 Q. Your brother Chaim at the time, May
10 of 2004, where did he reside?

11 A. 2004? I don't recall.

12 Q. Was it within New York State?

13 A. Yeah.

14 Q. Was it within Brooklyn?

15 A. I think so. Yeah.

16 Q. What shul did he belong to?

17 A. I've said --

18 (Discussion off the record.)

19 A. We don't live in the same
20 community. I wouldn't know where he belongs.

21 Q. Where did you belong at the time?

22 A. Hiechel Hatitleh

23 Q. Is that a Hasidic congregation
24 located in Borough Park?

25 A. Again, you touched a nerve.

1 LEFKOWITZ

2 Q. I'm sorry.

3 A. The word "Hasidic" -- it's an
4 Orthodox congregation.

5 Q. Okay. And you don't recall what
6 congregation your brother belonged to at that
7 time?

8 A. No.

9 Q. But it wasn't yours.

10 A. No.

11 Q. At some point in time there was an
12 occupancy agreement entered into with Helen-May
13 with regard to the Meadows property; is that
14 correct?

15 A. Yeah.

16 Q. Was that shortly after, meaning
17 within two weeks or so, after the assignment of
18 the contract from Fixler to that Kolliel Efraim
19 entity we saw on the document?

20 A. The dates will probably speak for
21 themselves.

22 Q. Let me ask you that. Was the
23 concept of an occupancy agreement negotiated
24 subsequent to the assignment?

25 A. Yes.

1 LEFKOWITZ

2 Q. And how did that occupancy
3 agreement come about? What led to the
4 discussions about that concept?

5 A. I remember I sat down with the
6 owners, with Helen-May --

7 Q. Was that Irene and Paul Griffin?

8 A. Yeah. Paul Manley.

9 Q. Okay.

10 A. And I told them that this property
11 needs a lot of -- needs a lot of help, and we
12 can't let it just sit and rot away. I have a
13 camp that's willing to occupy it and they'll
14 throw some maintenance in and bring it back to
15 its condition. By the time it's closed, I'll
16 have on what to close.

17 Q. And what did he say?

18 A. He said, "Okay. We'll have an
19 occupancy agreement."

20 MR. KRINSKY: Can we take a
21 two-minute break?

22 MR. WOLF: Can I finish this
23 thought?

24 MR. KRINSKY: I thought you were
25 going to start a whole round of new --

1 LEFKOWITZ

2 MR. WOLF: Just one question.

3 Q. You said, just before, you told
4 Griffin that you had a camp. What camp were
5 you referring to?

6 A. Match Efraim camp.

7 Q. Was that a camp already in
8 existence?

9 A. No.

10 Q. That was a camp, then, that was
11 going to be set up?

12 A. Yes.

13 Q. And who was going to set it up?

14 A. Steinwurzlel.

15 Q. Had he operated any camps up in the
16 Catskill region previously?

17 A. Not that I know of.

18 Q. And you had already spoken to Rabbi
19 Steinwurzlel about the concept of having a camp
20 up at the Meadows property?

21 A. Yes.

22 Q. Did Rabbi Steinwurzlel hold any
23 license or licenses that permitted him to
24 operate a camp?

25 A. Don't know.

1 LEFKOWITZ

2 Q. Did he ever?

3 A. I don't know.

4 Q. Is it your understanding that that
5 was a New York State requirement, that the
6 operator of the camp needed to be licensed by
7 some agency of the State of New York in order
8 to operate the camp?

9 A. No big deal. Any individual can go
10 into the Health Department and get a license to
11 operate a camp.

12 Q. Did someone do that in connection
13 with this camp?

14 A. I don't know.

15 Q. You left that for Rabbi Steinwurzel
16 to take care of?

17 A. Exactly.

18 Q. You had the contract rights -- your
19 entity -- you contend it was your entity was
20 now the purchaser, prospective purchaser, with
21 a contract vendee, I should call it, under this
22 contract. Weren't you concerned about whether
23 or not the property was going to be operated in
24 a lawful manner?

25 A. Yes. I gave it to a responsible

1 LEFKOWITZ

2 person to do it.

3 MR. WOLF: Do you want to take a
4 two-minute break?

5 MR. KRINSKY: Sure.

6 (A brief recess was taken.)

7 Q. Before we get to Trustee Exhibit
8 15, let me ask you this. You mentioned you had
9 a contractor lined up with regard to the
10 Meadows property. Did you also -- were there
11 any other consultants or professionals you had
12 retained at or around the time of the
13 assignment in connection with the development
14 you contemplated doing there?

15 A. I remember we had an engineer out
16 there.

17 Q. Who was that?

18 A. A guy from Woodrich. Adler.

19 Q. A-D-L-E-R?

20 A. Correct.

21 Q. Woodrich. Which state?

22 A. New York.

23 Q. Where is Woodrich, New York?

24 A. In the Catskills.

25 Q. Anybody else? Any other

1 LEFKOWITZ

2 professionals?

3 A. We hired a surveyor, but the survey
4 came in much later.

5 Q. Who was the surveyor?

6 A. The surveyor was Eustin & Horowitz.

7 Q. And when did his survey come in?

8 A. A few months later.

9 Q. Did you have an appraiser?

10 A. We did an appraisal. I think we
11 had an appraisal twice.

12 Q. When for the first time was it
13 appraised?

14 A. It was appraised -- wait a second.
15 No. There was an appraisal done on the
16 property, done by the Griffins, that we
17 updated. We paid for the update. When we
18 bought the two other parcels, we hired an
19 appraiser to incorporate all parcels.

20 Q. All three?

21 A. Yes. Yes.

22 Q. Was it the same appraiser who did
23 the upgrade in all three?

24 A. I don't think so. No.

25 Q. When was the updated appraisal of

1 LEFKOWITZ

2 the Griffins or Helen-May done?

3 A. I don't recall.

4 Q. Was it after the assignment?

5 A. I believe so. I was shown an
6 appraisal before the assignment. This was
7 marketed to me by the Griffins. Fixler had no
8 clue what he bought. He had no idea what this
9 property was. So the Griffins made me the
10 sales pitch. Took me out to the property.
11 Showed me the appraisal and survey. They
12 showed me all kinds of plans and sewer systems
13 and acreages and zonings and what not. So I
14 took a whole packet of documents from their
15 office, went to the assignment, and then I
16 dealt with those professionals.

17 Q. Do you recall what value the
18 appraisal they showed you indicated the Meadows
19 plot had?

20 A. I remember like a million-five, a
21 million-six.

22 Q. At some point was there an
23 appraisal -- or did you see an appraisal done
24 of the Meadows property by someone named Harold
25 Roder?

1 LEFKOWITZ

2 A. Yes. He's the one that we hired
3 after -- when all three parcels were --

4 Q. Did he come up with an appraised
5 value?

6 A. Yes.

7 Q. What was that value?

8 A. I think it was much higher than the
9 original appraisal.

10 Q. Than the one the Griffins had
11 showed you?

12 A. Yes.

13 Q. What was the value that Roder
14 showed for the Meadows property?

15 A. Like \$3 million, I think.

16 Q. And then you say he also appraised
17 the two parcels that the Debtor bought
18 outright?

19 A. Well, it was including.

20 Q. So Roder's appraisal had an
21 appraised value of in excess of three million
22 for the three parcels in the aggregate?

23 A. Right.

24 MR. KRINSKY: I think his testimony
25 is that he thinks it was --

1 LEFKOWITZ

2 A. I remember -- we were under the
3 belief that it was 77 acres. So was Roder
4 under the belief that it was 77 acres. And
5 then we added 11 or 13 acres of the other
6 parcel. So we had a total of something like
7 80-and-change acres. Based on that, he wrote
8 up his appraisal. But all of that is
9 erroneous.

10 Q. Well, when did Roder do this
11 appraisal?

12 A. As I said, I believe after we
13 purchased the other two parcels.

14 Q. Where is Roder from?

15 A. Also upstate.

16 Q. In the Catskills area?

17 A. Maybe in Middletown.

18 Q. Do you know how many times he went
19 up to the properties in order to do his
20 appraisal?

21 A. No.

22 Q. Did you accompany him on any of his
23 visits?

24 A. Never met him.

25 Q. Did he produce a written report?

1 LEFKOWITZ

2 A. Yes. It's in the record.

3 Q. It may be in the record.

4 MR. WOLF: Off the record.

5 (Discussion off the record.)

6 (REQ) MR. WOLF: I'm requesting
7 production of whatever appraisal or
8 appraisals --

9 A. I don't have any more documents
10 than I already gave you.

11 MR. KRINSKY: I'll look.

12 Q. Did the appraisal that the Griffins
13 showed you have any statement in there that
14 indicated or contended that the acreage of just
15 the Meadows parcel was 77 acres?

16 A. Yes.

17 (REQ) MR. WOLF: I'm requesting also
18 production of the appraisal that was shown to
19 the witness by the Griffins.

20 THE WITNESS: The Griffins have
21 that. I wouldn't have that.

22 MR. KRINSKY: I'll look and see
23 what we have.

24 Q. Let's get to the occupancy
25 agreement. Trustee's Exhibit 15 is in front of

1

LEFKOWITZ

2

you, on the letterhead of Scher & Scher, PC.

3

(Trustee Exhibit 15 for

4

identification, letter to M.J.

5

Halberstam, Esq., on letterhead of Scher

6

& Scher, PC, copy of so-called occupancy

7

agreement entered into shortly subsequent

8

to the time of the assignment.)

9

Q. It's in letter form to Michael J.

10

Halberstam, Esquire. My first question is: Do

11

you recognize this to be a copy of the

12

so-called occupancy agreement entered into

13

shortly subsequent to the time of the

14

assignment?

15

A. Yes.

16

Q. And were you personally involved in

17

negotiations of the terms that are contained in

18

this occupancy agreement?

19

A. Yes.

20

Q. And were those negotiations

21

face-to-face?

22

A. No.

23

Q. Were they over the phone?

24

A. Yes.

25

Q. And with whom did you have those

1 LEFKOWITZ

2 negotiations?

3 A. Dan Scher.

4 Q. You dealt with him directly, as
5 opposed to his client?

6 A. Correct.

7 Q. And do you recall the approximate
8 length of the period during which these
9 negotiations occurred?

10 A. I don't know. Prior to June 3.

11 Q. It was approximately two weeks
12 between the date of the assignment and the
13 occupancy agreement? Was it about a two-week
14 period during which the negotiations took
15 place?

16 A. Correct.

17 Q. Did anyone else negotiate on your
18 behalf with regard to the terms of this
19 agreement?

20 A. Halberstam.

21 Q. Halberstam, I thought you said, had
22 been Fixler's attorney.

23 A. I inherited him. The box, the
24 chicken, and everything.

25 Q. And the attorney.

1 LEFKOWITZ

2 A. Right.

3 Q. And Halberstam is located here in
4 New York?

5 A. 39 Broadway.

6 Q. And did you sign this occupancy
7 agreement?

8 A. I did. My name is spelled wrong,
9 but I did.

10 Q. Is that a copy of your signature on
11 page 4 of the document in the lower right-hand
12 corner?

13 A. Yes. Uh-huh.

14 Q. And where were you when you signed
15 that document?

16 A. No clue.

17 Q. Were you in your attorney's office?

18 A. No. This was all facsimile.

19 Q. And Mr. Halberstam also signed the
20 document; correct?

21 A. Correct.

22 Q. Now, under this occupancy agreement
23 and the contract, when was the sale of the
24 property to close? When was it scheduled for?

25 A. For -- I think there was,

1 LEFKOWITZ

2 subsequent, some extensions.

3 Q. I understand that. But under the
4 initial occupancy agreement, what was the
5 scheduled closing date?

6 A. You want me to read the agreement?
7 The closing date should take place on or about
8 September 27, '04, time-of-the-essence.

9 Q. Is that your recollection, that
10 that was the agreed-to initial closing date?

11 A. I don't recall, but that's what the
12 document says.

13 Q. And without, for the moment,
14 looking at the document, do you recollect that
15 there were certain payment obligations that --

16 A. The occupancy required.

17 Q. -- the purchaser was to make to
18 Helen-May in connection with the occupancy?

19 A. Correct.

20 Q. And what were those?

21 A. Some expenses, from page 2.
22 Mortgage, 9750. Insurance 2500. Interest on
23 client's credit cards, 3500.

24 Q. Were those payments made?

25 A. Yes.

1 LEFKOWITZ

2 Q. Were they made on a monthly basis?
3 Are these payments monthly payments? Or
4 one-shot payments?

5 A. No, they can't be monthly.

6 Q. You say they can't be?

7 A. Right.

8 Q. And why is that?

9 A. Because I don't believe that -- the
10 truth is, I don't know.

11 Q. There's one item here on page 2
12 that says, "Interest on our client's credit
13 card debt, \$3500." What did that relate to?

14 A. I don't know. All I can tell you,
15 if my lawyer would have written something like
16 this, he wouldn't be my lawyer. So I don't
17 know. Griffin had credit card and credit card
18 interest, and he asked for \$3500. I don't
19 know.

20 Q. Did the title close on September
21 27, 2004?

22 A. No.

23 Q. Why didn't it close on September
24 27, 2004?

25 A. I don't know. I think there was a

1 LEFKOWITZ

2 subsequent extension to that.

3 Q. We're going to get to that. What
4 I'm looking for: Was there a reason why it
5 didn't close on September 27, 2004? I'm not
6 suggesting there's some nefarious purpose or
7 whatever, but I'm trying to ascertain why the
8 date did get extended.

9 A. Because I think we were insisting
10 on closing with a survey because there was some
11 easements on the property. And we didn't have
12 the easement -- we didn't have the survey
13 concluded in September.

14 Q. What kind of easements turned out
15 to be on the property?

16 A. There is some easements from
17 neighbors on Route 52.

18 Q. Easements with regard to their
19 ability to walk across the property?

20 A. Titles to the property. There are
21 sliver easements running through the property.

22 Q. Sliver easements to give those
23 neighboring owners what? I'm sorry.

24 Don't do a drawing yet.

25 A. I want to exhibit it.

1 LEFKOWITZ

2 Q. Sliver easements for right of
3 access?

4 A. Right. Do you have the survey?

5 Q. I don't have the survey. I'm not
6 trying to get into a lot of details. I'm just
7 curious. This is the first time I'm hearing
8 about certain sliver easements.

9 A. When you do a title search on the
10 Meadows, you'll find the neighboring properties
11 have sliver easements onto the Meadows
12 property. We insisted on a survey. I remember
13 the surveyor who we hired and paid couldn't do
14 the survey because it was summertime and they
15 needed a fly-over, and there were too many
16 leaves, so they had to wait till the leaves
17 fell.

18 Finally, the survey came in and
19 then we discovered we don't have 77 acres, only
20 60 acres. And we started the bickering about
21 where did the acres disappear. And that's when
22 all the litigation blew up.

23 Q. I'm still trying to figure out
24 what -- an easement, as I presume you know,
25 does not mean the person in whose favor the

1 LEFKOWITZ
2 easement runs has -- they have some use to the
3 property. What use did these people have under
4 these easements?

5 A. Let me draw.

6 Q. It may be an exhibit. Make it
7 neat.

8 A. This is Route 52 and this is Route
9 114. The Meadows is right here; the two other
10 parcels, parcel 1, parcel 2, and this is parcel
11 3.

12 Q. Parcel 3 is the Helen-May parcel.

13 A. Which goes all the way through
14 another road here, which I don't remember the
15 name. There are a few owners on this side, on
16 Route 52, that have either fire exit through
17 here, or fire exit through there.

18 Q. Okay. In case there was a fire --

19 A. If a fire truck needs to go
20 through. If ever it gets developed. It's a
21 100-year-old easement, so when you do the
22 title, it comes up. So we wanted to have it on
23 the survey.

24 Q. Could you disattach that piece of
25 paper? We're making it an exhibit.

1 LEFKOWITZ

2 A. No. 16.

3 (Trustee Exhibit 16 for
4 identification, sketch re easements.)

5 (Discussion off the record.)

6 Q. Did the dispute with regard to the
7 acreage arise before the extension of the
8 September 27th, 2004 closing date was agreed
9 to?

10 A. No.

11 Q. After?

12 A. When we got the survey.

13 Q. Right. Okay.

14 (Discussion off the record.)

15 (Trustee Exhibit 17 for
16 identification, extension letter
17 agreement extending closing date.)

18 THE WITNESS: Yeah.

19 Q. Do you recognize Trustee Exhibit
20 17 --

21 A. Yeah.

22 Q. -- to be the extension letter
23 agreement that extended the closing date?

24 A. Yeah.

25 Q. And did you also sign this

1 LEFKOWITZ

2 A. I don't recall. These are all --
3 you know, there was a bunch of gypsy
4 conversation. "Pay my credit card. Pay my
5 consulting." Besides paying their property, we
6 were paying their life bills. But I don't
7 remember which got paid and didn't.

8 Q. The last page, "The person will pay
9 the additional sum of \$20,250 upon return of
10 this letter and \$20,250 on or before October
11 27, time is of the essence" --

12 A. Right.

13 Q. -- were either of those two
14 payments made?

15 A. Two were made. One was stopped.

16 Q. Which one was stopped?

17 A. I think the second one was stopped.

18 Q. And why was it stopped?

19 A. Because we discovered that we have
20 less than 77 acres.

21 Q. At some point am I correct that the
22 LLC, Match Ephraim LLC started what we call an
23 adversary proceeding in a bankruptcy case with
24 regard to the dispute with Helen-May over the
25 Meadows property?

1 LEFKOWITZ

2 you got the assignment; correct?

3 A. Correct.

4 Q. And how did that come about?

5 A. I went out to the property, to the
6 Meadows. I saw a for-sale sign on the next
7 door. I walked in to the guy.

8 Q. I'm sorry. But is this after the
9 assignment was executed? Or before?

10 A. After.

11 Q. Okay. I'm sorry. Go ahead.

12 A. Walked into the guy and I asked him
13 what's going on. He said, "Well, we're selling
14 the property." I asked him how much. He gave
15 me a price. I asked him the activity. He said
16 my brother-in-law, he's going to contract this
17 week on his side.

18 So I went over to the
19 brother-in-law and I asked him, "If I meet that
20 price, will you sell it?" And he said, "If you
21 close right now, I'll sell." So I immediately
22 bought those parcels. I didn't want to lose
23 the property.

24 Q. So there was no contract of sale?
25 You went right to closing?

1 LEFKOWITZ

2 A. I think it was happening at the
3 same time.

4 Q. Simultaneous.

5 (A conference was held between the
6 witness and his attorney.)

7 (Discussion off the record.)

8 Q. Before we get into those documents
9 themselves, how much total did you pay for the
10 two parcels adjacent to the Meadows property?

11 A. Like 460. 470.

12 Q. Total?

13 A. Right.

14 Q. There were contracts of sale for
15 these two properties that you said were
16 executed simultaneously with the closing?

17 A. It wasn't prior to the closing,
18 that's for sure. If there were any, it would
19 have been at the closing.

20 Q. So simultaneous.

21 A. That's what I'm saying.

22 (REQ) MR. WOLF: We have not seen those
23 contracts. I'm requesting production of those
24 contracts.

25 THE WITNESS: I wouldn't have them.

1 LEFKOWITZ

2 Q. Why wouldn't you have them?

3 A. I gave you all my closing documents
4 on those parcels.

5 Q. When you say you gave me, when did
6 you do that?

7 A. Before the 341 meeting.

8 Q. I remember you giving us documents.
9 I'm not saying you didn't. I don't remember
10 those contracts being among the documents.

11 A. Not contracts. I gave you the
12 closing file of those two parcels at that
13 meeting.

14 MR. KRINSKY: He's specifically
15 asking if there were contracts.

16 Q. I'm not sure about what you just
17 said, but I'm telling you, we have yet to see
18 the actual contracts of sale for these two
19 properties. What you're looking at are the
20 deeds.

21 A. Where did you get those? From that
22 file?

23 Q. No. I don't believe so. These
24 came to us independently.

25 A. Because --

1 LEFKOWITZ

2 Q. What you gave us may or may not
3 have included the deeds. But I'm telling you,
4 I don't recall seeing the contracts.

5 A. No. I recall giving you closing
6 documents. I don't know if there was a
7 contract of sale. There was an appraisal.
8 There were surveys. Checks.

9 Q. Why don't we do this. We'll look
10 in our files. Your counsel and you will look
11 in your files. If you see contracts of sale,
12 you'll please produce them.

13 Is Trustee Exhibit 18 a copy of the
14 deed for the -- for one of the two parcels that
15 was purchased?

16 (Trustee Exhibit 18 for
17 identification, deed.)

18 A. Again, these deeds are erroneous
19 deeds. I don't believe there's such a thing as
20 Kollal Match Efraim LLC.

21 Q. You're reading from the name on the
22 deed, Kollal Match Efraim LLC?

23 A. Yeah. Ssiti & Fahrije Saii. The
24 other is Naroli Naim.

25 (A conference was held between the

1

LEFKOWITZ

2

witness and his attorney.)

3

(Discussion off the record.)

4

Q. So that was one of the two parcels.

5

A. Which one are you up to?

6

Q. We're up to Trustee Exhibit 19.

7

(Trustee Exhibit 19 for

8

identification, first deed.)

9

Q. You say there's also a mistake on

10 that exhibit as far as the name of the

11 purchaser?

12

A. Correct.

13

Q. That has the same purchaser entity

14 name as the first deed that's Trustee Exhibit

15 19; correct?

16

A. Correct.

17

Q. And was there any -- ever any

18 corrective deed filed with respect to either of

19 these two parcels?

20

A. I don't know. I don't know if

21 Michael Halberstam did. Basically closed the

22 deed with a nonexistent entity. I don't know

23 what the title company thought when they

24 closed.

25

Q. And the title company insured

1 LEFKOWITZ

2 titles here; right?

3 A. Right.

4 Q. Were you present at the closing?

5 A. No.

6 Q. Was anyone on behalf of the closing
7 present at the closing?

8 A. Halberstam.

9 Q. And only Halberstam?

10 A. Yes.

11 Q. Did you ever sign any transfer tax
12 forms with regard to this sale?

13 A. I don't recall. Probably did.

14 (REQ) MR. WOLF: I also request
15 production of copies of the transfer tax forms.

16 THE WITNESS: I'm telling you, it's
17 in the file I gave you.

18 MR. WOLF: Off the record.

19 (Discussion off the record.)

20 Q. Why did whatever entity did
21 purchase these two parcels buy them?

22 A. Because I wanted to develop 86
23 acres. I don't want somebody else to buy it;
24 then I won't be able to have it.

25 Q. How many acres do these two parcels

1 LEFKOWITZ

2 comprise?

3 A. Either 13 or 15. And they're the
4 key value to this acreage. There's road
5 frontage. That makes a property value. You
6 can have a lot of acreage deep in the woods.
7 These 13 acres have probably more value than
8 the 50 acres next door.

9 Q. Was it your intent to have some of
10 the development -- residential development you
11 talked about on these two Debtor parcels?

12 A. Correct. As a combination.

13 Q. You were going to do it on all
14 three?

15 A. Right.

16 Q. How many units, approximately, did
17 you contemplate building, total, on all --

18 A. One or two acres.

19 Q. And how many bedrooms did you
20 anticipate each of these houses would have?

21 A. 2500 square feet.

22 Q. But how many bedrooms would there
23 be?

24 A. 2500 square feet. You can do two,
25 four, six.

1 LEFKOWITZ

2 Q. So there's no closing. There's a
3 dispute about the acreage on the Meadows
4 parcel; right?

5 A. Right.

6 Q. And the bankruptcy case is filed.

7 A. Right.

8 Q. I think in or about October of
9 2004.

10 A. About.

11 Q. And then the adversary proceeding
12 is commenced against Helen-May and Irene
13 Griffin in the bankruptcy case; correct?

14 A. Yes.

15 Q. And I believe the allegations in
16 the complaint in the adversary proceeding
17 included misrepresentations about the amount of
18 acreage; right?

19 A. Correct.

20 Q. And who conveyed those
21 misrepresentations?

22 A. Griffins.

23 Q. In what way did they convey those
24 misrepresentations?

25 A. There was a set-up. Sales

1 LEFKOWITZ

2 material.

3 Q. And that sales material said 77
4 acres?

5 A. Correct.

6 Q. Were there any oral representations
7 made by the Griffins or on their behalf about
8 the acreage?

9 A. Yes. He walked me, I think, twice,
10 three times the property, and told me about the
11 77 acres.

12 Q. And did they tell you on what basis
13 they had come up with that figure?

14 A. He even showed me a tax bill. The
15 tax bill showed 77 acres. He showed me a city
16 map that had 77 acres on it.

17 Q. Again, this was just for the
18 Meadows parcel.

19 A. Right.

20 Q. Any other forms that the
21 misrepresentations came in?

22 A. The appraisal. He had a survey,
23 too, that showed 77 acres, but he never gave me
24 the appraisal -- I mean the survey.

25 Q. The survey. How do you know his

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LEFKOWITZ

2 survey showed -- it showed 77 acres?

3 A. Right.

4 Q. How do you know the survey showed
5 77 acres if he never gave it to you?

6 A. We were studying it.

7 Q. He showed it to you. He didn't
8 give it to you.9 A. He said, "I don't want you to rely
10 on mine. Go get your own."11 Q. Once the occupancy agreement was
12 entered into, was anything done to the Meadows
13 parcel?

14 A. Anything done as far as what?

15 Q. Any improvements. Any renovations.
16 Were any structures torn down?

17 A. No structures were torn down.

18 There were a lot of renovations. We had to
19 bring it up to code for occupancy.20 Q. Tell me what groups of renovations
21 were made.22 A. Several buildings did not have
23 HVAC. We installed HVAC.24 Q. Let me stop you there. Did the
25 buildings that had HVAC installed include

1 LEFKOWITZ
2 the -- let me call it fairly large structure --
3 probably the largest on those premises -- in
4 which I understand those boys who came to the
5 summer camp there occupied?

6 A. No. There was large structures
7 that had HVAC that needed to be replaced. And
8 there were smaller structures where it was
9 sleeping quarters and did not have HVAC at all
10 that needed to be installed. We installed
11 that. There was one building that was very
12 tiny rooms and we needed to open up and connect
13 rooms so families can stay. So we did
14 renovation there.

15 Q. Which building was that?

16 A. I think the motel building.

17 Q. Is that where Wolfgang and the
18 other care-giver lived?

19 A. Yes.

20 Q. Go ahead.

21 A. And painting. Plumbing corrosion.
22 The swimming pool had to be brought up to code.
23 There was a new septic system that went in.
24 There was a chlorination system that the Health
25 Department insisted we put in before we come

1 LEFKOWITZ

2 in. We put that in. Roofs. Boilers.
3 Whatever it took to shape the place up.

4 Q. And could you approximate for me
5 how much, dollar-wise, was expended to do these
6 renovations?

7 A. I think it was, like, close to a
8 million dollars.

9 Q. And who supplied the funds with
10 which to make these renovations?

11 A. Maskil el-Dal.

12 Q. Where did Maskil el-Dal get that
13 money from?

14 A. Where did Maskil el-Dal get that
15 money? Maskil has funds accumulated over 30
16 years.

17 Q. It had accumulated that money, so
18 it had it available.

19 A. Yeah.

20 Q. It didn't have to borrow it from
21 others?

22 A. No.

23 Q. And during what period of time was
24 this money expended?

25 A. Most of it happened in the year of

1 LEFKOWITZ

2 '04.

3 Q. I didn't hear you mention anything
4 about renovating or kosherizing the kitchen
5 facilities at the premise. Was that done,
6 also?

7 A. Yes.

8 Q. Do you recall approximately how
9 much was expended doing that?

10 A. A few hundred thousand dollars.

11 Q. Did Maskil el-Dal supply the funds
12 for that, too?

13 A. Yes.

14 Q. Who did that kosherizing of the
15 kitchen?

16 A. Well, it was not just kosherizing.
17 It was also bringing in new equipment.

18 Q. Right. Okay. So one company
19 supplied the new equipment?

20 A. It was a company that supplied and
21 consulted. It was a company called All
22 Refrigeration.

23 Q. They're one of the creditors of the
24 bankruptcy estate; correct?

25 A. I think so.

1 LEFKOWITZ

2 Q. Did they -- you're going to have to
3 spell it for her. You had a mashigach certify
4 that the kitchen was kosher?

5 A. Yes. Called supervisor. I saw one
6 of the checks.

7 Q. Who was it?

8 A. Rabbi Steinmetz.

9 Correct. Exhibit 14.

10 Q. Tell us the number of the check and
11 the date.

12 A. Check No. 9275 on 6-21-2004.

13 Q. Bin Yu Min Steinmetz?

14 A. Yes.

15 Q. He got \$750?

16 A. Seems like it.

17 MR. WOLF: Off the record.

18 (Discussion off the record.)

19 A. There was also communication
20 systems that went in.

21 Q. What kind of communication systems?

22 A. Telephone.

23 Q. Who did you use for that?

24 A. SOS Communication.

25 Q. Do you know an individual named

1

LEFKOWITZ

2 Wolfgang did?

3 A. I don't know.

4 Q. How long was he up there?

5 A. From May of '04 till Labor Day of

6 '04.

7 Q. And then he ceased to be the

8 manager there?

9 A. I think so.

10 Q. Did you obtain the consent of

11 Helen-May with regard to any of these

12 renovations or additions that you did?

13 A. Yes.

14 Q. Were those obtained in writing?

15 A. No. She was on the premises.

16 Q. I'm sorry. Who was on the

17 premises?

18 A. She was on the premises.

19 Q. Who is "she"?

20 A. Helen. Irene Griffin.

21 Q. I'm just going back to Trustee

22 Exhibit 15, the occupancy agreement, for a

23 moment. The last sentence on the first page

24 that continues on the top of the second page

25 states as follows: "The list of all proposed

1 LEFKOWITZ
2 improvements purchaser proposes must be
3 furnished to seller and its attorney by fax in
4 writing no less than three days prior to the
5 commencement of such work for seller's
6 approval. Seller may withhold approval for
7 such improvements for any reason or no reason
8 at all."

9 A. Right.

10 Q. Were any such list of proposed
11 improvements ever sent to the purchaser?

12 A. I don't believe so.

13 Q. But did Irene Griffin give her
14 consent to a number of these improvements?

15 A. Yes.

16 Q. She did orally?

17 A. Yes. She was very happy.

18 Q. During the year 2004 did anyone
19 occupy any portion of the Meadows property
20 other than Mark Terkeltaub, the rabbi, and the
21 caretakers?

22 A. Well, in the summer of '04 we
23 rented it out to -- on a weekend basis.
24 Nightly basis.

25 Q. And to whom did you do that?

1 LEFKOWITZ

2 A. People wanted to come up to spend
3 the weekend in the Catskills.

4 Q. In what structure or structures
5 would they stay?

6 A. I believe in all of them.

7 Q. Was there a camp operated during
8 any portion of the summer of 2004 at the
9 Meadows property?

10 A. Yes.

11 Q. So there was both a camp operated
12 and there were people, individuals or couples,
13 whomever, who came up and used other portions
14 of the property; is that correct?

15 A. Correct.

16 Q. Were there any convention-type
17 groups or business groups that came up to use
18 the property?

19 A. No.

20 Q. Who established the room rates or
21 occupancy rates for the people that came up for
22 a weekend, or whatever?

23 A. This guy Mark Terkeltaub.

24 Q. Was there a set price per room for
25 the weekends?

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2

A. With a crib. Without a crib.

3

Q. Different prices?

4

A. I would assume so. I wouldn't

5

know.

6

Q. Did he consult with you about what

7

rates to set?

8

A. No.

9

Q. You let him set that?

10

A. Yeah.

11

Q. Do you recall approximately how

12

much was collected from those who used the

13

premises for weekends or any portion of time

14

during the year 2004?

15

A. Don't recall exactly. It was a few

16

hundred thousand dollars.

17

Q. Was there any group or family that

18

paid more than \$25,000 towards that amount?

19

A. No.

20

Q. And to whom were these occupancy

21

rates paid to?

22

A. To Mark.

23

Q. To him individually?

24

A. It was mostly in cash. Cash and

25

credit card.

1 LEFKOWITZ

2 Q. And -- well, when it was paid by
3 credit card, to whom was the credit card
4 payment made payable?

5 A. To the suppliers.

6 Q. Directly to the suppliers? How
7 would that work?

8 A. The dairy guy says, "You owe me
9 \$20,000."

10 "Okay, the next few guests, we'll
11 accept the credit card." Same thing happened
12 with the chicken guy.

13 Q. They would make credit card
14 payments directly to those entities?

15 A. Some of them, yeah.

16 Q. But there were -- you said a few
17 hundred thousand that was collected from these
18 rates.

19 A. Right.

20 Q. Was any of that collected by the
21 named Debtor in this bankruptcy case?

22 A. Not a penny.

23 (Discussion off the record.)

24 Q. Could you grab a hold of Exhibit 3
25 again, please.

1 LEFKOWITZ

2 A. Three. That must be a petition.

3 Q. It is a petition.

4 A. Page --

5 Q. You've got to go towards the back.

6 It's a document labeled "Statement of Financial
7 Affairs."

8 MR. LaROCCO: Past all the
9 schedules. After Schedule H.

10 THE WITNESS: "Amount 300,000.
11 Source. 2004"; right?

12 MR. KRINSKY: Wait for a question.

13 Q. This is headed "Income From
14 Employment or Operation of Business."
15 Underneath that heading the statement asks the
16 Debtor to "state the gross amount of income the
17 Debtor has received from employment, trade, or
18 profession, or from operation of the Debtor's
19 business from the beginning of this calendar
20 year to the date this case was commenced."

21 And it says in the amount of
22 300,000 for the year 2004.

23 A. Correct.

24 Q. This question does ask for the
25 source. The source is not listed. But I'll

1 LEFKOWITZ

2 now ask you: What was the source of that
3 \$300,000?

4 A. As I just testified, those were the
5 income of the people that came up to stay
6 there.

7 Q. So was any of that income deposited
8 into an account or accounts of the Debtor
9 itself?

10 A. The answer is no.

11 Q. None of it.

12 A. No.

13 Q. So I'm clear. No, none of it was
14 deposited into a Debtor's account or accounts?

15 A. I don't believe the Debtor had an
16 account at that time.

17 Q. How much was paid by the camp with
18 regard to its use and occupancy of the premises
19 during, I guess, the summer of 2004?

20 A. I think it's part of that \$300,000.
21 They also didn't pay. They just paid directly
22 their expenses. They paid maintenance. They
23 paid utilities.

24 Q. There was nothing separate that
25 they paid to the named Debtor itself?

1 LEFKOWITZ

2 A. No.

3 Q. I want to be clear, because we're
4 looking at the statement of financial affairs
5 for the incorrectly named, according to you,
6 Debtor. Let's quickly look at Exhibit 4, which
7 is the petition of the entity Mateh Ephraim
8 LLC. It states here, "dba, Kollel Mateh
9 Efraim, LLC."

10 A. It's an exact mirror-image
11 petition, isn't it?

12 Q. It should be. Let's look at the
13 statement of financial affairs there.

14 A. It's identical.

15 Q. Identical. Question No. 1, the
16 amount is listed as \$300,000 for the year 2004.
17 So did the camp actually turn over or deposit
18 any money with Mateh Ephraim LLC directly?

19 A. None.

20 Q. Was there a contract or some
21 written agreement between the camp and Mateh
22 Ephraim LLC?

23 A. No.

24 Q. What was the name of the camp?

25 A. Mateh Ephraim.

1 LEFKOWITZ

2 Q. E-P-H-R-A-I-M?

3 A. It was in Hebrew. It wasn't in
4 English.

5 Q. Okay. Fair enough.

6 Who was the director of the camp?

7 A. Rabbi Steinwurzlel.

8 Q. How many campers were there at the
9 camp that summer?

10 A. Twenty-five, 30.

11 Q. What was the age range of those
12 campers?

13 A. Thirteen to 15.

14 Q. And from what geographic location
15 did those campers come?

16 A. I think Brooklyn and Rockland.

17 Q. Did any of the campers come from
18 families that were members of Rabbi
19 Steinwurzlel's congregation?

20 A. I believe so.

21 Q. What's the basis of that belief?

22 A. I remember he started that camp and
23 was taking kids from all over the place.

24 Q. Did he advertise for that camp?

25 A. I don't know.

1 LEFKOWITZ

2 Q. There was staff for the camp?
3 Counselors? Teachers?

4 A. Families, yes.

5 Q. When you say "families," what do
6 you mean?

7 A. There were families. Couples that
8 had various positions. I don't know exactly
9 who did what.

10 Q. And were they paid anything by
11 anybody for those positions?

12 A. I think just food and board.

13 Q. They got free room and board?

14 A. Right.

15 Q. And food?

16 A. Yes.

17 Q. Do you know what the campers did at
18 this camp? Was it -- were they mostly classes
19 and worship? Were there other things done at
20 this camp?

21 A. Swimming. Ball. Running.
22 Horseback riding. Who knows?

23 Q. They did horseback riding on the
24 premises?

25 A. Not on the premises. The area has

1 LEFKOWITZ

2 horseback riding.

3 MR. WOLF: Off the record.

4 (Discussion off the record.)

5 Q. And the camp ran from when to when
6 in the year 2004?

7 A. I think from July 4th to Labor Day.

8 Q. And did the campers' families pay a
9 fee or fees for sending their kids to this
10 camp?

11 A. I don't believe so.

12 Q. They did not.

13 A. No.

14 Q. Was this same camp run at the
15 Meadows property in the summers of 2005 through
16 2007?

17 A. No. I think he regrouped with a
18 different group later.

19 Q. Starting in 2005?

20 A. '5 -- now we're in '8? So it's --
21 yeah. '6, '7 he had a different group.

22 Q. After the end of the summer when
23 the camp ceased to operate, were there, later
24 on, during the year 2004 -- we're talking about
25 basically September through December 2004 --

1 LEFKOWITZ

2 A. Correct.

3 Q. That was during Succoth?

4 A. September.

5 Q. Were any succahs actually
6 constructed on the premises at the time?

7 A. I wouldn't know.

8 Q. Did you, during the year 2004, ever
9 stay up at the premises?

10 A. No.

11 Q. Have you ever stayed up at the
12 premises?

13 A. No.

14 (Discussion off the record.)

15 (Trustee Exhibit 20 for
16 identification, copies of two one-page
17 letters, one dated 10-6-04, the other
18 dated 10-11-04, each on letterhead and
19 logo of the Friedman family of Toronto.)

20 THE WITNESS: Yeah, this is the
21 guys.

22 MR. WOLF: For the record, let me
23 state we've now marked as Trustee's
24 Exhibit 20 copies of two letters, each
25 one page, one dated October 6, 2004, the

1 LEFKOWITZ
2 other dated October 11, 2004. They're
3 each on the letterhead and logo of the
4 Friedman family of Toronto.

5 THE WITNESS: Yeah.

6 MR. WOLF: Each of them are
7 addressed to Kollel Match Efraim LLC, at
8 751 Second Avenue, New York, New York,
9 10017. The first one underneath that
10 address says "Mr. Mark," with a K. Taub.

11 Q. Do I understand that's a
12 misspelling of Mr. Terkeltaub?

13 A. He was called that.

14 Q. And the next one has "Jack
15 Lefkowitz" underneath.

16 Do you recall the dispute?

17 A. I recall something --

18 Q. The Friedman family of Toronto, was
19 that an actual family or business group?

20 A. That's an individual that calls
21 themselves Friedman Group.

22 Q. What was your understanding as to
23 who was supposed to be coming down in the fall
24 of 2004 to make use of a portion of the Meadows
25 premises?

1 LEFKOWITZ

2 A. He's in the business. He takes a
3 space and rents them out to girls' schools. He
4 brings up girls' schools for the weekend.

5 Q. Is it your understanding he was
6 planning to do that sometime in the fall of
7 2004?

8 A. That's correct.

9 (Discussion off the record.)

10 Q. So is it your understanding that he
11 had booked a portion of the Meadows property
12 for use by some of these girls during the fall
13 of 2004?

14 A. Correct.

15 Q. So what happened?

16 A. He went up there, and he got chased
17 away by the Griffins. He got into a dispute.
18 I don't know. I don't think he ended up
19 occupying.

20 Q. Did you get involved in some of
21 those discussions?

22 A. None.

23 Q. Do you know if any money was
24 retained by the Debtor entity or anyone else as
25 far as a reservation fee that had been made

1 LEFKOWITZ

2 here?

3 A. No.

4 Q. It was not retained?

5 A. No.

6 Q. Was something given back?

7 A. I don't think he gave us a deposit.

8 He gave a credit card but we never charged it.

9 Q. And were there any other groups
10 that came up in the fall of 2004 or the winter
11 of 2004?

12 A. Nope.

13 Q. Subsequent to December 31, 2004
14 until the first of the two bankruptcy filings
15 took place -- I'm sorry. Withdrawn. I didn't
16 mean that.

17 For the period starting January 1,
18 2005 until this bankruptcy case was converted
19 to a Chapter 7 case, which I believe was at the
20 end of October of 2007, did anyone other than
21 any care-givers and the camp occupy any portion
22 of the Meadows property?

23 A. No.

24 Q. Were any efforts made to bring to
25 the property, for weekends or other periods of

1 LEFKOWITZ

2 time, individuals, couples, and/or families, as
3 had been done during portions of the year 2004?

4 A. Well, in order to do that, money
5 had to go into the property. You had to
6 winterize the property. During the winter time
7 it was impossible. It had to be shut down.
8 And during the summer time, again, money had to
9 go in, in order to accommodate families,
10 because none of those families that were in '04
11 wanted to come back unless we did renovations
12 to the property.

13 Q. How do you know that?

14 A. That's what they were complaining.

15 Q. They complained after they stayed
16 in 2004 about the conditions?

17 A. Right.

18 Q. So were any efforts made to
19 renovate the property so that such individuals
20 could be attracted back to use the property?

21 A. We had a dispute with the Griffins.
22 We didn't want to pump money into a property
23 where we don't know what the end result is
24 going to be with the property.

25 Q. Then why was a camp operated on the

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LEFKOWITZ

2 property in each of the summers of 2005 through
3 2007?

4 A. A 14-year-old boy has different
5 needs than a 25-year-old married woman with a
6 baby.

7 Q. That may be.

8 A. It was able to accommodate the
9 14-year-old boys without any major money going
10 into it. But in order to accommodate families,
11 money had to go in.

12 Q. Did the camp that was operated in
13 each of the summers of 2005 through 2007 pay
14 anything to the named Debtor entity for the
15 use -- for the operation, use, of the facility
16 to run the camp in any of those summers?

17 A. They didn't pay the Debtor. They
18 paid for the utilities and upkeep and
19 maintenance that went into the property.

20 Q. There was nothing they paid above
21 that to the Debtor entity?

22 A. Right.

23 Q. Did the Debtor entity obtain the
24 permission of the Bankruptcy Court to use or to
25 allow the use of a portion of the Meadows

1 LEFKOWITZ

2 property during the summers of 2005 through
3 2007 by the camp?

4 A. Whatever permission was obtained in
5 the Bankruptcy Court is in the bankruptcy
6 record.

7 Q. But that's not my question. Do you
8 know whether or not such -- I'll even go back.
9 Did the Debtor ever seek to get such permission
10 either from Helen-May or from the Bankruptcy
11 Court?

12 A. Permission to do what?

13 Q. To allow a portion of the Meadows
14 property to be used by the camp during each of
15 the summers of 2005 through 2007.

16 A. Well, we had an occupancy agreement
17 that we signed with them in 2004. That
18 occupancy agreement was assumed in the
19 Bankruptcy Court. U&O was paid to the
20 Bankruptcy Court. There was nothing changed in
21 '04, '05, '06, '07 to undo the occupancy
22 agreement.

23 Q. You said U&O paid to the Bankruptcy
24 Court?

25 A. Yes. To David Carlebach.

1 LEFKOWITZ

2 Q. He's not Bankruptcy Court.

3 A. I said Bankruptcy Court?

4 Q. You said --

5 A. I said as per the Bankruptcy Court.

6 Q. It was paid to David Carlebach as
7 attorney for Helen-May?

8 A. Right.

9 Q. Tell me if I'm wrong. At a certain
10 point in time the Debtor ceased making those
11 payments; is that correct?

12 A. No. At a certain point in time the
13 Debtor ceased to make the subsequent payment
14 that the U&O got increased. We made U&O
15 payments. Then Carlebach came in and
16 litigated. Those payments are not sufficient.
17 The camp couldn't pay it anymore. I wasn't
18 going to invest anymore in lending the Debtor
19 into any D.I.P. loans. So that's when he
20 obtained the judgment.

21 Q. And that judgment was for
22 approximately \$250,000?

23 A. Correct.

24 Q. Because -- tell me if I'm wrong --
25 the U&O, standing for use and occupancy,

1 LEFKOWITZ

2 payment obligation of the Debtor increased from
3 somewhere between four and \$5,000 a month to
4 approximately \$13,000 or so a month?

5 A. More. 15,000 plus additional
6 insurance payment.

7 Q. Do you recall approximately when
8 that increase occurred?

9 A. No.

10 Q. Was it in the year 2006?

11 A. I wouldn't recall.

12 Q. Not everything is so --

13 MR. WOLF: Let me get
14 clarification. Scott, do you recall when
15 that increased?

16 MR. KRINSKY: It's sort of a --
17 what happened was, there was a hearing
18 the day of the settlement --

19 MR. WOLF: I want this on the
20 record. I want the approximate dates.

21 MR. KRINSKY: The day of the
22 settlement was July 20th, 2005. That's
23 the day we entered the settlement on the
24 record, which was subsequently
25 overturned.

1 LEFKOWITZ

2 MR. WOLF: Right.

3 MR. KRINSKY: On that same day
4 prior to the settlement there was an
5 increase in the U&O from something like
6 5,000 to whatever -- 12, 13, whatever
7 that number was. We then spent the next
8 two years litigating the settlement
9 issue.

10 When the settlement issue was
11 ultimately ruled against us adversely,
12 that there was lack of authority by Mr.
13 Orseck, at that point in time Helen-May
14 then said, "Aha. You now retroactively
15 owe us all that money dating back to July
16 20th, '05." This is sometime in maybe
17 March of '07. Prior to March of '07 no
18 one had ever asked us for that money.

19 In fact, we had a hearing before
20 Judge Bernstein in December of '05 in
21 which the U&O was reduced to 4209. So we
22 believed we were current on all our
23 obligations until roughly March of '07
24 when we were told for the first time that
25 we now owe not 4209 but 12, 13, 14,

1 LEFKOWITZ

2 whatever that much higher number was,
3 times 22 or something like that.

4 MR. WOLF: That was approximately
5 when? 2007?

6 MR. KRINSKY: March/April of '07,
7 roughly.

8 MR. WOLF: Around that time am I
9 correct that Judge Bernstein in the
10 bankruptcy case issued an order that set
11 forth the aggregate amount of such
12 monthly use and occupancy payments that
13 were due from the Debtor to Helen-May?

14 MR. KRINSKY: Around that time. It
15 was not an easy process. It wasn't
16 simple. I think it was litigated a few
17 times over a course of maybe a few
18 months. It wasn't a simple signing of
19 the order. There were several hearings
20 on it, I believe.

21 Q. Let me ask you this, Mr. Lefkowitz.

22 By the summer of 2007 --

23 A. Last summer.

24 Q. -- this past summer, you were
25 aware, were you not, that the Debtor, as per

1 LEFKOWITZ

2 the court, had an obligation to make payment to
3 Helen-May of in excess of \$250,000 in back use
4 and occupancy payments; correct?

5 A. Yeah. Why didn't I make the
6 payment?

7 Q. Well, I'll accept that, but that's
8 not my main question. Why didn't the Debtor
9 make the payment, that aggregate payment, at
10 that time?

11 A. That I had no money.

12 Q. And since it had no money and since
13 it knew that the use and occupancy charges were
14 continuing to accrue, why did you not
15 consider -- why did the Debtor not consider
16 either not having the camp occupy the premises
17 that summer of 2007, or requiring the camp, if
18 it wished to operate, to, in addition to
19 whatever expenses it was bearing, to pay those
20 use and occupancy amounts?

21 A. Because the camp did a tremendous
22 value to the asset by maintaining the facility
23 so if and when we come and buy the property, we
24 buy a property that's maintained to a certain
25 degree. So we were fortunate enough that the

1 LEFKOWITZ

2 camp said, "Okay, we will pay utilities,
3 maintenance to upkeep the premises."

4 Q. Are you aware that there were, at
5 least according to Helen-May, additional
6 charges that were accruing on the property
7 under the terms of the occupancy agreement for
8 as long as the Debtor entity had physical
9 possession of those premises but there was not
10 a closing of the purchase of the property?

11 A. That is a clause that Helen-May
12 interprets it one way and we interpret it
13 another way. We interpret it if there won't be
14 a closing, that we are obligated to close.
15 There will be a 1,500 penalty per day every day
16 we don't close if we are obligated to close.
17 But if we are not obligated to close, that
18 penalty doesn't kick in.

19 So far, no court has ruled that we
20 are obligated to close.

21 Q. In the year 2007 did you have any
22 discussions with anyone about the possibility
23 of preserving the Debtor's rights as the
24 contract vendee of the Meadows parcel but
25 giving up its occupancy of those premises so

1 LEFKOWITZ

2 that there could be no accruing -- alleged
3 claim that Helen-May had for such use and
4 occupancy?

5 A. No, the only discussions we had was
6 global settlement discussions.

7 Q. And those broke down when?

8 A. When Helen-May came up with a --

9 MR. KRINSKY: Let me just --

10 MR. WOLF: Let me finish.

11 MR. KRINSKY: You've got to

12 clarify. Time frame.

13 Q. When was the last time you ever
14 participated in a global settlement discussion?

15 A. It was in the courthouse in front
16 of Judge Bernstein. We took a break. We went
17 outside. I settled it with Orseck. Orseck
18 went to the public phone. Made a phone call.
19 Came back. It's done. We shook hands. And
20 then we litigated ever since that he wasn't
21 authorized to settle.

22 Q. But that was back in the year 2005;
23 right?

24 A. Yes. We kept on talking to
25 Carlebach and Scher. The latest discussion was

1 LEFKOWITZ

2 the day before it got converted.

3 MR. WOLF: Off the record.

4 (Discussion off the record.)

5 Q. Mr. Lefkowitz, at any time since
6 its formation in July of 1999, has the entity
7 Match Ephraim LLC ever held any assets or owned
8 any assets that we have not already discussed
9 here today?

10 A. No.

11 Q. There's no other real estate in
12 which it has had an interest?

13 A. No.

14 Q. Any personalty in which it's had an
15 interest?

16 A. Just merchandise that's up in the
17 Meadows.

18 Q. And the furniture operation?

19 A. Yeah, but that stuff was in '99.

20 Q. It no longer has any of those
21 assets?

22 A. No.

23 Q. Did it sell those assets to
24 anybody?

25 A. It was given away.

1 LEFKOWITZ

2 Q. Oh, right. You said that. So
3 nothing else.

4 A. No.

5 Q. Since the conversion of the case to
6 a Chapter 7 in late October 2007, have you,
7 you, personally, had any discussions with
8 anyone other than anyone in my firm, as counsel
9 to the Trustee, or with the trustee himself,
10 with regard to possibly purchasing the Meadows
11 property and/or the two adjoining parcels?

12 A. No.

13 Q. Have you had such a discussion with
14 any brokers?

15 A. No.

16 Q. Have you placed any advertisements
17 anywhere or have any been placed on your behalf
18 with regard to a disposition of any of those
19 parcels?

20 A. No.

21 Q. You understand, do you not, that
22 since the case was converted in late October of
23 2005, neither you, individually, or the named
24 Debtor entity has the right to advertise --

25 A. Do anything.

1 LEFKOWITZ

2 Q. -- let me finish -- advertise,
3 communicate with anyone other than the trustee
4 or his counsel, or to seek to influence anyone
5 with regard to purchasing or not purchasing any
6 of those parcels?

7 A. I understand about influence. I
8 understand about advertising. Communicating?
9 The last time I checked, there was an American
10 flag in this country. I can communicate with
11 anyone and everyone on any topic.

12 Q. Well, let me just say, you are
13 aware that any effort that you might make to
14 either encourage someone to buy or not to buy
15 any of these parcels would be in derogation of
16 Trustee's right to administer the Debtor's
17 bankruptcy estate.

18 A. That, I understand. You're saying
19 I have no right to communicate about any of
20 these parcels. It's known out there that I was
21 a previous owner of the parcel. A caretaker
22 called me last week. I don't know if I don't
23 have the rights to -- I probably don't have the
24 right to shill anything or encourage or --

25 Q. What was the caregiver calling you

1 LEFKOWITZ

2 last week about?

3 A. She doesn't have oil in the tank
4 and the building is freezing.

5 Q. Why is she calling you?

6 A. She said Helen-May doesn't give
7 response.

8 Q. Oil in the tank on which parcel?

9 A. On the Meadows.

10 Q. The question stands. Why is she
11 calling you?

12 A. She called me up.

13 Q. Did you tell her she should be
14 calling Trustee or Trustee's counsel?

15 A. I told her to call Robert Wolf, and
16 I gave Robert Wolf's number.

17 Q. You understand that any such
18 communication in the future should be routed to
19 my office; right?

20 A. Absolutely.

21 (Discussion off the record.)

22 (Trustee Exhibit 21 for
23 identification, copy of page C-5 of
24 periodical Community, 5-16-07.)

25 Q. You have in front of you what's

1 LEFKOWITZ
2 been marked as Trustee Exhibit 21. It's the
3 copy of page C-5 of a periodical called
4 Community. The date is May 16, 2007. And
5 there is a box towards the upper right-hand
6 side that's mostly -- is that Yiddish? Or
7 Hebrew?

8 A. Hebrew.

9 Q. Mostly in Hebrew, but with some
10 English, which includes the two lines, "Meadow
11 Hotel, Foresterdale, NY."

12 Have you ever seen this
13 advertisement before?

14 A. Yes.

15 Q. When for the first time did you see
16 it?

17 A. Judge Bernstein's court.

18 Q. What was the context in which you
19 saw it in Judge Bernstein's courtroom?

20 A. Carlebach. He made a whole to-do
21 about it.

22 Q. Did he have the full newspaper
23 there? Or just the ad?

24 A. No. This was an exhibit to one of
25 his motions.

1 LEFKOWITZ

2 Q. Are you familiar with the
3 periodical, "Community"?

4 A. No.

5 Q. Do you know what it is?

6 A. No clue.

7 Q. Are you able to translate the
8 Hebrew that appears in this ad?

9 A. Yes.

10 Q. Could you translate? Please don't
11 say it in Hebrew. It will confuse the
12 transcript. Tell us what it means, in English.

13 A. "To all the schools of the United
14 States. Notice. Whoever is being proposed to
15 buy" --

16 Q. I'm sorry?

17 A. - "proposed to buy the Meadows
18 Hotel in Foresterdale, New York presently
19 occupied by Camp Mateh Efraim, please connect
20 with us so we don't have any loss of money."

21 Q. Do you recognize the two telephone
22 numbers that are down at the bottom of that ad?

23 A. No.

24 Q. Are either of them yours?

25 A. No.

1 LEFKOWITZ

2 Q. Are either of them Rabbi
3 Steinwurzel's?

4 A. No clue.

5 Q. Have you ever called Rabbi
6 Steinwurzel?

7 A. I have.

8 Q. Do you know what the area code is
9 to his home number?

10 A. Where is that flower exhibit?

11 Flower Exhibit, 8.

12 Q. Do you recognize at least one of
13 the phone numbers on Trustee Exhibit 8 to be
14 that of Rabbi Steinwurzel's home?

15 A. First one.

16 Q. 718-435-6393.

17 (There was a conference between the
18 witness and his attorney.)

19 MR. KRINSKY: You said it's the
20 same?

21 THE WITNESS: Not the same.

22 Q. Did you recognize the second
23 number, 486-0815?

24 A. No.

25 See. I keep track of your

1 LEFKOWITZ

2 exhibits.

3 Q. Do you know who put this ad in this
4 periodical?

5 A. No clue.

6 Q. Did anyone ever discuss with you
7 who put it in this periodical?

8 A. No.

9 Q. Did you ever ask anyone to put any
10 ad in a periodical or other media with regard
11 to this property at any time in the year 2007?

12 A. No.

13 Q. How about the year 2006?

14 A. Never. I had nothing to do with
15 any articles, advertisements. They mean
16 nothing to me.

17 Q. Mr. LaRocco has pointed out to me
18 that the word "Community" that appears at the
19 top of this page may refer just to this section
20 of the periodical; that the actual periodical
21 may be called Hamodia. Are you familiar with
22 that periodical?

23 A. Yes.

24 Q. What is it?

25 A. It's a local newspaper. I

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LEFKOWITZ

2 shouldn't say local. It's international.

3 Q. It's an international newspaper?

4 A. It's an Israeli newspaper.

5 Q. Is it circulated in the United

6 States?

7 A. Some communities.

8 Q. Including in Crown Heights?

9 A. That, I don't know.

10 Q. Do you ever read it?

11 A. No.

12 Q. Do you know if Rabbi Steinwurzle

13 ever reads it?

14 A. Don't know what he reads and

15 doesn't read.

16 Q. I forgot to ask you something about

17 the camp operations in the years 2005 through

18 2007. Did the campers or their families pay

19 any fees for sending the boys to that camp?

20 A. No idea.

21 Q. You mentioned, before, that the

22 camp was sort of reconstituted starting in the

23 summer of 2005. It was a different operation

24 than it was in the summer 2004. How did it

25 change?

1 LEFKOWITZ

2 A. Volume of kids.

3 Q. There was a larger volume?

4 A. Right.

5 Q. How many kids were there in the

6 summer of 2005?

7 A. I wouldn't know, but I once heard

8 50 or 60 kids.

9 Q. What was the age range?

10 A. Same range. Thirteen to 15.

11 Q. Were there staff members for that

12 camp?

13 A. Don't know.

14 Q. How about for the summer of 2006?

15 How many kids?

16 A. I don't know. I wasn't on the

17 property since '05.

18 Q. And you were on the property during

19 the summer of 2005, so you observed some of the

20 cam operations?

21 A. I can't remember. I came to visit

22 it once.

23 Q. Did any of your children go to the

24 camp?

25 A. My children? I think I had -- I

1 LEFKOWITZ

2 A. Yes.

3 Q. And had there been any fees
4 accepted, or anything like that?

5 A. No.

6 Q. What plans had already been made
7 towards the end of operating the camp there
8 again -- let me finish -- in the summer of
9 2008?

10 A. They were under the assumption.
11 They would have just gone back there.

12 Q. Are you familiar with a real estate
13 broker named Abraham Lowy?

14 A. No.

15 Q. Are you familiar with a real estate
16 brokerage company called -- I'll spell it --
17 AYL Realty Corp.?

18 A. Never heard of it before. Sounds
19 like Abraham Lowy. AYL.

20 Q. Any address in Brooklyn with --
21 that would be on North 11th Street? Would that
22 be in Williamsburg?

23 A. Greenpoint.

24 THE WITNESS: Off the record.

25 (Discussion off the record.)

1 LEFKOWITZ

2 Q. Are you aware of a broker named
3 Warren Blumenthal?

4 A. No.

5 Q. Are you aware of a realty company
6 called Catskill Sales Associates?

7 A. Catskill Sales Associates? No.

8 Q. Are you aware as to whether or not
9 any Jewish congregations have expressed an
10 interest in either purchasing or occupying the
11 Meadows property?

12 A. No.

13 Q. Let me ask a few additional
14 questions about Maskil el-Dal. If you answered
15 this before, I apologize for asking it again,
16 but I don't recall the question and/or the
17 answer.

18 Do you have a position with that
19 entity?

20 A. Trustee.

21 Q. You're a trustee. And you said
22 your father-in-law is one of the founding
23 trustees?

24 A. Yes.

25 Q. And is your father-in-law still

1 LEFKOWITZ

2 alive?

3 A. Yes.

4 Q. Where does he live?

5 A. Israel.

6 Q. In Jerusalem?

7 A. Yes.

8 Q. And he's a member of the
9 congregation known as Maskil el-Dal in
10 Jerusalem?

11 A. Correct.

12 Q. Do you know who the rabbi is of
13 that congregation?

14 A. He is.

15 Q. He is. Okay. I'm sorry. His full
16 name is?

17 A. I gave it earlier, I think.

18 Q. I'm sorry.

19 A. Dov Wilhelm.

20 Q. You did mention that. Dov Wilhelm.
21 For how long has he lived in Israel?

22 A. I think he was born there.

23 Q. So he's lived there all his life?

24 A. Yep.

25 Q. And -- again, you may have answered

1 LEFKOWITZ

2 this before, but I don't have notes on it.

3 Approximately how many members are there of
4 that congregation at present?

5 A. Twenty-five or 30.

6 Q. Individuals?

7 A. Individuals. Families.

8 Q. And the monies that Maskil el-Dal
9 has generated or accumulated over the years,
10 they came from where?

11 A. Donations, mostly.

12 Q. Donations from the congregants
13 themselves, exclusively? Or from anyone else?

14 A. Over 30 years, I don't know if it's
15 exclusively or not.

16 Q. And how has it come about that
17 Maskil el-Dal has made loans to the named
18 Debtor entity in this case?

19 A. I applied for it.

20 Q. And when you say you applied for
21 it, did you have to do that through an actual
22 written application of some kind?

23 A. No. Orally.

24 Q. And have there been resolutions
25 adopted by the board of trustees of Maskil

1 LEFKOWITZ

2 el-Dal authorizing the making of such loans?

3 A. There was a blanket authorization
4 of whatever loans they make on my behalf, that
5 I'm personally guaranteed to.

6 Q. But that's not in writing?

7 A. It's going back years. I don't
8 know whether I have it in writing.

9 (REQ) Q. I request production of any
10 written guarantees that you're referring to,
11 and any other writings that memorialize the
12 requests made for or the authorizations given
13 by Maskil el-Dal's board for the making of
14 these loans to the Debtor entity.

15 Q. Does Maskil el-Dal have any
16 employees?

17 A. No.

18 Q. So Rabbi Steinwurzle has never been
19 a rabbi or employee of that entity?

20 A. Never associated with that entity.

21 Q. He's never served as a rabbi or
22 assistant rabbi for that congregation?

23 A. No.

24 MR. WOLF: I'd like to take a
25 five-minute break. We're getting close

1 LEFKOWITZ

2 to the end of the questioning I have for
3 today. I need to consult with my
4 colleagues here. Let's take a
5 five-minute break.

6 (A brief recess was taken.)

7 (Trustee Exhibit 22 for
8 identification, copy of check drawn on
9 the account of Maskil el-Dal, Inc., check
10 No. 9286, 6-23-04.)

11 Q. Mr. Lefkowitz, there's now been put
12 in front of you what has been marked as
13 Trustee's Exhibit 22 for identification. It
14 appears to be a copy of a check drawn on the
15 account of Maskil el-Dal, Inc., check No. 9286,
16 with a date of June 23, 2004.

17 Do you recognize any of the
18 handwriting on this check?

19 A. Yes.

20 Q. Whose is it?

21 A. Mine.

22 Q. Is that a copy of your signature on
23 the lower right-hand corner?

24 A. Yes.

25 Q. And this check is for the amount of

1 LEFKOWITZ

2 \$451,000; is that correct?

3 A. Correct.

4 Q. And the memo indication in the
5 lower left says, "The Meadows loan for contract
6 deposit." What does this check relate to?

7 A. This bought the two bank checks to
8 buy the other two properties.

9 Q. It looks like it says, "Pay to the
10 order of Lefkowitz."

11 A. Yes.

12 Q. That was you?

13 A. When you go into a bank -- let me
14 give you an answer.

15 Q. Go ahead. I know where you're
16 going.

17 A. When you go into a bank to buy a
18 bank check, the bank makes you write the check
19 to yourself.

20 Q. And you gave it to the bank --

21 A. Two bank checks, which I gave you
22 copies of.

23 Q. Right. So this -- did any of this
24 money, before the bank checks were cut, go into
25 any personal account of yours?

1 LEFKOWITZ

2 A. No.

3 Q. So it was given straight to the
4 bank. And the bank was who?

5 A. Citibank, I assume.

6 Q. Citibank issued the bank checks?

7 A. Correct.

8 Q. And they were for a total of
9 \$451,000?

10 A. Yes.

11 Q. And that was the total amount of
12 what?

13 A. Of the two bank checks that bought
14 the two adjoining parcels.

15 Q. That was the total aggregate price
16 of the two parcels?

17 A. Correct.

18 Q. And I notice that the account on
19 this check and a whole bunch of others that
20 were marked as Trustee Exhibit 14 says "Maskil
21 el-Dal, Inc." The address below that is your
22 residence; is that correct? 1526 52nd Street?

23 A. Maskil has an office in that
24 building.

25 Q. I'm sorry. What building?

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LEFKOWITZ

2

A. 1526 52nd Street.

3

Q. Is that your residence also?

4

A. That's correct.

5

Q. So Maskil el-Dal has an office

6

within your house?

7

A. It's a six-story building. The

8

first floor, Maskil occupies.

9

Q. Townhouse-type building?

10

A. Call it what you want.

11

Q. Other than the office Maskil el-Dal

12

occupies, does the rest of the space serve as

13

your family --

14

A. No. There are a couple of other

15

offices.

16

Q. Other office companies that you are

17

an officer of?

18

A. My wife.

19

Q. Do they include an office of the

20

named Debtor in this bankruptcy case?

21

A. No.

22

Q. And Maskil el-Dal, Inc. is the name

23

of the religious corporation formed in New

24

York; is that correct?

25

A. Correct.

1 LEFKOWITZ

2 Q. And what year was it formed in?

3 A. About 30 years ago.

4 Q. Let's go back to Exhibit 4,
5 referred to, euphemistically, as the second
6 Debtor's petition, that of Match Ephraim LLC,
7 dba Kollel Match Efraim, LLC.

8 If you look at Schedule F, about
9 mid way through the document, "Creditors
10 holding unsecured nonpriority claims."

11 The first one -- these I believe
12 are in alphabetical order. "All refrigeration
13 and equipment, \$230,000." Do you see where I
14 am?

15 A. Yeah. Yes, sir. Yes.

16 Q. There are \$230,000?

17 A. Yeah.

18 Q. Is that accurate?

19 A. Yes.

20 Q. That was for -- what?

21 A. That's for equipment and supplies.

22 Q. That they supplied at the Meadows
23 property?

24 A. Correct.

25 Q. Heavily Koshered Cuisine. \$46,000?

1 LEFKOWITZ

2 A. Yes.

3 Q. That was for food brought into the
4 camp?

5 A. I think this is from the '04 --
6 from the hotel family services.

7 Q. And they are a kosher food
8 supplier?

9 A. Caterer.

10 Q. Then there's Helen-May Holdings,
11 LLC, \$1,260,000.

12 A. Right.

13 Q. What does that amount represent?

14 A. Balance of the contract.

15 Q. Then there's Mark Terkeltaub,
16 \$15,000.

17 A. Right.

18 Q. What was that for?

19 A. Management.

20 Q. He didn't get paid all of his fees?

21 A. I guess so.

22 Q. Have you had any discussions with
23 Mark Terkeltaub about his claim?

24 A. Yes. Sure.

25 Q. When is the last time you had such

1 LEFKOWITZ

2 a conversation?

3 A. Every time he stops me he says,
4 "Where's my money?"

5 Q. Did you tell him to speak to the
6 trustee?

7 A. Some is his own personal
8 reimbursement. Credit cards. I don't know.

9 Q. Maskil el-Dal. \$1,200,000 is
10 listed here.

11 A. Yes.

12 Q. What does that represent?

13 A. All the monies Maskil advanced on
14 behalf of the Debtor.

15 Q. Michael Halberstam, \$10,000.
16 What's that the for?

17 A. Legal fee.

18 Q. Legal fee in connection with what?

19 A. All these Halberstam letters.
20 \$2500 a pop.

21 (Discussion off the record.)

22 Q. SOS Communications. \$90,000.

23 A. Yeah. They have equipment there.
24 They're begging to get it back.

25 Q. Were they ever paid anything for

1

LEFKOWITZ

2 any of the services or equipment they provided?

3 A. Yes.

4 Q. Do you know how much?

5 A. I saw some checks here before.

6 Q. I don't want you to start adding
7 them up. Do you have an idea without looking
8 at them?9 A. Maybe 20,000. They put in a whole
10 new communication system.

11 (Discussion off the record.)

12 MR. WOLF: We need a break.

13 (A brief recess was taken.)

14 Q. You have in front of you what has
15 been marked as Trustee Exhibit 23.16 (Trustee Exhibit 23 for
17 identification, accounting of payments
18 made by Maskil el-Dal, Inc. to various
19 individuals and entities from 5-19-04
20 through 9-20-04, production Nos. T 00025
21 through 00032.)22 Q. This is several pages -- it's
23 handwritten at the bottom. It looks to me like
24 it says T 00025 through T 00032.

25 A. Called Bates stamps.

1 LEFKOWITZ

2 MR. KRINSKY: I can represent that
3 in order to show my good faith and get
4 the trustee documents as soon as humanly
5 possible in this case, I put "T" for
6 Trustee and attempted to Bates-stamp the
7 documents that way.

8 MR. WOLF: Off the record.

9 (Discussion off the record.)

10 Q. Have you ever seen any portion of
11 Trustee Exhibit 23 before?

12 A. No.

13 Q. Do you understand this to be an
14 accounting of payments made by Maskil el-Dal,
15 Inc. to various individuals and entities from
16 May 19 of 2004, which I think is the day after
17 the assignment we referred to earlier, through
18 September 20, 2004?

19 A. All I can tell you, I'm getting
20 sick reading this.

21 Q. Is that what you understand it to
22 be?

23 A. Yes.

24 Q. And then let me ask you this: What
25 is shown -- if you go to the last page of the

1 LEFKOWITZ
2 whole document, it says there's a total of
3 \$316,135.64; that all these payments that are
4 listed in here made by Maskil el-Dal, Inc.
5 aggregate that amount. Then there's an item
6 that says "Outstanding" -- that may mean a
7 check hadn't been cashed -- to Kosher, Inc.,
8 \$45,000?

9 A. No.

10 THE WITNESS: Off the record.

11 (Discussion off the record.)

12 Q. This is my question: Does this
13 accounting set forth what the alleged basis is
14 of the \$1.2 million claim that has been either
15 noticed or filed by Maskil el-Dal, Inc. against
16 the named Debtor in this bankruptcy case?

17 A. Yes.

18 MR. WOLF: At this point I have no
19 further questions --

20 THE WITNESS: Hold on a second.

21 Q. Yes?

22 A. Yeah. Okay. I'm sorry.

23 Q. Nothing more?

24 MR. WOLF: At this point I have no
25 further questions of the witness today.

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LEFKOWITZ

But during the course of the examination today we've made a request for a number of documents. We will send to the Debtor's counsel a list compiling the categories of documents we've asked for and requesting the production of them.

Once we've had an opportunity to review the documents that are produced in response to that, we'll then contact the Debtor's counsel to schedule a continuation date of this examination.

That's it for today.

(Time noted: 5:10 p.m.)

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C E R T I F I C A T E

STATE OF NEW YORK)

: ss.

COUNTY OF NEW YORK)

I, MARLENE LEE, a Certified Shorthand Reporter, Certified Realtime Reporter and Notary Public within and for the State of New York, do hereby certify:

That JACK LEFKOWITZ, the witness whose deposition is hereinbefore set forth, was duly sworn by me and that such deposition is a true record of the testimony given by the witness.

I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 2008.

MARLENE LEE, C.S.R, C.R.R.

