

VIDEOGRAPHER:

This is the continuation video deposition of Kerri Rigsby taken in the suit styled Thomas C. and Pamela McIntosh versus State Farm Fire and Casualty Company, et al., being Number 106 CV 1080 LTS RHW in the United States District Court for the Southern District of Mississippi, Southern Division.

We're at the Scruggs Law Firm in Moss Point, Mississippi. Today's date is Tuesday, November 20th, 2007. The time is 9:08, a.m. The court reporter is Lori Miguez with Simpson Burdine & Miguez. I am Jeff Conner, the legal video specialist with Conner Reporting.

Will the attorneys please introduce themselves on audio?

MR. ROBIE:

James Robie for State Farm.

MR. BANAHAN:

John Banahan, State Farm.

MR. WEBB:

Dan Webb, State Farm.

MR. TOMPKINS:

Bruce Tompkins, State Farm.

MR. MULLEN:

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1 Ben Mullen, State Farm.

2 MS. LIPSEY:

3 Christine Lipsey, Renfroe.

4 MR. HIBEY:

5 James Hibey, Renfroe.

6 MR. TWIFORD:

7 Hunter Twiford, Renfroe.

8 MR. NORRIS:

9 David Norris, Renfroe.

10 MR. MEHTA:

11 Amit Mehta for the witness.

12 MR. BACKSTROM:

13 Sid Backstrom, plaintiffs.

14 MR. TAYLOR:

15 Bill Taylor for the witness.

16 MR. TWIFORD:

17 Also present is Jana Renfroe.

18 KERRI A. RIGSBY

19 having been first duly sworn, was examined

20 and testified as follows:

21 EXAMINATION

22 BY MR. ROBIE:

23 Q. Ms. Rigsby, do you still live at 2916

24 North 4Th Street in Ocean Springs?

25 A. Yes.

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1 Q. Have you bought any other property since
2 your last deposition in this case?

3 A. No.

4 Q. Are you still receiving payment on your
5 \$150,000 contract from Scruggs Katrina Group?

6 A. Yes.

7 Q. And who do you understand comprises the
8 Scruggs Katrina Group?

9 A. Several law firms.

10 Q. Please give me their names.

11 A. The Nutt firm in Jackson, Mississippi,
12 Scruggs Law Firm in Oxford. Don Barrett is a part
13 of that group.

14 Q. Anyone else?

15 A. There are others, but I don't, at this
16 point, recall the names.

17 Q. Do you have any document from the
18 Scruggs Katrina Group that outlines the terms of
19 your compensation?

20 A. No.

21 Q. Does this contract go on forever?

22 A. I wouldn't think so.

23 Q. Does it have a term date? Does it have
24 an end to its life?

25 A. Originally it was discussed to go year

1 to year.

2 Q. Until death?

3 A. It would be re-evaluated on a yearly
4 basis.

5 Q. By what criteria?

6 A. As needed.

7 Q. By whose needs?

8 A. The Scruggs Katrina Group's needs.

9 Q. So as long as they needed you, they pay
10 you \$150,000 a year?

11 A. Correct.

12 Q. Did they give you any idea what their
13 needs might be?

14 A. Their needs would be for consulting.

15 Q. Consulting on what?

16 A. Insurance issues.

17 Q. And have they done that?

18 A. Yes.

19 Q. How often?

20 A. Multiple times.

21 Q. More than a dozen?

22 A. Yes.

23 Q. On State Farm policies?

24 A. In addition to other policies.

25 Q. What other companies?

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1 A. Nationwide.

2 Q. Any others?

3 A. Not that I recall at this time.

4 Q. Have they consulted with you this year,
5 this calendar year, 2007?

6 A. Yes.

7 Q. How many times?

8 A. I don't know the exact number.

9 Q. Give me your best estimate, please.

10 A. More than five, more than ten, five to
11 ten issues, if that's what you're asking me.

12 Q. And how much time did you spend on those
13 five to ten issues?

14 A. I don't know.

15 Q. Give me your best estimate, please.

16 A. I could not give you a -- it would be
17 difficult to do that.

18 Q. Let's see if we can bare through that
19 difficulty.

20 A. Okay.

21 Q. Can you give me some time estimate on
22 what you spent on these issues?

23 A. It just varies.

24 Q. By what kind of parameters?

25 A. I did not keep a log.

1 Q. I didn't ask you about a log. I'm
2 asking for your estimate of the time you spent
3 this year consulting on this contract.

4 A. I just can't give you an exact number.

5 Q. I'm not looking for an exact number. I
6 want your best estimate.

7 A. Many hours.

8 Q. Many hours?

9 A. Many hours.

10 Q. Well, I work about 200 hours a month.

11 A. Okay.

12 Q. Do you work that many hours on this
13 consulting contract?

14 A. No, I do not.

15 Q. What do you average?

16 A. Some weeks I average several hours a
17 week. Some weeks I don't work at all.

18 Q. Have you ever put in a 40-hour week on
19 this contract?

20 A. Yes.

21 Q. Have you ever put in more than a 40-hour
22 week?

23 A. I don't think so.

24 Q. How about in the month of November, this
25 month, 2007 --

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1 A. Okay.

2 Q. -- how many hours do you estimate you
3 spent performing services for the SKG group?

4 A. I would say less than five hours this
5 month.

6 Q. Are you paid for your expenses in
7 addition to the flat salary of \$150,000 a year?

8 A. Yes.

9 Q. What kind of expenses?

10 A. If we have to do any kind of travel.

11 Q. So if you go to visit your attorney in
12 Washington, D.C. that's paid for?

13 A. Yes.

14 Q. And you seek reimbursement by sending an
15 invoice?

16 A. Yes.

17 Q. And how many times have you done that?

18 A. For Washington or in the course --

19 Q. Any reimbursement for expenses.

20 A. I would say less than five.

21 Q. And you sent an invoice here to the
22 Scruggs office in Moss Point?

23 A. Yes.

24 Q. And is there a reason you haven't
25 produced any of those?

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1 A. It's -- what I produce is a receipt for
2 my travels like a hotel receipt, and I send that
3 usually here to Charlene, and then she forwards it
4 on for me.

5 Q. Does Mr. Scruggs fly you in his
6 airplane?

7 A. No.

8 Q. You've never been on his plane?

9 A. No.

10 Q. Have you ever met Mike Moore?

11 A. Yes.

12 Q. When?

13 A. I met Mike, as an adult, at the
14 courthouse when they were presenting to Judge
15 Senter for the State Farm settlement.

16 Q. This is in the Woullard class action?

17 A. Yes.

18 Q. Is that the first time you've seen him
19 since Katrina started?

20 A. Yes.

21 Q. Did you testify at a grand jury?

22 A. Yes.

23 Q. Was Mr. Moore present?

24 A. No.

25 Q. Was any SKG lawyer present?

1 A. No.

2 Q. Who was in the grand jury room?

3 A. The jury and a representative, an
4 attorney for the attorney general's office, and
5 her name was Courtney.

6 Q. Courtney Schloemer?

7 A. Yes.

8 Q. You've met Courtney Schloemer many times
9 before you appeared at the grand jury?

10 MR. BACKSTROM:

11 Object to the form.

12 A. Not many times.

13 MR. ROBIE:

14 Q. How many times?

15 A. Not many times. I believe it was only
16 twice before the grand jury.

17 Q. And the first time was where, when?

18 A. The first time was in Ocean Springs in
19 2006, in the spring of 2006.

20 Q. The second time?

21 A. I believe it was at the same location in
22 Ocean Springs, also in the spring of 2006.

23 Q. What was the time separation between the
24 two meetings?

25 A. I don't recall.

1 Q. Weeks, days, months?

2 A. Weeks.

3 Q. Were those both meetings conducted in
4 the same month?

5 A. I don't recall.

6 Q. Were they both at the Hampton Inn in
7 Ocean Springs?

8 A. Yes.

9 Q. Why did you have two meetings?

10 A. She requested two meetings.

11 Q. And what was discussed at the second
12 meeting that hadn't been covered in the first?

13 A. I don't remember.

14 Q. Did you give her documents in either
15 meeting?

16 A. I don't remember.

17 Q. Did she give you documents in either
18 meeting?

19 A. I don't remember.

20 Q. Did you ever give the attorney general's
21 office a copy of the October 12, 2005 Forensic
22 report on McIntosh?

23 A. I don't recall giving them any
24 documents.

25 Q. Have you met Jim Hood?

1 A. No.

2 Q. What did you discuss with Ms. Schloemer
3 at the first meeting at the Hampton Inn?

4 A. I don't recall our conversation. I can
5 only speculate what we discussed. I don't
6 recall --

7 Q. Are you a college graduate?

8 A. Yes.

9 Q. I don't want you to speculate. I want
10 you to give me your best recollection if you have
11 one. Will you do that?

12 A. Yes.

13 Q. What was discussed there, if you can
14 recall?

15 A. I'm sure it was State Farm and their --
16 and the Katrina-related issues.

17 Q. Did she explain to you how she came to
18 know of you?

19 A. I'm sure she did.

20 Q. And how did she come to know of you?

21 A. From what I understand, she was
22 contacted by the Scruggs Katrina Group about me.

23 Q. Is that what she told you?

24 A. I don't recall what she told me.

25 Q. Had you already talked to her

1 investigators before you met with her?

2 A. I spoke with another investigator from
3 that office named Bert.

4 Q. Bert Wallace?

5 A. Yes.

6 Q. And when did he first contact you?

7 A. Spring of 2006.

8 Q. When do you consider spring begins?

9 A. I'm thinking March, April, that time
10 frame.

11 Q. Okay. So you get a call from Bert in
12 the spring. You meet with Courtney and Bert in
13 the spring, and then you have another meeting with
14 them in the spring?

15 A. Correct.

16 Q. Three meetings in the spring. Can you
17 bracket it for me by months?

18 MR. TAYLOR:

19 Objection, Mr. Robie. She didn't say
20 three meetings. You did.

21 MR. ROBIE:

22 Oh, I'm sorry. One conversation, two
23 meetings. I apologize. You are right.

24 Q. Can you bracket that for me in time?

25 A. I probably have testified to this

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1 before. At this time, I cannot narrow it any
2 shorter than that.

3 Q. This is the first time you've given any
4 testimony about meeting with the attorney general.

5 A. Okay. Well, I can't narrow it down any
6 more than that.

7 Q. Did she show you documents at that
8 meeting --

9 MR. BACKSTROM:

10 Objection, asked and answered.

11 MR. ROBIE:

12 Q. -- either meeting?

13 A. I don't recall her showing me any
14 documents, no.

15 Q. Did she talk to you about any documents?

16 A. She talked -- she talked to us mainly
17 about the procedures. It wasn't a big document
18 discussion.

19 Q. Did she talk to you about any documents?

20 A. I'm sure we talked about any documents
21 that I had seen that had been discussed prior, but
22 I -- I don't recall our exact conversation.

23 Q. Did you tell her that you were
24 represented by counsel?

25 A. It's possible that I did.

1 Q. I'm not interested in possibilities. I
2 need to know probabilities or likelihood.

3 A. I don't recall if I stated that I was
4 represented by counsel.

5 Q. Were you represented by counsel?

6 A. I believe that I was.

7 Q. Who was that?

8 A. Dick Scruggs.

9 Q. And when did he start representing you?

10 A. The end of February 2006.

11 Q. That's before the spring?

12 A. Yes.

13 Q. And how did that come about?

14 A. He had been contacted by my mother and
15 came to meet with us, Cori and myself.

16 Q. Where did that meeting take place?

17 A. At Cori's home in Ocean Springs.

18 Q. Did you have an understanding with
19 Mr. Scruggs on what he was going to represent you
20 on?

21 A. The issues dealing with fraudulent
22 activity at State Farm.

23 Q. Was that -- does that mean he was going
24 to file a lawsuit for you?

25 A. It did not mean he was going to file a

1 lawsuit for me.

2 Q. He was going to defend you?

3 A. I looked at it more he was going to
4 guide us through this process.

5 Q. He was going to give you advice on what
6 to do with the documents you had stolen?

7 A. Yes.

8 Q. And by then you had stolen what kind of
9 documents from State Farm?

10 A. In February of '06, I had obtained the
11 McIntosh report and some other documents. I can't
12 recall the specifics. I believe it was some
13 protocol that had been issued through State Farm,
14 possibly some e-mails that I had received,
15 directives.

16 Q. Did you start negotiating with
17 Mr. Scruggs at the end of February on what he
18 would pay you as a consultant?

19 A. No.

20 Q. When did that start?

21 A. That discussion happened in July of
22 2006.

23 Q. You met with Mr. Scruggs in a trailer
24 sometime in '06?

25 A. I did.

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1 Q. And when was that?

2 A. I believe that was March of '06.

3 Q. Had you already met with Ms. Schloemer
4 before you met Mr. Scruggs in his trailer?

5 A. I don't remember which one happened
6 first.

7 Q. Had you had either of your meetings with
8 Ms. Schloemer before you went to the Scruggs
9 trailer?

10 A. I don't recall.

11 Q. Had you spoken to Bert Wallace before
12 you went to that trailer?

13 A. I don't recall.

14 Q. Do you have any documents that might be
15 able to refresh your recollection?

16 A. No.

17 Q. Did you take a laptop with you to that
18 meeting at the trailer?

19 A. I did not.

20 Q. How did you get there?

21 A. We drove.

22 Q. You drove with your mom and your sister?

23 A. Correct.

24 Q. Anyone else?

25 A. It was just the three of us.

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1 Q. And who did you meet with at the
2 trailer?

3 A. We met with several attorneys at that
4 trailer.

5 Q. Give me their names, please.

6 A. Tony Dewitt, there was an attorney named
7 Mary, Todd, and Chip.

8 Q. Mary's last name?

9 A. I don't recall her last name.

10 Q. Is she an attorney?

11 A. She is an attorney. She works with Tony
12 Dewitt.

13 Q. Does Tony Dewitt have a law firm name?

14 A. It does, but I don't know what the name
15 is.

16 Q. How about Todd, is he an attorney?

17 A. He's an attorney, but I don't believe
18 he's in the same office.

19 Q. Do you know what firm he's with?

20 A. I don't.

21 Q. And Chip, does he have a last name?

22 A. He does, but I don't recall his last
23 name.

24 Q. Is he a lawyer?

25 A. He's a lawyer. I believe he's the head

1 of that firm that Tony works with.

2 Q. Is that the Merlin firm?

3 A. I don't think so, no.

4 Q. Anybody else there?

5 A. Dick Scruggs was there.

6 Q. Anyone else?

7 A. Zach Scruggs may have been there, but I
8 don't -- I don't recall.

9 Q. Where was this trailer set up?

10 A. In Pascagoula, right off the beach.

11 Q. In Senator Lott's property?

12 A. I don't know. I've never been to
13 Senator Lott's property.

14 Q. Do you know if that trailer was sitting
15 at Senator Lott's property?

16 A. I don't know if that was at Senator
17 Lott's property.

18 Q. Have you spoken to Senator Lott?

19 A. I have.

20 Q. How many times?

21 A. Once.

22 Q. When was that?

23 A. Several months ago he called --

24 Q. Was that in '0 --

25 A. -- and we had a brief -- in '07.

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1 Q. In '07.

2 A. He called, and we had a brief
3 conversation.

4 Q. What did you talk about?

5 A. He called and just stated that -- how
6 much he appreciated everything that had been done,
7 and it was a brief conversation.

8 Q. Did he talk about his claim?

9 A. No.

10 Q. You knew about his claim?

11 A. I did.

12 Q. You accessed his claim file, hadn't you?

13 A. It's possible that I had.

14 Q. You weren't assigned to that file, were
15 you?

16 A. No, no.

17 Q. In fact, that file was supposed to be on
18 a restricted access basis, wasn't it?

19 A. It was on a restricted access basis.

20 Q. Why were you accessing his file?

21 MR. BACKSTROM:

22 Object to the form.

23 A. Probably curiosity.

24 MR. ROBIE:

25 Q. Is that why you also accessed

1 Congressman Taylor's file?

2 A. I don't recall that, but it's possible
3 that I did.

4 Q. Out of curiosity?

5 A. It could have been, yes.

6 Q. That was also in a restricted access
7 department that you weren't working in, wasn't it?

8 A. I'm sure it was. They restricted a lot
9 of the high profile files.

10 Q. Right. And Mark Drain was heading that
11 unit, wasn't he?

12 A. Yes.

13 Q. And you were having an affair with Mark
14 Drain, weren't you?

15 A. Yes.

16 Q. And when did that begin and end?

17 A. December of 2005, and I believe he went
18 back to Texas in May of 2005 or maybe April of
19 2005. I'm not sure.

20 Q. That was after the spring?

21 A. Yes.

22 MR. BANAHAN:

23 2005?

24 MR. ROBIE:

25 Pardon me?

1 THE WITNESS:

2 I mean, excuse me, 2006. I'm sorry.

3 MR. ROBIE:

4 Q. You accessed the McIntosh file how many
5 times?

6 A. I don't know how many times. I don't
7 remember.

8 Q. You were involved in the adjustment of
9 the McIntosh claim?

10 A. Yes.

11 Q. And by the end of the year, the loss had
12 been paid both on wind and flood, correct?

13 A. Yes.

14 Q. And the file was closed?

15 A. Yes.

16 Q. Did you access that file in March of
17 2006?

18 A. If you say I did, I believe you. I
19 would not be surprised if I didn't, but I don't
20 know if I looked at it in March 2006.

21 Q. Well, if I ask you to assume that you
22 accessed that file on March 11th, 2006, starting
23 at 2:20 in the afternoon, you wouldn't deny that,
24 would you?

25 A. I wouldn't. I would not.

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1 Q. Did you access that file from the
2 Scruggs trailer?

3 MR. BACKSTROM:

4 Object.

5 A. Oh, I wouldn't -- I don't know. I
6 didn't bring my computer to the Scruggs trailer.
7 I wouldn't think so.

8 MR. ROBIE:

9 Q. Your sister brought her computer to that
10 meeting, according to her testimony yesterday.

11 A. Okay. But I wouldn't have accessed it.
12 It would have been her if it had been accessed.

13 Q. All right. Let me ask you to assume
14 that our records reflect that she accessed the
15 file that same day --

16 A. Okay.

17 Q. -- on March 11th.

18 A. Okay.

19 Q. Were you together on March 11th in the
20 same place where you could both access the
21 McIntosh file?

22 A. Sure, yes.

23 Q. And where was that?

24 MR. BACKSTROM:

25 Let me object and instruct not to answer

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1 to the extent that -- about anything that occurred
2 in the meeting in the Scruggs trailer with counsel
3 present.

4 MR. ROBIE:

5 Q. Do you have the question in mind?

6 A. Yes.

7 Q. Okay.

8 MR. TAYLOR:

9 Let me see if I understand. You've
10 asked her whether they were together --

11 MR. ROBIE:

12 Right.

13 MR. TAYLOR:

14 -- on March 11th. That's -- you've
15 actually asked a compound question, were they
16 together, did they access the McIntosh file, and
17 were they in the trailer.

18 MR. ROBIE:

19 I'm delighted to break it down.

20 MR. TAYLOR:

21 Can we -- would you mind breaking that
22 down?

23 MR. ROBIE:

24 Happy to.

25 MR. TAYLOR:

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1 Good.

2 MR. ROBIE:

3 Q. Were you together with your sister at
4 2:00 in the afternoon on March 11, 2006?

5 A. I've already stated that I don't recall
6 what day I was in the trailer.

7 MR. TAYLOR:

8 No. That's not his question. His
9 question is were --

10 THE WITNESS:

11 If it was March 11th, if you verified
12 that, then that's -- it's March 11th.

13 MR. ROBIE:

14 Q. Well, my question is: Was there a
15 situation that occurred on March 11, 2006, when
16 you and your sister both accessed the McIntosh
17 file through a State Farm computer?

18 A. It's possible, yes.

19 Q. I don't want possibility. Is that
20 likely to have occurred?

21 A. Likely, yes.

22 Q. And what were you looking for?

23 MR. BACKSTROM:

24 Let me just object, attorney-client
25 privilege. To the extent that we're talking about

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1 what happened in the trailer that day, I would
2 instruct you not to answer.

3 MR. TAYLOR:

4 So if --

5 MR. BACKSTROM:

6 If you recall.

7 MR. TAYLOR:

8 -- if your answer would require you to
9 discuss what you did in the meeting that you just
10 talked about, you're instructed not to answer that
11 question. If you and your sister were together
12 somewhere else --

13 THE WITNESS:

14 Okay.

15 MR. TAYLOR:

16 -- on that day and accessed, then you
17 can answer the question. But what Mr. Backstrom
18 is objecting to is any discussion of what you did
19 in the trailer at the meeting that you just
20 described.

21 THE WITNESS:

22 Okay. All right.

23 MR. TAYLOR:

24 So now having clarified that for you,
25 would your answer require you to discuss what went

1 on in the trailer?

2 THE WITNESS:

3 Yes.

4 MR. TAYLOR:

5 Okay. Then you're instructed not to
6 answer the question.

7 THE WITNESS:

8 Okay.

9 MR. TAYLOR:

10 Is that clear, Mr. Robie?

11 MR. ROBIE:

12 I think so.

13 Q. Was your mother present that whole time?

14 A. Yes.

15 MR. TAYLOR:

16 You mean that whole time, meaning at the
17 meeting?

18 MR. ROBIE:

19 Q. At the trailer, yes.

20 A. Yes.

21 Q. Was there any other person other than
22 the people you've identified that was present that
23 time?

24 A. No.

25 Q. Did you download documents from the

1 McIntosh file at that meeting?

2 MR. BACKSTROM:

3 Let me object and instruct not to answer
4 as to anything that occurred in that meeting.

5 MR. ROBIE:

6 Is it your position that because the
7 attorney was instructing them to download
8 documents, it's confidential, privileged?

9 MR. BACKSTROM:

10 I'm not testifying as to what occurred
11 in that meeting. I'm just saying that whatever
12 occurred in that meeting would be privileged.

13 MR. ROBIE:

14 Q. Did your attorneys instruct you to
15 download documents from the State Farm computers
16 at that meeting?

17 MR. BACKSTROM:

18 Same objection, same instruction not to
19 answer.

20 MR. TAYLOR:

21 You're instructed not to answer.

22 MR. ROBIE:

23 Q. Did they instruct you to do any searches
24 of the State Farm system other than the McIntosh
25 file at that meeting?

1 MR. BACKSTROM:

2 Same instruction, same objection.

3 MR. ROBIE:

4 Q. Did you demonstrate for them the scope
5 of the searches you could do on existing claim
6 files through your State Farm laptop while you
7 were at that meeting?

8 MR. BACKSTROM:

9 Same instruction and same objection.

10 MR. ROBIE:

11 Q. The State Farm records reflect that the
12 access to those files occurred for more than two
13 hours. Does that square with your recollection?

14 MR. BACKSTROM:

15 Same instruction and same objection.

16 MR. ROBIE:

17 Q. You also accessed a file called Studin.
18 Do you know a policyholder named Studin,
19 S-t-u-d-i-n?

20 MR. BACKSTROM:

21 Same instruction.

22 MR. ROBIE:

23 Q. Did you work on a file involving a
24 policyholder named Studin?

25 A. I don't recall a policyholder named

1 Studin.

2 Q. Did your sister work on a policy, a
3 claim for a policyholder named Studin?

4 A. I don't know.

5 Q. Had you ever heard of a policyholder
6 named Studin before you met with your attorneys on
7 March 11th, 2006?

8 MR. BACKSTROM:

9 Let me object to the extent that you
10 have to reveal communications between your counsel
11 and you to not answer that question.

12 MR. TAYLOR:

13 If you can answer the question without
14 disclosing communications with the lawyer, in
15 other words, it's a yes or no question, I think.
16 If you can answer that without disclosing
17 communication with your lawyers, you should answer
18 it.

19 THE WITNESS:

20 Could you repeat the question?

21 MR. ROBIE:

22 Could you read it back for us, please?

23 (Whereupon, the question was read.)

24 MR. BACKSTROM:

25 Same instruction if it would reveal

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1 communications between your counsel and you.

2 MR. TAYLOR:

3 Yes. The question is: Had you heard of
4 them before the meeting in March, but if you heard
5 of them through the lawyer, then you should
6 decline to answer the question. Do you follow me?

7 THE WITNESS:

8 Uh-huh.

9 MR. TAYLOR:

10 Okay. So the first question is: Had
11 you ever heard of Studin before the meeting?

12 THE WITNESS:

13 No. No.

14 MR. TAYLOR:

15 Okay.

16 MR. ROBIE:

17 Q. Did you hear of Lorraine Studin at that
18 meeting?

19 MR. BACKSTROM:

20 Object and instruct her not to answer
21 anything that occurred at that meeting.

22 MR. TAYLOR:

23 She's instructed not to answer.

24 MR. ROBIE:

25 Q. Are you following that instruction?

1 A. Yes, I'm following that instruction.

2 Q. Okay. Your sister also accessed that
3 same day, at 2:49, a file belonging to a man named
4 Edward Lanier. Did you ever work on a claim
5 involving Edward Lanier?

6 A. Not that I recall, no.

7 Q. Did you discuss with your sister a file
8 being -- involving a man named Edward Lanier?

9 A. Not that I recall.

10 Q. How about a claimant named Carl Johnson,
11 did you have anything to do with that file?

12 A. I don't recall.

13 Q. How about your sister, do you recall
14 your sister ever mentioning working on a file
15 involving a man named Carl Johnson?

16 A. I don't recall.

17 Q. How about Dave Meyers, did you ever work
18 on Dave Meyers' claim?

19 A. It's possible, but I don't recall all my
20 policyholders' names.

21 Q. I didn't ask you if you recall all your
22 policyholders' names. I'm asking if you recall
23 working on Dave Meyers' claim?

24 A. I don't recall.

25 Q. Do you recall discussing with your

1 sister a claim involving Dave Meyers?

2 A. No, I don't remember that.

3 Q. How about Mary Bordeaux, did you work on
4 a claim file involving Mary Bordeaux?

5 A. I don't recall.

6 Q. Do you recall or did you have any
7 discussions with your sister about a claim file
8 involving Mary Bordeaux?

9 A. I don't recall.

10 Q. How about Donald Suddeth, S-u-d-d-e-t-h,
11 did you work on that claim file?

12 A. I don't recall.

13 Q. Did you discuss with your sister the
14 claim of Donald Suddeth?

15 A. I don't recall.

16 Q. How about James Lee, did you work on
17 James Lee's file?

18 A. I don't recall.

19 Q. Did you discuss with your sister a file
20 involving James Lee?

21 A. I don't recall.

22 Q. Did anybody at that meeting in that
23 trailer give you the names Lanier, Johnson,
24 Meyers, Bordeaux, Suddeth, Lee, or Studin and ask
25 you to access those claim files on your State Farm

1 computer?

2 MR. BACKSTROM:

3 Let me object and instruct not to answer
4 as to anything that occurred at that meeting.

5 A. I'm following their instruction.

6 MR. ROBIE:

7 Q. Did you witness one or more of the
8 lawyers performing searches on your sister's State
9 Farm laptop at the meeting?

10 MR. BACKSTROM:

11 Same objection, same instruction.

12 MR. TAYLOR:

13 You're instructed not to answer.

14 MR. ROBIE:

15 Q. Did you witness a usb or thumb drive,
16 any kind of memory device being plugged into that
17 computer as part of that meeting?

18 MR. BACKSTROM:

19 Same objection, same instruction.

20 MR. ROBIE:

21 Q. Did you advise anybody at that meeting
22 that the use of a State Farm laptop by a
23 non-authorized person violated the confidentiality
24 agreement you had signed?

25 MR. BACKSTROM:

Draft Copy

1 Same objection, same instruction.

2 MR. TAYLOR:

3 You're instructed not to answer.

4 MR. ROBIE:

5 Q. Did you consider that searching State
6 Farm's database at the request of a lawyer or
7 anyone else might violate State Farm's rights?

8 MR. BACKSTROM:

9 Same instruction.

10 MR. TAYLOR:

11 You're instructed not to answer by
12 Mr. Backstrom.

13 MR. ROBIE:

14 Q. Is Mr. Backstrom representing you here
15 today?

16 A. Jim Taylor they're representing me. I
17 guess all of them are representing me the way I
18 consider it.

19 MR. WEBB:

20 Excuse me. Would you mind speaking up a
21 little.

22 THE WITNESS:

23 I'm sorry.

24 MR. WEBB:

25 Your voice is so soft it's hard to here

Draft Copy

1 down here.

2 THE WITNESS:

3 I'm sorry.

4 MR. ROBIE:

5 Q. Had you already filed your Qui Tam
6 action before you had this meeting in this
7 trailer?

8 A. No.

9 Q. When was that filed?

10 A. I believe that was filed in April of
11 '06.

12 Q. And the computer accesses that I've just
13 been dealing with that occurred on March 11th,
14 did you download and print any material on
15 March 11th from the files I've listed?

16 MR. BACKSTROM:

17 Same objection, same instruction.

18 MR. TAYLOR:

19 You've been instructed not to answer.

20 MR. ROBIE:

21 Q. Did you furnish any attorney with any
22 State Farm documents before the Qui Tam action was
23 filed?

24 MR. BACKSTROM:

25 If outside of that -- let's take a

1 break. I want to talk to you for a second.

2 MR. ROBIE:

3 Can we have an answer before we take the
4 break? There's a question on the table.

5 MR. BACKSTROM:

6 I'm not going to break with her. I'm
7 going to break with him for a second.

8 MR. ROBIE:

9 Oh, okay.

10 VIDEOGRAPHER:

11 Off record at 9:47 a.m.

12 (Off the record.)

13 VIDEOGRAPHER:

14 On record at 9:57 a.m.

15 MR. TAYLOR:

16 We'll let her answer that question. So
17 you can answer whether you furnished documents to
18 any attorney, but you must not discuss what
19 occurred at the meeting in the trailer. So focus
20 your attention outside the meeting of the trailer
21 and answer whether you provided any documents, and
22 I presume he means State Farm documents to any
23 lawyer.

24 THE WITNESS:

25 Yes.

Draft Copy

1 MR. ROBIE:

2 Q. What documents?

3 A. I provided the McIntosh documents, some
4 e-mails and protocol from State Farm, and I had
5 provided that to Dick Scruggs.

6 Q. When was that?

7 A. At our initial meeting at the end of
8 February.

9 Q. Between your initial meeting at the end
10 of February and the filing of the Qui Tam action,
11 did you provide any additional documents to your
12 lawyers?

13 A. It seems like, yes, we met with Dick
14 Scruggs again prior to the Qui Tam and provided
15 some additional documents.

16 Q. When was that, and what did you provide?

17 A. It was a couple of weeks after the
18 February meeting, and I don't recall the exact --
19 what the exact documents were.

20 Q. Are these documents that you had stolen
21 from State Farm between the date of your first
22 meeting and the second meeting?

23 MR. TAYLOR:

24 Object as to form.

25 A. Yes.

Draft Copy

1 MR. ROBIE:

2 Q. And can you give me an idea of the
3 quantity of those documents?

4 A. I would say less than 50.

5 Q. Did they involve claims file material
6 from any files?

7 A. Yes.

8 Q. And is this material that you had
9 accessed through the State Farm computer and
10 printed?

11 A. Yeah -- mostly, yes. There was also --
12 there was also some documents that I copied out of
13 claim files, as well, that were not on the
14 computer.

15 Q. Are you talking about 50 pages total or
16 50 documents?

17 A. I'm saying 50 pages total.

18 Q. So after your first meeting with
19 Mr. Scruggs and before your second meeting with
20 Mr. Scruggs, you copied some material out of claim
21 files and you accessed documents on a State Farm
22 computer and printed them?

23 A. Yes.

24 Q. And you assembled what you estimate to
25 be about 50 pages of materials and delivered them

1 to him?

2 MR. BACKSTROM:

3 Object to the form.

4 A. Correct. Yes.

5 MR. ROBIE:

6 Q. Could you give me the names of the files
7 that you either printed or copied material from?

8 A. Not of all of them. I don't recall, but
9 I do remember getting some information on a claim
10 file by the name of Ana Vela. And I know there
11 was a discussion on Dr. McFarland's claim, but I
12 don't recall what -- if there were any documents
13 that I provided or if it was just discussions.

14 Q. And did Mr. Scruggs give you any
15 information on files that he liked to have
16 materials produced from?

17 A. No.

18 Q. He didn't give you the names of any
19 claims that he wanted you to search for him?

20 A. Not that I recall.

21 Q. Well, did it happen or you just don't
22 remember one way or another?

23 MR. BACKSTROM:

24 Object to the form.

25 A. I don't remember one way or the other.

Draft Copy

1 MR. ROBIE:

2 Q. You wouldn't deny that it occurred?

3 MR. BACKSTROM:

4 Object to the form.

5 A. I would not deny it occurred, but I
6 don't recall.

7 MR. ROBIE:

8 Q. Let me show you a document which I'll
9 mark for identification as Exhibit B, because we
10 had an A yesterday to your sister's depo. It
11 would just be alphabetic exhibits from the
12 sisters' depositions.

13 (Exhibit B was marked.)

14 MR. ROBIE:

15 Q. This is a document that Brian Ford
16 produced pursuant to a subpoena duces tecum in
17 McIntosh case. Do you know Brian Ford?

18 A. I never met Brian Ford.

19 Q. You know that Brian Ford is the author
20 of the original McIntosh report?

21 A. Yes, sir.

22 Q. Has anybody ever told you that Brian
23 Ford was working as a consultant on Katrina
24 litigation for the Scruggs Katrina Group?

25 A. No. I did not know he was working as a

1 consultant.

2 Q. Nobody has suggested that to you?

3 A. I've read about the -- I've read about
4 information that they had decided to turn over
5 information, but I did not know the details of
6 that.

7 Q. Where did you read that?

8 A. It may have been an e-mail.

9 Q. An e-mail from who?

10 A. It would have to be from my Washington
11 attorneys.

12 MR. TAYLOR:

13 Then don't -- we're not going to talk
14 about it.

15 MR. ROBIE:

16 Q. Have you read any of Mr. Ford's
17 depositions?

18 A. No.

19 Q. This letter, which is addressed to
20 Dickie Scruggs, lays out a series of
21 understandings that Mr. Ford is documenting
22 regarding the terms under which he'll work on
23 these cases. Do you see that?

24 A. Yes.

25 MR. BACKSTROM:

Draft Copy

1 Objection to the form.

2 MR. ROBIE:

3 Q. The first item identifies indemnity for
4 him and his family by providing legal
5 representation and reimbursement for any financial
6 losses. Mr. Scruggs is providing legal
7 representation for you in all of the legal affairs
8 coming out of your involvement in these cases,
9 isn't he?

10 A. Yes.

11 Q. And that includes the Zuckerman firm
12 that Mr. Taylor is with here today as well as a
13 firm in Alabama. Any other firms he's also paying
14 for for you?

15 A. No, no.

16 Q. He's also representing you?

17 A. Yes.

18 Q. So at least as of this point, he's
19 providing three different law firms and three
20 different contacts to represent you?

21 A. Yes.

22 Q. And that's not including the other
23 members of the Scruggs Katrina Group who may be
24 involved in your representation?

25 A. Correct.

Draft Copy

1 Q. How much has he paid to date for your
2 legal representation?

3 MR. TAYLOR:

4 Objection, and I instruct her not to
5 answer.

6 MR. ROBIE:

7 Q. Do you know?

8 A. I do not know.

9 Q. Your sister said yesterday that you
10 looked at the attorney fee bill that came in the
11 mail. How many of those have you seen?

12 A. I just started receiving copies of
13 bills, so I haven't seen them up till -- I started
14 seeing them about a month ago for the first time,
15 so I did look at one bill.

16 Q. And do you consider the reimbursement of
17 your legal fees to be part of your compensation
18 package at the Scruggs Katrina Group?

19 A. Yes.

20 Q. And did he also pay for your first
21 attorney in this case, whose name I do not --
22 Mr. Hawley?

23 A. (Nodding head affirmatively.)

24 Q. Yes?

25 A. Yes.

Draft Copy

1 Q. And you considered the reimbursement of
2 Mr. Hawley's bills to be part of your
3 compensation.

4 A. Yes.

5 Q. Do you documents that identify the total
6 amount paid for Mr. Hawley as well?

7 A. I do not.

8 Q. Mr. Scruggs handled all of that?

9 A. Yes.

10 Q. Has he also agreed to indemnify you in
11 the event that anybody sues you for the things
12 you've done arising out of Katrina?

13 A. He's never -- we never had that
14 discussion.

15 Q. Is it your understanding that that's an
16 unspoken term of your oral agreement, that if
17 somebody sues you that he will defend and
18 indemnify you for that?

19 A. Yes.

20 Q. And because it hasn't happened, you
21 haven't had the need yet to cover that?

22 MR. BACKSTROM:

23 Object to the form.

24 MR. TAYLOR:

25 Mr. Robie, I'm not sure what context

1 you're asking because they have been sued.

2 MR. ROBIE:

3 Is that a legal objection?

4 MR. TAYLOR:

5 No. It's an objection to a question
6 which is based on a faulty premise, which when you
7 said because nobody has done that yet, I didn't --

8 MR. ROBIE:

9 Okay. Let me correct that.

10 Q. Does the Renfroe case, in your mind,
11 seek damages from you?

12 A. Yes.

13 Q. And has he agreed to indemnify you for
14 those damages?

15 A. No, not verbally, no.

16 Q. Well, has he led you to believe, in some
17 way or form, that he'll cover them for you?

18 A. I believe he will.

19 Q. Okay. And why do you believe that?

20 A. I just believe he will take care of it,
21 but I don't know that for a fact.

22 Q. When you were at the hearing on the
23 Woullard class action case, were you told by
24 anyone that the class action was going to be
25 dismissed if State Farm didn't somehow convince

1 Renfroe to dismiss their case against you?

2 THE WITNESS:

3 I'm sorry.

4 MR. TAYLOR:

5 I'm sorry. Let me consult --

6 MR. BACKSTROM:

7 Objection, vague.

8 MR. TAYLOR:

9 To the extent that that includes
10 conversations with counsel, I instruct you not to
11 answer that on the ground of privilege. So when
12 he -- he didn't ask who told you. He said were
13 you told. So if the answer to that question would
14 require you to identify a lawyer, your lawyer,
15 then you're instructed not to answer that question
16 on the ground of privilege.

17 THE WITNESS:

18 Okay. I can't answer that question.

19 MR. ROBIE:

20 Q. Did Courtney Schloemer tell you that?

21 A. No.

22 Q. She doesn't represent you, does she?

23 A. No.

24 Q. And Bert Wallace doesn't represent you,
25 does he?

Draft Copy

1 A. No.

2 Q. Did you talk to Bert Wallace about once
3 a week once you first hooked up with him in the
4 spring of '06?

5 A. I talk with him frequently.

6 Q. Your sister estimated about once a week.
7 Does that square with your recollection, as well?

8 A. I think that's fair.

9 Q. And you kept Mr. Wallace informed of
10 what was going on in the Renfroe litigation?

11 A. There was no Renfroe litigation -- are
12 you talking about spring of '06?

13 Q. Later.

14 A. Once the litigation started, yes, we did
15 let him know about it.

16 Q. Did you give Mr. Wallace copies of the
17 documents you stole from State Farm between your
18 first two meetings with Mr. Scruggs?

19 A. I don't recall giving Mr. Wallace any
20 documents.

21 Q. Did you give them to Courtney Schloemer?

22 MR. BACKSTROM:

23 Object, asked and answered.

24 A. I don't recall if I gave them any
25 documents.

Draft Copy

1 MR. ROBIE:

2 Q. Was it your understanding that you
3 authorized Mr. Scruggs to take the documents you
4 stole between your first meeting with him and your
5 second meeting and give them to the attorney
6 general?

7 A. He was authorized to do that, yes.

8 Q. How long did your weekly conversations
9 with Bert Wallace go on once they started in the
10 spring of '06?

11 A. They didn't continue on a weekly basis
12 for a long period of time. We may only would talk
13 once a month after awhile, but we -- we continue
14 to talk. It's been probably two or three months
15 since I last spoke with him, but before that, it
16 was a semi-regular basis.

17 Q. Did you talk to Mr. Wallace about the
18 attorney general's lawsuit against State Farm that
19 was filed in '07 for breach of the settlement
20 agreement?

21 A. No. I have not talked to him about
22 that.

23 Q. Did he show you the grand jury subpoena
24 that he served on Mr. Moore at State Farm in March
25 of 2006?

Draft Copy

1 A. Bert Wallace did not show me that, no.

2 Q. Did Courtney Schloemer?

3 A. No.

4 Q. Did anyone from the AG's office?

5 A. No.

6 Q. Did you ever get a copy of it?

7 A. I never received a copy.

8 Q. Have you ever seen it?

9 A. I may have seen it. It seems like I
10 looked at it briefly at the office possibly when
11 he got it. It seems like he had it and he was
12 upset about it.

13 Q. This is Rick Moore?

14 A. Rick Moore was upset about it, but I
15 didn't read it.

16 Q. Did you have discussions with Rick Moore
17 after he got that subpoena in which you told him
18 that you thought there was a mole in the office
19 working for Scruggs?

20 A. I don't recall ever saying that I
21 thought there was a mole.

22 Q. Did you tell him that you thought there
23 was someone in the office that was working for
24 Scruggs and that you couldn't believe it?

25 A. No.

Draft Copy

1 Q. Did you tell him that you hated Scruggs?

2 A. No.

3 Q. You never told him that?

4 A. No.

5 Q. Did you hear your sister say that?

6 A. No. I didn't know Scruggs at that time.

7 Q. In March of 2006?

8 A. In May I did.

9 Q. He was already your lawyer, wasn't he?

10 A. I did then, right. But before February,
11 I didn't know him.

12 Q. Well, your mother knew him?

13 A. Correct.

14 Q. In fact, your mother knew him for a
15 number of years, didn't she?

16 A. She did.

17 Q. And your mother told you in the fall of
18 2005 that she thought you guys should go see
19 Mr. Scruggs, didn't she?

20 A. She did.

21 Q. And, in fact, she made efforts to try to
22 make that happen, didn't she?

23 A. Yes.

24 Q. She made phone calls to try to set up a
25 meeting?

Draft Copy

1 A. I believe she did, yes.

2 Q. And she was interested in having you
3 meet with him because she knew you had documents
4 that you had taken from State Farm that she
5 thought would be of interest to him, right?

6 MR. BACKSTROM:

7 Object to speculation.

8 MR. ROBIE:

9 Q. Is that right?

10 A. Yes.

11 Q. You knew that?

12 A. Yes.

13 Q. And she knew that?

14 A. Yes.

15 Q. And, in fact, you had already taken, in
16 the fall of 2005, a series of documents out of
17 State Farm's office, hadn't you?

18 MR. BACKSTROM:

19 Object, asked and answered.

20 A. I had taken documents from State Farm in
21 the fall, yes.

22 MR. ROBIE:

23 Q. The second item on this Exhibit B,
24 reimbursement of any and all expenses, you've not
25 given us any of the documentation of either the

1 charges or the reimbursement for those expenses,
2 have you?

3 A. I don't -- I don't -- no. I don't think
4 so.

5 Q. Have you given them to your lawyer?

6 A. I've given my lawyer everything that I
7 have.

8 Q. Right. And you've given all of those
9 expense vouchers, if you will, to Charlene here at
10 the Scruggs group, right?

11 A. Yes.

12 Q. They have them?

13 A. Yes. Because I've been reimbursed, so
14 someone has them.

15 Q. Item 3 is the consulting retainer in the
16 amount of \$10,000 per month for a minimum of 12
17 months. You're actually getting a bigger retainer
18 than that, aren't you?

19 A. Yes.

20 Q. And yours is effective, I think you told
21 me at the beginning of this deposition, until
22 you're no longer necessary?

23 A. Correct.

24 MR. BACKSTROM:

25 Objection, asked and answered.

Draft Copy

1 MR. ROBIE:

2 Q. Have you started working to train
3 yourself for a follow-on career once you're no
4 longer necessary to the Scruggs Katrina Group?

5 A. No.

6 Q. Do you have any career plans on what you
7 intend to do once you get off the Scruggs payroll?

8 A. No.

9 Q. You certainly won't go back to insurance
10 adjusting, will you?

11 A. No. I don't believe so.

12 Q. Did you have similar negotiations with
13 Mr. Scruggs like the ones that are outlined in
14 this Exhibit B that I've placed before you before
15 you agreed to his contract?

16 A. No, sir.

17 Q. This goes on to say, in the major
18 paragraph on the page in the last two lines or
19 last two sentences, Believing that I can make a
20 significant contribution to the success of those
21 cases, I would -- I would be compensated a blank
22 percentage share of the settlement upon successful
23 completion of each case. Do you have a contingent
24 fee agreement on any cases being prosecuted by the
25 Scruggs Katrina Group?

Draft Copy

1 A. No, sir.

2 Q. You're sure of that?

3 A. I'm sure of that.

4 Q. And have you made any efforts at all to
5 put in writing the terms of your agreement with
6 Mr. Scruggs?

7 A. No.

8 MR. ROBIE:

9 I think we need to change the tape or
10 he's going to hit me on the head.

11 VIDEOGRAPHER:

12 Off record at 10:16 a.m.

13 (Off the record.)

14 VIDEOGRAPHER:

15 On record at 10:17 a.m.

16 MR. ROBIE:

17 Let me show you a document which we'll
18 mark for identification as Exhibit C to this
19 deposition.

20 (Exhibit C was marked.)

21 MR. ROBIE:

22 Q. It's a document that you all produced in
23 response to our request for production of
24 documents. It's an invoice dated October 8th,
25 2007. Is this an invoice that you prepared?

Draft Copy

1 A. No.

2 Q. Who prepared it?

3 A. I don't know.

4 Q. Who sent it?

5 A. I don't know.

6 Q. This has your name misspelled on it,
7 doesn't it?

8 A. Yes, it does.

9 Q. Have you ever seen this document before?

10 A. I've seen it once.

11 Q. Where did you see it?

12 A. I saw it in my attorney's office in
13 Washington.

14 Q. But you didn't actually send this in
15 October of '07?

16 A. No.

17 Q. Who made this document up?

18 A. I don't know.

19 Q. What does it reflect?

20 MR. TAYLOR:

21 She just said she's never seen it
22 before, Mr. Robie.

23 MR. ROBIE:

24 I just want to make sure that she
25 doesn't know anything about it. I'm trying to

1 circle it around.

2 MR. TAYLOR:

3 I believe she said that.

4 MR. ROBIE:

5 Q. Is that your testimony?

6 A. Yes, sir.

7 Q. Okay. Have you sent in invoices like
8 this since October of 2007?

9 A. No.

10 Q. This, at the bottom, says, Thank you for
11 your business. What business were you doing with
12 Scruggs Katrina Group in October of '07?

13 MR. BACKSTROM:

14 Object to the form.

15 A. They would have to be referring to the
16 consulting.

17 MR. ROBIE:

18 Q. When is the first time you did any
19 consulting with the Scruggs Katrina Group?

20 A. July 2006 would be the first time.

21 Q. And how many hours did you spend in July
22 consulting with them?

23 MR. TAYLOR:

24 July 2006?

25 MR. ROBIE:

Draft Copy

1 2006.

2 A. I don't recall, but that month I don't
3 recall the exact hours, but I know it was quite a
4 few that month because there was a trial coming
5 up --

6 MR. ROBIE:

7 Q. Trial in what?

8 A. In a Nationwide case.

9 Q. The Leonard case?

10 A. Yes, sir.

11 Q. Did you sit through that trial?

12 A. Yes, sir.

13 Q. And you consulted with Mr. Scruggs as
14 part of that trial?

15 A. Yes.

16 Q. And you were paid \$12,500 for that
17 month's work?

18 A. Yes.

19 Q. And your sister also sat through the
20 trial?

21 A. (Nodding head affirmatively.)

22 Q. Is that a yes?

23 A. Yes.

24 Q. And she was paid \$12,500 for that
25 month's work?

Draft Copy

1 A. Yes.

2 Q. \$25,000 to the sisters for that month's
3 work?

4 A. Yes.

5 Q. Is that the most money you had ever
6 earned in a single 30-day period in your life?

7 A. No.

8 Q. You had earned more than that before?

9 A. Yes.

10 Q. As an adjuster?

11 A. Yes.

12 MR. ROBIE:

13 Q. Let's mark as Exhibit D this single page
14 document that you produced as part of your
15 production in this case and ask you whether this
16 is in your handwriting.

17 (Exhibit D was marked.)

18 A. Yes.

19 MR. ROBIE:

20 Q. And this is something you faxed to
21 somebody in July of 2007; do you see that?

22 A. I do.

23 MR. TAYLOR:

24 It was faxed.

25 MR. ROBIE:

Draft Copy

1 Q. Did you fax it?

2 A. Yes. I personally did not fax this, but
3 I had it faxed, yes.

4 Q. Who did you have it faxed to?

5 A. Beth in the Oxford office.

6 Q. Of Scruggs Katrina Group?

7 A. Correct.

8 Q. And who did you have fax it for you?

9 A. Drew Cambre.

10 Q. And who is that?

11 A. He's my fiance.

12 Q. You're still seeing him?

13 A. Yes.

14 Q. And what is WDCI?

15 A. WOCI. And that's the name of his
16 company.

17 Q. What's that stand for?

18 A. Waste Oil Collectors, Incorporated.

19 Q. The second word, Waste?

20 A. Oil.

21 Q. Oil. And why were you faxing this to
22 Beth at the Oxford office in July of 2007?

23 A. They had requested information on what
24 we had been paid prior to starting our consulting
25 with them.

Draft Copy

1 Q. And who is "they"?

2 A. We had been paid by State Farm and
3 Renfroe prior to consulting with the Scruggs
4 Katrina Group.

5 Q. I must have misspoke.

6 A. I'm sorry.

7 Q. I understood your testimony to be that
8 you sent this to Beth because they had been
9 requesting information about your salary with
10 Renfroe or your earnings with Renfroe. Who is the
11 "they" that was asking for that information?

12 A. Scruggs Katrina Group.

13 Q. And how did they ask for that?

14 A. They wanted a copy, they needed a copy
15 of our W-2s.

16 Q. Did you send one with this fax?

17 A. Yes, I believe I did.

18 Q. And did you produce that?

19 MR. TAYLOR:

20 To you?

21 MR. ROBIE:

22 Yes.

23 A. Yes, sir.

24 MR. ROBIE:

25 Q. And what did it show?

Draft Copy

1 A. My earnings for -- this is -- for
2 January through May of 2006.

3 Q. Who from Scruggs Katrina Group asked for
4 it?

5 A. Beth had called me, Beth Jones.

6 Q. And when was this?

7 A. Apparently around the date it was faxed.

8 Q. So a year into your \$150,000 a year
9 contract, they're asking for information about
10 your earnings with Renfroe?

11 A. They had -- we had given that
12 information to them before. This was the second
13 time we were giving them this information.

14 Q. When was the first time you had given it
15 to them?

16 A. In July of 2006.

17 Q. And who did you give it to?

18 A. Charlene.

19 Q. And was that in written form, as well?

20 A. Yes, it was.

21 Q. And that was in response to a verbal or
22 written request?

23 A. Verbal.

24 Q. So sometime in July you were asked to
25 furnish some kind of proof of your 2006 earnings?

1 A. Yes.

2 Q. And Charlene here in Moss Point asked
3 for that?

4 A. Someone at Scruggs Katrina Group asked.
5 I don't know that it was Charlene.

6 Q. Did they ask for anything else?

7 A. No.

8 Q. Did they ask where they should send the
9 checks?

10 A. They didn't ask me that.

11 Q. Who did they ask that?

12 A. They asked Cori that because they sent
13 them to her address.

14 Q. Has that been true from the beginning to
15 now?

16 A. Yes.

17 Q. You pick up your paycheck from Scruggs
18 at Cori's house?

19 A. Until recently, yes.

20 Q. When did that change?

21 A. About a month ago.

22 Q. Did you send them a note asking them to
23 move the checks -- start sending the checks to
24 your house?

25 A. I called.

Draft Copy

1 Q. And who did you call?

2 A. I called Tim Cantrell and left him a
3 voice mail.

4 Q. And do they mail you checks every month?

5 A. Yes.

6 Q. Do you send them any invoice?

7 A. No.

8 Q. You never send an invoice except when
9 you want reimbursement for expenses?

10 A. Correct.

11 Q. And the check just comes, what, every
12 two weeks?

13 A. Every -- around the 1st and the 15th,
14 yes, every two weeks.

15 Q. And that's true right up to today?

16 A. Yes, sir.

17 Q. Did you do the Lanier mediation?

18 A. I don't recall.

19 Q. You don't recall doing a mediation on a
20 file called Lanier?

21 A. Not at this moment, no.

22 Q. How many mediations did you do?

23 A. Many, but I don't recall how many.

24 Q. A hundred?

25 A. I wouldn't -- I wouldn't say.

Draft Copy

1 MR. TAYLOR:

2 I'm sorry?

3 THE WITNESS:

4 I wouldn't say 100, no.

5 MR. ROBIE:

6 Q. Fifty?

7 A. I don't know how many I did.

8 Q. More than three dozen?

9 A. I don't know how many I did.

10 Q. How long were you actively involved in
11 doing mediations?

12 A. From the beginning, which would be
13 February.

14 Q. February of '06?

15 A. Correct.

16 Q. Until you left in June?

17 A. Correct.

18 Q. And you did maybe five or six a month,
19 ten a month?

20 A. Some months it was as many as ten, and
21 some -- some months it was only five or six.

22 Q. Did you tell lies at every one of those
23 mediations?

24 A. I don't know if I did. I don't recall.

25 Q. Tell me which ones you told lies at.

Draft Copy

1 A. I don't recall.

2 Q. Did you lie at the McFarland mediation?

3 A. I believe I deceived the McFarlands,
4 yes.

5 Q. You lied?

6 A. Yes.

7 Q. Did you lie to a mediator?

8 A. It's possible that I did. There was a
9 mediator there.

10 Q. Was there a mediator present?

11 A. Yes.

12 Q. Did you prepare written mediation
13 materials?

14 A. Yes.

15 Q. Did you lie in those written materials?

16 A. It's possible that I did, yes.

17 Q. Is it probable?

18 A. Probable, yes.

19 Q. In fact, you know you did, didn't you?

20 A. I'm sure I did, yes.

21 Q. Did you lie at every one of the
22 mediations where you presented written material?

23 MR. BACKSTROM:

24 Objection, asked and answered.

25 A. It's probable that I did.

Draft Copy

1 MR. ROBIE:

2 Q. And you did that sometimes as much as
3 ten times a week, right?

4 A. A month.

5 Q. A month.

6 A. Yes.

7 Q. For five months?

8 A. Yes.

9 Q. Six months?

10 A. Yes.

11 Q. Did you ever tell anybody from State
12 Farm that in this ten times a week or ten times a
13 month experience that you were lying?

14 A. No.

15 Q. Did you ever tell anybody at Renfroe
16 that you were going into these mediations and
17 lying day after day after day after day?

18 A. No.

19 Q. Is today the first time you've ever
20 admitted that you lied in all of those mediations?

21 A. I don't think it's the first time I've
22 admitted, no.

23 Q. Where else have you admitted lying in
24 every one of these mediations?

25 A. In a prior deposition, I admitted to

1 deceiving policyholders.

2 Q. Well, is deceiving a very nice, polite
3 way of saying you're lying?

4 MR. TAYLOR:

5 This is getting argumentative,
6 Mr. Robie. Why don't you save that for the jury.

7 MR. ROBIE:

8 Q. Is it?

9 A. Yes.

10 Q. That's a polite way of saying you lied?

11 A. Yes.

12 Q. Did you take the mediation materials
13 that you had prepared in the McFarland case, did
14 you take those out of the McFarland file?

15 A. I don't know.

16 Q. Do you have them?

17 A. I do not.

18 Q. Do you know what happened to them?

19 A. No.

20 Q. What did you do with them when the
21 mediation was over?

22 A. I don't recall.

23 Q. Did you take the Lanier mediation
24 package out of the file?

25 A. I don't recall. It's possible that I

Draft Copy

1 did.

2 Q. That you took it?

3 A. It's possible that -- no, I wouldn't
4 have taken it. I would put it back in the file.
5 It's possible I would have taken a copy of it.

6 Q. Do you know how many mediation files you
7 handled where there is no mediation package in the
8 file?

9 A. I have no idea.

10 Q. Is it your testimony that in every
11 situation -- well, first of all, every time you
12 mediated a file you prepared a mediation package,
13 didn't you?

14 A. We prepared for the mediation, yes.

15 Q. You would have prepared a written
16 package of material?

17 A. Yes.

18 Q. And you would have submitted it to the
19 mediator?

20 A. No.

21 Q. No?

22 A. No.

23 Q. You would have had it for your own use?

24 A. We didn't leave it with the mediator,
25 and sometimes they would look at it, and sometimes

1 they wouldn't. It was a packet that we would
2 present to the policyholder, then we would put it
3 back in the file.

4 Q. And I assume there is a list that was
5 compiled of the mediations you did?

6 A. Yes.

7 Q. And did you put your mediation package
8 back in the file after every one of those
9 mediations?

10 A. Yes.

11 Q. Are there any instances where you didn't
12 do that?

13 A. No.

14 Q. Are you aware of any person at State
15 Farm shredding any of your mediation packages?

16 A. No.

17 Q. Are you aware of anyone at State Farm
18 shredding any documents that were called for in
19 the grand jury subpoena out of Harrison County in
20 March of 2006?

21 A. I don't know. I know they shredded
22 documents. I don't know what they shredded.

23 Q. They shredded documents from the first
24 day you showed up in the catastrophe office,
25 didn't they?

Draft Copy

1 A. Yes.

2 Q. And that's customary in claims
3 operations to shred documents that are not
4 necessary, isn't it?

5 A. Yes.

6 Q. You do not have any information to
7 testify under oath that State Farm shredded any
8 documents responsive to any grand jury subpoena,
9 do you?

10 A. No.

11 Q. You wouldn't have any information about
12 that, would you?

13 A. No.

14 Q. You are not aware of any document that
15 Lecky King shredded, are you?

16 A. No.

17 Q. You never saw her at a shredder, did
18 you?

19 A. No.

20 Q. In fact, you never -- you can't sit here
21 today and identify one document that Lecky ever
22 shredded, can you?

23 A. No.

24 Q. Or Dave Randel, you can't identify any
25 document that Dave Randel ever shredded, can you?

1 A. No.

2 Q. Or Cody Perry?

3 A. No.

4 Q. Or Mark Drain?

5 A. No.

6 Q. How about you, did you shred documents?

7 A. No.

8 Q. What was the procedure at the State Farm
9 catastrophe office when you wanted to put
10 documents into a place where they would be
11 shredded?

12 A. They had a bin.

13 Q. That's standard in all catastrophe
14 operations, isn't it?

15 A. Yes.

16 Q. And a company comes in, commercial
17 company comes in and empties the bins, right?

18 A. Correct.

19 Q. Have you ever seen the records from the
20 shredding company that State Farm produced in this
21 case?

22 A. I have not.

23 Q. No one has shared with you any of the
24 results of that subpoena duces tecum?

25 A. No.

Draft Copy

1 Q. The first document that you stole from
2 State Farm in the fall of 2005, what was that?

3 A. That was the McIntosh report.

4 Q. And when did you first see it?

5 A. In late October is -- late October,
6 early November.

7 Q. And tell me how it is you came to see
8 it.

9 A. It was given to me by Cody Perry.

10 Q. And where were you?

11 A. I was at the State Farm catastrophe
12 office in Gulfport.

13 Q. Did he come to your desk?

14 A. No. I was standing in the office.

15 Q. Where in the office?

16 A. I was standing close to the baskets, the
17 adjuster baskets.

18 Q. And Cody just happened to come along?

19 A. Yes.

20 Q. Did you have an affair with Cody Perry,
21 too?

22 A. Yes.

23 Q. When was that?

24 A. Fall of '05.

25 Q. Is that about the same time he was

1 showing you this McIntosh report?

2 A. Yes.

3 Q. What other men that were working on that
4 catastrophe operation did you have affairs with?

5 A. Cody Perry and Mark Drain.

6 Q. And what time of the day was it when
7 Cody came to you with this McIntosh report?

8 A. I don't remember what time of day it
9 was.

10 Q. And what did he say to you, and what did
11 you say to him?

12 MR. BACKSTROM:

13 Let me object to the extent this has
14 been covered a couple of times now in two
15 different depositions, the Marion case and this
16 case. It's been asked and answered.

17 A. He handed me the report.

18 MR. ROBIE:

19 Q. This is the October 12 report?

20 A. Yes, it's the October 12th report.

21 Handed the report and simply said, I'm going to
22 let -- something to the effect of I'm going to let
23 you handle this.

24 Q. Can you describe the report that he
25 handed you, please?

Draft Copy

1 A. It was an engineering report. It had a
2 note on it to put in the wind file and do not pay,
3 do not discuss.

4 Q. Anything else?

5 A. I reviewed the report. I read the
6 conclusion and went to put it in the wind file.

7 Q. Did you put it in the wind file?

8 A. No, I did not.

9 Q. Why not?

10 A. I pulled the wind file, and I was
11 intending to put it in the wind file. And I
12 noticed there was already an engineer report in
13 the file, but I noticed that the date was not the
14 same as the date of the one that I was holding.
15 So I pulled the other engineer report out and
16 reviewed it, and I noted that the report had
17 different dates, different engineers and different
18 conclusions.

19 Q. So what did you do with it?

20 A. I went to the copy machine, made a copy
21 of both of them, returned the second report that
22 was in the wind file already back to the file and
23 returned it to close. And I took the original
24 first report with the note on it, the sticky note,
25 and I took it to Lecky King and gave it to her.

1 Q. So by the time you saw this report from
2 Cody Perry, the McIntosh file had been closed?

3 A. Yes.

4 Q. The McIntosh file is a claim that you
5 had worked on?

6 A. Yes, sir.

7 Q. Was it ever reopened after you sent the
8 wind file back?

9 A. I don't know if it was.

10 Q. You didn't reopen it?

11 A. No, I did not.

12 Q. And where were these closed files
13 maintained?

14 A. In filing cabinets in the office.

15 Q. Do you know if the McIntosh file was
16 sent off site at some point?

17 A. I don't know.

18 Q. Do you know if it was still on site when
19 you left in June of '06?

20 A. I don't know.

21 Q. Was there a separate flood file?

22 A. I remember there being a separate flood
23 file, yes.

24 Q. Did you look in the flood file when
25 Mr. Perry gave you this report in the fall of '05?

1 A. I did look at the flood file, but I
2 don't know at what point I looked at the flood
3 file.

4 Q. Was it at the same time you were looking
5 at this report from Mr. Perry?

6 A. It was close to the same time, but I
7 don't know -- I don't recall looking at it at that
8 moment, but I've looked at it, but I don't know
9 when.

10 Q. Did you look at that file at anytime
11 after you gave this McIntosh report to Lecky King
12 the same day Mr. Perry gave it to you?

13 A. I don't recall when I looked at it.

14 Q. The McIntosh report that you saw in the
15 file --

16 A. Okay.

17 Q. -- was in the wind file or the flood
18 file?

19 A. It was in the wind file.

20 Q. And that was a report that concluded
21 damage was caused both by flood and by wind?

22 MR. BACKSTROM:

23 Objection, asked and answered.

24 A. The wind, both wind and water claim was
25 the first report discussed that there was wind

1 damage, and the second report discussed there was
2 water damage.

3 MR. ROBIE:

4 Q. Water and wind?

5 A. Yes.

6 Q. So that the file that you pulled, the
7 wind file you pulled on the day that Cody Perry
8 showed you the October 12, 2005 report had a
9 Forensic Engineering report in it that concluded
10 the damage was caused by wind and water, right?

11 A. I haven't seen the report in a long
12 time. I remember the conclusion stating that it
13 was water. He may have discussed some wind, but I
14 recall the majority of it stating it was water.

15 Q. Well, I'm not going to go back through
16 that report with you. It's been done in some
17 detail.

18 A. Yes.

19 Q. But the later report, the October 20th
20 or 22nd, whatever the date of it is, was in the
21 wind file?

22 A. Yes.

23 Q. And the report that Cody Perry gave you
24 dated October 12th was not in the wind file?

25 A. Was not.

Draft Copy

1 Q. We looked at a copy of the front of that
2 report yesterday and made it Exhibit A. Is this a
3 copy of what Cody Perry handed you?

4 A. Yes.

5 Q. It's been faxed around. I understand
6 that. I'm only interested in the logo, the text,
7 the general layout of the report.

8 A. Yes.

9 Q. And that note that's on it, who wrote
10 the note?

11 MR. BACKSTROM:

12 Object, asked and answered.

13 A. Lecky King.

14 MR. ROBIE:

15 Q. You recognize Lecky's handwriting?

16 A. Yes, sir.

17 Q. And what was the note -- how was the
18 note affixed to the report?

19 A. It was simply placed on the top of the
20 report.

21 Q. Sticky note?

22 A. It was a sticky note.

23 Q. What color?

24 A. Yellow. That I recall, yellow.

25 Q. And the pen, the ink, blue, black,

Draft Copy

1 orange, pink, purple, pencil?

2 A. I don't recall. I would say red. I
3 think I remember red, but it could have been
4 another color.

5 Q. And did you take the sticky note off to
6 copy the report?

7 A. I copied it with the sticky note on it,
8 and then I pulled the sticky note off to copy it
9 so that you could read what was under the sticky
10 note, and then I placed the sticky note back on
11 the report.

12 Q. So you made two copies of Page 1, one
13 with the sticky note on and one with the sticky
14 note off?

15 A. Yes.

16 Q. And then you -- once you pulled it off
17 and copied it, you put the sticky note back on and
18 kept copying the report?

19 A. Correct.

20 Q. Did you have to unstaple this report?

21 A. I don't recall.

22 Q. And when you put the sticky note back on
23 it, was that sticky note affixed to the front page
24 of the text of this report when you handed it to
25 Lecky King?

Draft Copy

1 A. Yes.

2 Q. So that she could not read the text of
3 this report without taking the sticky note off of
4 it, right?

5 A. Correct.

6 Q. And where was Lecky when you handed her
7 this report?

8 A. At her desk, which was located in the
9 back of the office.

10 Q. Did you discuss it with her?

11 A. I did not.

12 Q. You just handed it to her?

13 A. I handed it to her and said something
14 along the lines of I don't think I was supposed to
15 get this, and she responded and said, no, you
16 weren't and took the report.

17 Q. And why didn't you think you were
18 supposed to get this?

19 A. She didn't elaborate.

20 Q. No, you. You said you didn't think you
21 were supposed to get this. Why was that your
22 state of mind?

23 A. Because I did not believe that they
24 wanted anyone to see this report.

25 Q. Is this the only report that you're

1 aware of where you believe the conclusion was
2 changed?

3 A. No.

4 Q. What other ones are you aware?

5 A. She -- Lecky King advised one day in
6 November that she was sending multiple reports
7 back and having them changed, the conclusions
8 changed.

9 MR. ROBIE:

10 I'm sorry. I'm going to strike that as
11 non-responsive. Could you read my question back?

12 MR. TAYLOR:

13 It's not non-responsive.

14 MR. ROBIE:

15 Thank you, Judge.

16 MR. TAYLOR:

17 You're welcome.

18 MR. ROBIE:

19 Could you read the question back?

20 (Whereupon, the question was read.)

21 THE WITNESS:

22 I'm aware of the ones she told me she
23 was sending back, and she pointed to a stack on
24 her desk that she stated would be sent back.

25 MR. ROBIE:

Draft Copy

1 Q. Can you give me the names of any of
2 those files?

3 A. No, I cannot.

4 Q. Can you give me the name of one of them?

5 A. No, I didn't rifle through them.

6 MR. WEBB:

7 I'm sorry. I didn't hear you.

8 THE WITNESS:

9 I'm sorry. I didn't rifle through them.

10 MR. ROBIE:

11 Q. In fact, you didn't even pick one up and
12 look at it, let alone rifle through them, did you?

13 A. No, I did not.

14 Q. Do you know what Lecky did with this
15 October 12 report, the face sheet of which we've
16 marked as Exhibit A here?

17 A. I do not.

18 Q. You don't know if she put it in her
19 basket to go into the wind file; is that right?

20 A. She put it on her desk, I believe, but I
21 don't know what she did with it after that.

22 Q. She -- you don't know if she asked Cody
23 to put it in the wind file?

24 A. I do not.

25 Q. Did you see her rip the sticky off and

1 throw it away?

2 A. No.

3 Q. So the last time you saw it it still had
4 a direction on it to put in the wind file, didn't
5 it?

6 A. It did.

7 Q. It was customary at State Farm in the
8 catastrophe office where there was a direction to
9 put in the wind file that the thing should be
10 filed in the wind file?

11 MR. BACKSTROM:

12 Object to form.

13 A. Yes.

14 MR. ROBIE:

15 Q. Isn't that right?

16 A. Yes.

17 Q. Do you know what happened to this
18 report?

19 MR. BACKSTROM:

20 Object, asked and answered.

21 MR. TAYLOR:

22 A hundred times.

23 A. I don't.

24 MR. ROBIE:

25 Why don't we take a break.

1 VIDEOGRAPHER:

2 Off record at 10:47 a.m.

3 (Off the record.)

4 VIDEOGRAPHER:

5 On record at 11:03 a.m.

6 MR. ROBIE:

7 Q. Did you at any time give access to your
8 laptop, your State Farm laptop, to anyone from the
9 attorney general's office?

10 A. No.

11 Q. Did your sister?

12 A. I don't know. I don't know if she did.

13 Q. Did your sister bring her laptop to any
14 meeting that you attended with the attorney
15 general's office?

16 A. I don't remember.

17 Q. How about the U.S. attorney, did she
18 give your laptop -- access to the U.S. attorney to
19 her laptop?

20 A. I don't know if she did.

21 Q. Did you?

22 A. No.

23 Q. How many times have you met with the
24 United States attorney?

25 A. The attorney or his office?

1 Q. His office.

2 A. His office.

3 MR. TAYLOR:

4 You can answer that question, but beyond
5 that I probably have something to say about it.

6 THE WITNESS:

7 I would say more than five, less than
8 ten, somewhere between five and ten times.

9 MR. ROBIE:

10 Q. And the first time?

11 A. The first time would have been March or
12 April of 2006.

13 Q. And who was present that first meeting?

14 A. The U.S. attorney, Dunn Lampton, an FBI
15 agent by the name of Jenny Williams, John Dowdy.
16 And there was another FBI agent, and I do not
17 recall his name.

18 Q. Who is John Dowdy?

19 A. He works in Dunn Lampton's office, and I
20 believe he's an attorney.

21 Q. Was your attorney there?

22 A. And Zach Scruggs was in the building,
23 but not in the meeting.

24 Q. Did you take any documents with you?

25 A. I don't recall bringing any documents.

Draft Copy

1 MR. ROBIE:

2 Just so that we can shorten this,
3 yesterday we had a nice gentleman's agreement that
4 if I asked her any specifics about who said what,
5 who furnished what or follow-up questioning about
6 contacts with the U.S. attorney, you would object
7 and I needn't go any further to make that record?

8 MR. TAYLOR:

9 Yeah. I actually broadened it to the
10 Department of Justice to include the FBI.

11 MR. ROBIE:

12 Okay.

13 MR. TAYLOR:

14 That's correct.

15 MR. ROBIE:

16 And we'll have the same agreement here?

17 MR. TAYLOR:

18 Same agreement.

19 MR. ROBIE:

20 We don't need to waste the record with
21 it.

22 MR. TAYLOR:

23 Right.

24 MR. BANAHAN:

25 More than objection, there will be an

1 objection and an instruction not to answer.

2 MR. TAYLOR:

3 Yes. And I guess technically it's not
4 an objection. It's that we're complying with a
5 request from the Department of Justice because of
6 an ongoing criminal investigation not to discuss
7 that investigation, and we are complying with it
8 until either the Court orders us not to or the
9 U.S. attorney and Department of Justice change
10 their view.

11 MR. ROBIE:

12 Q. Did the Scruggs Katrina Group give you a
13 cell phone?

14 A. Yes.

15 Q. What was the number on that cell phone?

16 A. I don't know.

17 Q. Do you still have it?

18 A. No.

19 Q. When did you give it back?

20 A. I didn't return it personally. I don't
21 know when it came back.

22 Q. How did it get back?

23 A. I believe Cori brought it back.

24 Q. Did she also have one?

25 A. Yes.

Draft Copy

1 Q. What was the number on that phone?

2 A. I don't know.

3 Q. Did she return hers?

4 A. Yes, as far as I know.

5 Q. Were you able to make outgoing calls on
6 those cells?

7 A. Yes.

8 Q. When did you get them?

9 A. We got those phones, I believe, in March
10 of 2006. It could have been April of 2006.

11 Q. You could also receive calls on those
12 phones?

13 A. Yes.

14 Q. Did you receive calls at the State Farm
15 catastrophe operation while you were carrying
16 those cell phones?

17 A. I don't recall.

18 Q. And what was the reason for you carrying
19 a Scruggs Katrina Group cell phone in March of
20 2006?

21 MR. BACKSTROM:

22 Let me object and instruct not to answer
23 to the extent it would reveal discussions that we
24 had with Ms. Rigsby at that time.

25 MR. ROBIE:

Draft Copy

1 Q. And you'll follow that?

2 A. I'll follow that.

3 Q. You were not working as a consultant for
4 the office at that point, were you?

5 A. No.

6 Q. This is your pre-consulting phase?

7 A. Yes.

8 Q. Did you ever tape-record any
9 conversation with anybody from State Farm?

10 A. Yes.

11 Q. Who?

12 A. Dave Randel.

13 Q. When was that?

14 A. That was the beginning of June. It was
15 a Monday morning. We had -- we went in to let him
16 know that we had collected data and we had turned
17 it over to the U.S. attorney's office and attorney
18 general's office.

19 Q. This was on June 6th?

20 A. It was the Monday, if that is
21 June 6th. I'm not looking at a calendar, but --

22 Q. This is Monday morning after the
23 document had already been picked up by the AG --

24 A. Correct.

25 Q. -- and U.S. attorney?

1 A. Correct.

2 Q. What time did they pick those documents
3 up?

4 A. Early morning. I don't know the time.

5 Q. At Cori's house?

6 A. At Cori's house.

7 Q. Were you there?

8 A. I was there for the pickup of -- from
9 one office, but not from both office.

10 Q. Did you ask them to sign any kind of
11 receipt?

12 A. I didn't have to sign anything.

13 Q. No. Did they sign anything?

14 A. I didn't ask them to sign anything.

15 Q. Did you take any photographs while you
16 were doing the data dump?

17 A. During the weekend of the data dump?

18 Q. Yeah.

19 A. No.

20 Q. Did you have a laptop computer of your
21 own other than the one that State Farm gave you?

22 A. No.

23 Q. Did you have a home computer?

24 A. No.

25 Q. Did you take photographs at the

1 catastrophe office and put them onto Kerri's
2 computer -- or Cori's computer?

3 A. Take photos at the catastrophe office?

4 Q. Yes.

5 A. Of the office?

6 Q. Or of people at the office.

7 A. We had photos of people we worked with,
8 sure.

9 Q. Right.

10 A. Yes. And on the computer.

11 Q. And you took those photos between the
12 end of August and the time you left in June?

13 A. I don't know when the photos were taken,
14 but absolutely we have taken photos.

15 Q. How many do you estimate you've got of
16 photos on that home computer of people from the
17 catastrophe office, people that were working on
18 the cat?

19 A. Oh, I don't -- I don't know how many we
20 have, a few. It wouldn't be a substantial amount.

21 Q. You would have pictures that would
22 include Mark Drain?

23 A. Yes.

24 Q. Lecky?

25 A. Yes.

Draft Copy

1 Q. Lisa?

2 A. Yes.

3 Q. Dave?

4 A. I don't know of any photos of Dave
5 Randel.

6 Q. What did you do with the tape-recording
7 that you made of your conversation with Dave
8 Randel on the morning of June 6th?

9 A. We brought it back to Cori's home and
10 put it away.

11 Q. Put it away where?

12 A. I don't recall.

13 Q. Where is it now?

14 A. I don't know.

15 Q. Do you still have it?

16 A. I haven't found it. No, I don't have
17 it.

18 Q. Did you deep six it?

19 A. Deep six it? No, not -- I don't know
20 what happened to it.

21 Q. Do you know if Cori threw it out?

22 A. I don't know.

23 Q. Did you give it to your mother?

24 A. I did not, no.

25 Q. The fall of 2005, did you have

1 Thanksgiving dinner with people from the
2 catastrophe operation?

3 A. Yes.

4 Q. Where was that?

5 A. It was in Biloxi. I believe it was at a
6 church facility.

7 Q. And what people from State Farm did you
8 celebrate Thanksgiving with that year?

9 A. There were people from the office there,
10 and it seems like Cori was there, friends from the
11 office.

12 Q. Can you name them?

13 A. It seems like I sat with my Cousin
14 Julie, same on.

15 MR. HIBEY:

16 I'm sorry. I can't hear you back here.

17 THE WITNESS:

18 I sat with my cousin, Julie Simon, and
19 her husband, Bob Simon and Cori. I had a friend
20 named Tammy Hardison. She may have sat with us.
21 I don't recall everyone that sat down at the table
22 with me.

23 MR. ROBIE:

24 Q. Did you take pictures?

25 A. No, I did not.

Draft Copy

1 Q. Did you have any events at your mother's
2 house in the fall of 2005 where people from State
3 Farm were present?

4 A. No. My mother had lost her home.

5 Q. Right. Did you have any events at
6 Cori's house where people from State Farm were
7 present in the fall of 2005?

8 A. No. It was at my home.

9 Q. Okay. On Rue --

10 A. Correct, Rue Tonti.

11 Q. And how many events did you have?

12 A. I had a Christmas party, I believe it
13 was around the 1st of December, at my home for
14 the staff at State Farm.

15 Q. And you invited the entire claims group
16 or just a piece of them?

17 A. Just a piece of them.

18 Q. Who did you invite?

19 A. Most, or if not all, of the team
20 managers from State Farm. That was the majority
21 of the people that were there. A few trainers
22 were invited and a few adjusters, I believe, were
23 invited as well, but it was not a huge group. It
24 was just a small portion of the office.

25 Q. Was Mark Drain present?

Draft Copy

1 A. Yes, he was.

2 Q. Cody Perry present?

3 A. No.

4 Q. Did you take photos?

5 A. Yes.

6 Q. Those photos are on Cori's computer?

7 A. I don't know if they're on Cori's
8 computer. They could be, but I don't -- I don't
9 know.

10 Q. Did you have a digital camera?

11 A. I did have -- it seemed like there were
12 photos, actual photos.

13 Q. Do you still have them?

14 A. I -- it's possible that I still have
15 them. I haven't seen them.

16 Q. By the time you had this Christmas
17 event, had you already given your mother copies of
18 the McIntosh reports that you had stolen from
19 State Farm?

20 A. I didn't give my mother a copy of the
21 McIntosh report.

22 Q. Did you show them to her?

23 A. At some point, yes, I did, but I'm not
24 sure when.

25 Q. Was it before this Christmas party?

1 A. I know I told her of the report before
2 the Christmas party. I don't know if I showed her
3 the report. I don't recall ever showing her the
4 report.

5 Q. Ever?

6 A. I know she's seen it, but I don't recall
7 showing it to her. I know I told her about the
8 report.

9 Q. Did you tell her about it as early as
10 Thanksgiving?

11 A. I don't recall.

12 Q. You took it about Halloween?

13 A. Yes.

14 Q. And when you took the report home, what
15 did you do with it?

16 A. I took a copy of the report home and I
17 put it in my office, at my home office, or study.

18 Q. And who's the first person you showed it
19 to?

20 A. Cori.

21 Q. And when was that?

22 A. I don't recall when I showed it to her.

23 Q. And had Cori already downloaded and
24 forwarded the cancellation of engineering
25 assignments to her computer by the time you showed

1 her this report?

2 A. I believe I showed Cori the report prior
3 to that.

4 Q. Did she also make hard copies of
5 cancellation of engineer reports and take them out
6 of the State Farm office?

7 A. Yes.

8 Q. And she showed them to you?

9 A. Yes.

10 Q. And were you accumulating these
11 documents in one file or did you each have your
12 own file?

13 A. We each had our own.

14 Q. And how did you label your file?

15 A. I didn't.

16 Q. Just a manila folder?

17 A. It was a blue folder, and I did not
18 label it.

19 Q. And as you brought things home from the
20 office, did you just continue to add them to that
21 folder?

22 A. Yes.

23 Q. Did you ever e-mail things to the -- to
24 the laptop at Cori's house?

25 A. No, no. I would e-mail if I -- you say

Draft Copy

1 to the laptop at her house. It's possible I
2 e-mailed to her e-mail address, and I e-mailed to
3 my e-mail address.

4 Q. What e-mail address?

5 A. My AOL e-mail address from my State
6 Farm.

7 Q. What did you e-mail to yourself from a
8 State Farm office?

9 A. That would have been later in the storm,
10 but it would have just been protocol, or could
11 have been some personal e-mails I'm sure.

12 Q. What was your personal e-mail address?

13 A. Krigsby111@aol.

14 Q. Is that the only AOL address you had?

15 A. Yes. But I was never able to print
16 those e-mails. I e-mailed them and then they --
17 they weren't -- they disappeared.

18 Q. When did that happen?

19 A. That happened in August of 2006.

20 Q. Didn't you also have an e-mail account
21 called kerriadj@aol.com?

22 A. I did. I had that account when I
23 started working -- I think that was the account I
24 started with when I started adjusting. But at
25 Katrina, it seems like sometime before or after

1 Katrina I had the krigsby, and I hadn't used the
2 other one in a long time that I recall.

3 Q. But you still had the account?

4 A. I don't know if they ever go away. I
5 don't know what happens to them.

6 Q. Did you e-mail anything to Zach Scruggs
7 from your State Farm computer?

8 A. It's possible, but I don't recall.

9 Q. I'm not interested in possibilities.

10 A. Okay. Okay.

11 Q. I'm only interested in probabilities or
12 likelihood.

13 A. I don't recall ever e-mailing anything
14 to Zach from my State Farm computer.

15 Q. Had you dated Zach Scruggs before
16 Katrina?

17 A. No.

18 Q. Did you know him before Katrina?

19 A. No.

20 Q. Had you met Dickie Scruggs before
21 Katrina?

22 A. No. I was told that I had met him once
23 as a small child. I don't recall that, so, no.

24 Q. When is it that you recognize that you
25 had lied at the McFarland mediation? When did you

1 come to that conclusion?

2 A. We had prepared for the McFarland
3 mediation, so I knew what I was going to say prior
4 to the mediation.

5 Q. When was that?

6 A. The McFarland mediation, I believe, was
7 in February.

8 Q. And are you saying that as you prepared
9 for the mediation, you knew you were going to lie?

10 A. I knew that the outcome of the mediation
11 was predetermined.

12 MR. ROBIE:

13 I move to strike that as non-responsive.

14 Q. My question is: Did you know when you
15 were preparing for the mediation that you were
16 going to lie?

17 A. I don't know that I ever thought of it
18 in that way right before the mediation, but, yes,
19 I guess I knew I was going to lie, yes.

20 Q. Now, the data dump weekend, did that
21 start on Friday night or Saturday morning?

22 A. Friday night.

23 Q. And did y'all have food brought in?

24 A. We had sandwiches, but I don't recall
25 how they got there, but Cori could have sat that

1 up. I remember eating sandwiches.

2 Q. And had you planned with your friends to
3 start working in earnest at some point in the
4 evening?

5 A. Yes. Cori sat up with the friends to
6 come by her home.

7 Q. And what time were y'all supposed to
8 meet?

9 A. I don't know what time they were
10 supposed to be over there, at some point on Friday
11 evening they came, but I don't know what the set
12 time was.

13 Q. Were you already there?

14 A. I was already there, yes.

15 Q. Were you already working on mining State
16 Farm's computer data?

17 A. Yes.

18 Q. You knew when you did that that you did
19 not have permission from State Farm to upload this
20 data, didn't you?

21 A. I did.

22 Q. You did have permission?

23 A. No, I knew I did not have permission. I
24 did know.

25 Q. Right. And you knew that they would not

1 authorize you to download and print this data?

2 A. I knew that, yes.

3 Q. And you knew that you were going to give
4 it to third parties who were not allowed to have
5 access to State Farm's computers, didn't you?

6 A. Yes, sir.

7 Q. And, in fact, you knew you were going to
8 do a computer search of their system to capture
9 documents which the company considered
10 confidential?

11 A. Yes.

12 Q. And you were going to hand them over to
13 third parties without State Farm's permission?

14 A. Yes.

15 Q. And you and Cori were both engaged in
16 this program with a plan starting sometime on
17 Friday evening?

18 A. Yes.

19 Q. How far in advance of the data dump did
20 the two of you set about planning this event?

21 A. I would say no more than one week.

22 Q. And what precipitated that discussion?

23 A. Cori came to me and discussed that she
24 felt like it was time to gather any evidence, you
25 know, that we were going to gather because she

1 felt like State Farm knew or was finding out that
2 we were the moles. They called us the moles, so
3 she felt like our days were numbered at State
4 Farm.

5 Q. And did she tell you what incidents had
6 occurred that led her to believe that people were
7 starting to be suspicious of her?

8 A. I know now. I don't recall when she
9 told me or if we had a lengthy discussion about
10 it.

11 Q. What did she say?

12 A. She indicated that John Deganhart had
13 said something about -- said something to her or
14 said something to someone else, there was some
15 discussion from John Deganhart that we were the
16 moles. I believe an adjuster or someone had
17 overheard him on the phone, but I did not hear his
18 conversation.

19 Q. You didn't much care for John Deganhart,
20 did you?

21 A. I didn't much care for John Deganhart.

22 Q. Right. Your sister calls him
23 incompetent. Do you share that view?

24 A. Yes, I do.

25 Q. And did you consider him incompetent

1 from the first day you started working with him in
2 Katrina?

3 A. I don't know at what point I considered
4 him incompetent.

5 Q. You like Dave Randel?

6 A. I did.

7 Q. You have respect for Dave Randel?

8 A. Yes.

9 Q. As you sit here today, is it your
10 position that Dave Randel did anything wrong?

11 A. I don't know if he did anything wrong.

12 Q. How about Mark Drain, you like Mark
13 Drain?

14 A. I do.

15 Q. You respect him?

16 A. I do.

17 Q. Did he do anything wrong?

18 A. I don't know if he did anything wrong.

19 Q. How about Lecky, you like her, or you
20 liked her?

21 A. I did.

22 Q. You were friends?

23 A. Yes.

24 Q. You, in fact, helped her move into her
25 house?

Draft Copy

1 A. No, I did not. Cori helped her.

2 Q. Cori helped her. Did she do anything
3 wrong?

4 A. I believe she did.

5 Q. Okay. What did she do wrong?

6 A. I believe that she sent back engineer
7 reports and asked them to change them, change them
8 to different conclusions.

9 Q. Okay. And if she believed she was
10 actually asking them to make them more accurate,
11 would you still consider that to be wrong?

12 MR. BACKSTROM:

13 Object to the form.

14 A. I don't believe that's what she was
15 doing.

16 MR. ROBIE:

17 Q. That wasn't my question. My question
18 is: If she believed she was asking the engineers
19 to make the reports more accurate, would you
20 consider that to be doing wrong?

21 MR. BACKSTROM:

22 Object to the form.

23 A. If she were indeed asking for additional
24 documentation, I wouldn't believe that to be
25 wrong, but that's not what she was doing.

1 MR. ROBIE:

2 Q. If she believed that's what she was
3 doing, would you consider that inappropriate?

4 MR. BACKSTROM:

5 Same objection.

6 A. I consider her behavior inappropriate.

7 MR. ROBIE:

8 Q. Did you do anything wrong?

9 A. Yes.

10 Q. What did you do wrong?

11 A. Well, I didn't -- I lied to -- or lied
12 as you say policyholders for several months.

13 Q. And you stole documents?

14 A. I don't believe that to be wrong.

15 Q. Okay. You'd do it again?

16 A. I would.

17 Q. Now, in planning for the data dump, did
18 you have to stock pile paper?

19 A. We had to have a lot of paper, yes.

20 Q. And how many printers did Cori have at
21 her house?

22 A. We had two.

23 Q. Both of them State Farm printers?

24 A. Yes.

25 Q. Both of them already had the drivers

Draft Copy

1 installed on your laptops?

2 A. Yes.

3 MR. ROBIE:

4 We need to change tapes.

5 VIDEOGRAPHER:

6 You've got 30 seconds.

7 MR. ROBIE:

8 Let's get rid of 2 then, 30 seconds.

9 VIDEOGRAPHER:

10 Off record at 11:29 a.m.

11 (Off the record.)

12 VIDEOGRAPHER:

13 On record at 11:31 a.m.

14 MR. ROBIE:

15 Q. In order to make this work, how many
16 cartridges, ink cartridges did you figure you were
17 going to go through as part of this weekend data
18 mine?

19 A. I don't know how many cartridges we felt
20 like we were going to go through. We had several
21 cartridges.

22 Q. How many files did you figure you were
23 going to access and print?

24 A. Well, we had high hopes. We would
25 access several hundred.

1 Q. And when did you first generate these
2 high hopes?

3 A. About a week we decided to do this about
4 a week prior to doing the data dump.

5 Q. And did the two of you have a discussion
6 on how you were going to go about attacking this
7 mountain of material?

8 A. We had a discussion, and yes, we did.

9 Q. And what was the up shot of that
10 discussion?

11 A. We decided that the fraudulent activity
12 lied within the engineer reports, so we decided we
13 would print information from policyholders' files
14 that had had an engineer report.

15 Q. And how were you able to identify those
16 files?

17 A. There was an engineer roster.

18 Q. And how was that maintained by State
19 Farm?

20 A. At that time, I believe it was
21 maintained by Lisa Wachter. She was a trainer for
22 State Farm.

23 Q. And was this an alphabetical list of
24 files?

25 MR. TAYLOR:

Draft Copy

1 She didn't say it was a list of files.

2 MR. ROBIE:

3 Q. I'm sorry. I mis -- let me make sure
4 that we make an absolutely clear record. The
5 engineering roster, please describe for us how it
6 was set up.

7 A. It was on a spreadsheet. It was listed
8 with the policyholders' information such as the
9 policy number and, I believe, the name. And I
10 recall that it was in sections by the engineer
11 firm.

12 Q. So if, for example, I wanted to see the
13 engineers, hypothetically, for the policyholders
14 that had been examined by Bechtel Engineering, I
15 would go to Bechtel and then there would be a list
16 of the policyholders?

17 A. It's very similar to that piece of -- it
18 was a spreadsheet. It had the policy number. It
19 had the policyholder's last name, and then across
20 the line it had their engineer. It was -- it was
21 grouped by engineers. So there may be 50
22 policyholders on that page with one engineering
23 firm, and then it would go to the next engineering
24 firm after it listed all the policyholders.

25 Q. Well, so I understand the spreadsheet,

1 it was a grouping of policyholders by engineering
2 company?

3 A. Yes. That's the way I remember.

4 Q. If I wanted to look at the policyholders
5 who had an engineering report from Exponent, I
6 could go to the sheet that would give the Exponent
7 list?

8 A. Yes.

9 Q. And once I looked at that list were
10 those names in alphabetical order?

11 A. I don't recall.

12 Q. Were they in numerical order?

13 A. I don't recall.

14 Q. And the list, did you download your own
15 list from the engineering report for use on that
16 data dump weekend?

17 A. The roster was sent by e-mail. It was
18 created by Lisa and then we printed our own hard
19 copy for that weekend.

20 Q. Did you make a copy for yourself and a
21 copy for your sister? Did you each have a copy?

22 A. We each had a copy. I don't know who
23 made the copies.

24 Q. And how about the other people in
25 attendance, did they have copies, too?

1 A. No. They used our copies.

2 Q. And when you first logged in, what time
3 of the day was it on Friday?

4 A. I don't know what time it was.

5 Q. Had you had any dinner?

6 A. I don't recall.

7 Q. Who did the loggings?

8 A. Cori and I.

9 Q. And what room were you in?

10 A. I was in the formal living room.

11 Q. And where was she?

12 A. She had an office. She had set up in
13 her office.

14 Q. And who, if anyone, was with you in the
15 living room.

16 A. At different times there were different
17 people in the living room with me. For the most
18 part, I was by myself.

19 Q. And how did you and Cori divide up the
20 list?

21 A. I don't recall how we divided it up.

22 Q. Well, did you have a printed list where
23 you could split it in half and you start on the
24 front end I'll start in the middle?

25 A. Yes.

Draft Copy

1 Q. Is that what you did?

2 A. I don't know. We split it up. I don't
3 know how we determined how we split it up.

4 Q. Did you have a specific set of engineers
5 that you were to be data mining?

6 A. We did it by page, and sometimes there
7 were two sets of engineers on a certain page. So
8 I couldn't say it was by engineer.

9 Q. What engineers did you explore?

10 A. I don't recall.

11 Q. Did you have Dreux Seghers?

12 A. I don't recall.

13 Q. Did you have Forensic?

14 A. I don't recall.

15 Q. But to the extent that you had any of
16 them, your job would be to start with the start of
17 the list and run right down?

18 A. Exactly.

19 Q. So whatever policyholders were being
20 serviced by Dreux Seghers if that was on your
21 list, you would start at Number 1 and move on
22 down?

23 A. Yes, sir.

24 Q. The same with Forensic, the same with
25 Exponent?

Draft Copy

1 A. Yes, sir.

2 Q. The same with Haag, right?

3 A. Yes.

4 Q. How many engineering firms was State
5 Farm using, to your knowledge, at that time?

6 A. I don't recall how many.

7 Q. More than a dozen?

8 A. No.

9 Q. Fewer than a dozen?

10 A. I recall fewer than a dozen.

11 Q. Right. It was more like six or eight,
12 wasn't it?

13 A. That's what I remember.

14 Q. And did you and your sister decide that
15 you would each take four or five?

16 A. I don't know how we divided it up. I
17 don't remember that.

18 Q. But you had a hard copy document to work
19 with in order to keep accessing one after another?

20 A. We did, yes.

21 Q. And did you tick them off as you made
22 copies of these materials?

23 A. We highlighted them.

24 Q. You highlighted them. And what did you
25 do with the highlighted sheets?

1 A. We sent to the attorney general's office
2 and the U.S. attorney's office, we sent the
3 rosters with them, with that information.

4 Q. Did you also send it to Mr. Scruggs?

5 A. Yes.

6 Q. So he has the highlighted roster as
7 well?

8 MR. BACKSTROM:

9 Object, speculation.

10 A. I don't know if he has it at this
11 moment, but, yes.

12 MR. ROBIE:

13 Q. Who kept the original?

14 A. I don't recall.

15 Q. And when you were done, did you put your
16 set of highlighted rosters with her set of
17 highlighted rosters so they were back in one
18 sheet?

19 A. I don't remember.

20 Q. Who had the front of the roster and who
21 had the back of the roster?

22 A. I don't remember.

23 Q. Do you know how many total you
24 downloaded?

25 A. I don't.

Draft Copy

1 Q. And what was the process of going into
2 the file and printing? Walk me through a file,
3 please.

4 A. We would pull up the claim. We would go
5 to the summary sheet that would list the
6 policyholder's name and address, phone number. We
7 would print the activity log, which is all the
8 activity by anyone who had handled the claim, and
9 we would print the payments, any payments that had
10 been made so it would show it two engineering
11 firms had been paid, etcetera.

12 MR. TAYLOR:

13 Stop for one second. Can I ask counsel
14 for Renfroe whether these questions and answers,
15 in their view, implicate the injunction? And do
16 you take the position as to whether she should
17 answer questions that relate to the specifics of
18 the documents.

19 MR. BANAHAN:

20 Cut the tape. Stay on the record. But
21 cut the tape.

22 MR. TAYLOR:

23 Okay. You don't want this subtracted
24 from your time.

25 MR. ROBIE:

Draft Copy

1 No. I want my time.

2 MR. TAYLOR:

3 I know you do.

4 MR. ROBIE:

5 It's so precious.

6 (Off the record at 11:39 a.m.)

7 VIDEOGRAPHER:

8 On record at 1:01 p.m.

9 MR. HIBEY:

10 Would you like an answer?

11 MR. TAYLOR:

12 Yes, please.

13 MR. HIBEY:

14 As the record stands now, it's not clear
15 to us sitting here that questions or the answers
16 would implicate the injunction issued by Judge
17 Acker. I'm pretty certain, though, that our
18 opinion is not dispositive and the only one who
19 could really answer those questions would be Judge
20 Acker. We are not going to advise either your
21 client or State Farm, for that matter, with
22 respect to the line of questioning. As the
23 questioning goes on, we may have more to say about
24 that, but sitting here it doesn't sound like the
25 questions or the answers are going to disclose the

1 contents of the documents that Ms. Rigsby and her
2 sister took from State Farm. So at this point,
3 that's our position.

4 MR. ROBIE:

5 Q. Okay. I think the question that was
6 before us is: Could you please run through for me
7 on a step by step what you had to do to pull up a
8 State Farm file, download it, upload it, whatever
9 you did and print it on that document dump day.

10 A. Okay. We would pull the claim, go into
11 the file and print as I was saying, the payment
12 portion -- well, a summary sheet showing the
13 policyholder's name and address, payment sheet,
14 activity log, which showed all the activity and
15 any adjusters who had worked on the file. Those
16 were the things that we printed.

17 Q. Did it also show policy limits?

18 A. That would show policy limits, yes.

19 Q. Payments?

20 A. Payments, yes.

21 Q. And policyholders' name?

22 A. Yes.

23 Q. Address and contact information?

24 A. Yes.

25 Q. ALE payments?

Draft Copy

1 A. It would, yes.

2 Q. Location of alternate housing?

3 A. Yes.

4 Q. Status of claim, whether closed or open?

5 A. Yes.

6 Q. Whether represented by counsel?

7 A. The information you could look to see if
8 they were. We didn't necessarily print that page
9 out, but we could and we possibly did on some.

10 Q. Had you told anyone, other than your
11 sister, before that weekend that you were going to
12 access as many of these files as possible and
13 print them?

14 A. At some point, my mother knew. I don't
15 recall when -- at what point during that week she
16 knew. Other than her, no one else.

17 Q. Did you tell any representative of the
18 attorney general's office you were going to do
19 that?

20 A. No.

21 Q. From the time you first spoke to a
22 representative of the attorney general's office
23 until the date of the data dump, did anybody from
24 that agency advise you not to access confidential
25 information from State Farm, print it and furnish

1 it to them?

2 A. No.

3 Q. Did any of them ever tell you that they
4 had issued any kind of search warrant to search
5 State Farm's computers?

6 A. No, not that I -- not that I'm aware of.

7 Q. Did anybody ever tell you that there was
8 an outstanding warrant to search State Farm's
9 computers for this kind of information?

10 A. It seems like I know about a warrant or
11 that there was some warrants, but I don't know
12 when I knew about them. I don't know at what
13 point.

14 Q. Do you know what agency was issuing a
15 warrant?

16 A. No.

17 Q. Who it was directed to?

18 A. Oh, no, no.

19 Q. What it was seeking?

20 A. No.

21 Q. Did you have a copy of the McFarland
22 complaint before the data dump weekend?

23 A. Yeah. Of the complaint?

24 Q. Yes. The McFarland versus State Farm
25 lawsuit filed by the Katrina Scruggs Group.

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1 A. I don't know that I had a copy of that,
2 no. I don't recall having a copy.

3 Q. Did you have -- had you confessed to
4 Mr. Scruggs prior to the data dump weekend that
5 you had lied at the McFarland mediation?

6 A. Yes.

7 Q. And when did you make that confession to
8 him?

9 A. I described the McFarland mediation the
10 first time we met or the second time we met. It
11 was in an initial meeting with Dick Scruggs.

12 Q. Were you aware that Mr. McFarland was
13 the plaintiff in a mass lawsuit filed by
14 Mr. Scruggs?

15 A. When?

16 Q. When you first met him.

17 A. When I first met Dick Scruggs?

18 Q. Yes.

19 A. No.

20 Q. Did you become aware sometime in the
21 year 2006 that Mr. McFarland was the plaintiff in
22 a mass lawsuit?

23 A. Yes.

24 Q. When was that?

25 A. I don't know when I became aware of it.

1 Q. How did you become aware?

2 A. I don't recall.

3 Q. Your duties as an adjuster in the
4 catastrophe operation did not include defense of
5 any litigation, did it?

6 A. No.

7 Q. Or assisting in the defense of any
8 litigation?

9 A. No.

10 Q. So you wouldn't have had anything to do
11 with responding to the McFarland litigation or
12 defending those lawsuits, would you?

13 A. No, sir.

14 Q. Did you, at some point, see a copy of
15 the McFarland complaint before the data dump in
16 January?

17 MR. TAYLOR:

18 You mean June?

19 MR. ROBIE:

20 In June, I'm sorry.

21 A. I don't recall seeing that.

22 MR. ROBIE:

23 Q. Did anybody furnish you with a list of
24 the plaintiffs in the McFarland case before the
25 data dump?

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1 A. No, sir. I don't recall that.

2 Q. I want to make sure I absolutely have a
3 clear understanding of your testimony on this
4 subject. Is it your testimony that the only
5 document that you used to direct you to the files
6 to download on the data dump weekend was the
7 engineering roster that State Farm maintained on
8 its computer system?

9 A. That's the only document I remember
10 using is the engineer roster.

11 Q. If the download sequence doesn't conform
12 with the engineering roster, do you think that
13 would refresh your recollection that there might
14 have been another document?

15 A. It's possible. Yes, if I saw something
16 to contradict that, maybe it would, you know -- I
17 would remember something in addition.

18 Q. Let me show you this spreadsheet which
19 we'll mark as Exhibit E. Is it D or E next?

20 A. Here's a D right here, so --

21 Q. Yeah.

22 (Exhibit E was marked.)

23 MR. TAYLOR:

24 A copy for me?

25 MR. ROBIE:

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1 Yeah, I've got a copy.

2 Q. Let me tell you that this is a
3 spreadsheet of the computer access made by your
4 laptop with a sign on ID HVWZ starting June 2nd
5 at 10:35.

6 MR. TAYLOR:

7 9:30.

8 MR. ROBIE:

9 Q. 9:35 in the evening. Your sign on ID or
10 alias at State Farm was HVWZ, correct?

11 A. Correct.

12 Q. And on the evening --

13 MR. BACKSTROM:

14 Can I ask a question?

15 MR. ROBIE:

16 Yes.

17 MR. BACKSTROM:

18 Mr. Hibey, wasn't it your concerns that
19 the policyholders' names not be revealed in terms
20 of what information was downloaded the data dump
21 weekend?

22 MR. HIBEY:

23 Are we about to establish that this is
24 what she took --

25 MR. BACKSTROM:

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1 The policyholder names showing what was
2 downloaded that weekend --

3 MR. ROBIE:

4 This is a document that's already on
5 file.

6 MR. BACKSTROM:

7 Excuse me?

8 MR. ROBIE:

9 Excuse me.

10 MR. BACKSTROM:

11 I'm just answering his question. I
12 would like to not be interrupted.

13 MR. ROBIE:

14 I will do my best if you would show a
15 little courtesy yourself, Mister.

16 MR. BACKSTROM:

17 Counsel has asked me a question.

18 MR. ROBIE:

19 Okay. Answer.

20 MR. BACKSTROM:

21 I'm answering it. You interrupted.

22 MR. ROBIE:

23 Go ahead.

24 MR. BACKSTROM:

25 It appears as if this document shows

Draft Copy

1 policyholder names that were downloaded that
2 weekend. It seemed to me that you indicated that
3 you did not want that to be revealed. All I'm
4 doing is just making you aware of that fact.

5 Now, Mr. Robie.

6 MR. BANAHAN:

7 I would suggest it be designated as
8 confidential -- we have an order in place in the
9 case -- if anybody has got a concern about it as a
10 solution.

11 MR. ROBIE:

12 That's fine.

13 MR. HIBEY:

14 Again, I think the original concern was
15 articulated by Mr. Taylor when he asked whether or
16 not the questions and the answers that were to be
17 elicited would violate the injunction. The
18 injunction is Judge Acker. It's not Renfroe's.
19 The line of questioning that I was listening to
20 earlier, in my view for whatever that's worth,
21 probably not a whole lot since I'm not counsel to
22 Renfroes in the Alabama case, was that that line
23 of questioning and the answers didn't appear to
24 implicate the injunction. It didn't appear to
25 disclose what was taken by the Rigsbys from State

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1 Farm and, therefore, were not documents or were
2 not answers that described what was enjoined in
3 that case.

4 If you're telling me now that that list
5 identifies what was taken and what's in those
6 documents, then I think you all are at your peril
7 with respect to the injunction. And I'm not here
8 to rule one way or the other, but I'm not clear
9 that that's what that information is, and maybe
10 Mr. Robie could enlighten me a little bit more.

11 MR. ROBIE:

12 Well, this doesn't disclose any
13 documents that were taken. It discloses the
14 sequence of the files that she accessed by name
15 and policy number. It doesn't identify any
16 document or any contents, and I'm only offering it
17 to refresh her recollection that the sequence
18 follows the McFarland Exhibit A, the Exhibit A in
19 the McFarland complaint, not in the engineering
20 roster ever generated by State Farm.

21 MR. BANAHAN:

22 It's also -- it's a document that's just
23 a compilation of two other exhibits that I think
24 have already been attached to Ms. Rigsby's
25 deposition, one being McFarland Exhibit A and the

1 other being the engineering roster that was used
2 at the first part of the deposition.

3 MR. TAYLOR:

4 Well, for what it's worth, she's happy
5 to answer anybody's questions, and I'm sure that
6 the good lawyers in this room would not knowingly
7 ask a question that calls for information
8 protected by an injunction. So she's going to
9 answer State Farm's questions about State Farm's
10 documents. And if anybody thinks that that is in
11 violation of the injunction, it's not enough to be
12 agnostic, you better say so.

13 MR. BANAHAN:

14 I don't think so.

15 MR. TAYLOR:

16 Okay.

17 MR. ROBIE:

18 Q. Have you seen this document which we've
19 marked as Exhibit E before?

20 A. I have been shown a spreadsheet in a
21 prior deposition that was not the engineer roster
22 spreadsheet. It could have been this one, but I
23 don't recall.

24 Q. This document was attached to an
25 affidavit or declaration filed in this case by a

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1 person who did an analysis of your computer access
2 on June 2nd and June 3rd.

3 A. Okay.

4 Q. This spreadsheet is attached to that
5 declaration as a true and correct copy of the list
6 of those files by policyholders' names which were
7 accessed by your computer in order. If we start
8 on the right-hand side, we have a column for the
9 McFarland complaint, Exhibit A, and on the
10 left-hand column we have access report of every
11 single file you accessed in sequence.

12 A. Okay.

13 Q. Is it your testimony that the
14 policyholder starting with the name of Becker,
15 which is the beginning of the McFarland Exhibit A,
16 through, and including, Mr. Ellifrit on Page 4,
17 was a search sequence that you used based on an
18 engineering roster from State Farm?

19 A. I don't see how it could be from an
20 engineering roster. This would have had to have
21 come from another list, I mean --

22 Q. And what list were you using?

23 A. I was using the engineer roster from
24 State Farm unless I had another list, but I don't
25 recall having another list that I was working

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1 from.

2 Q. Well, you'll agree with me that the
3 sequence Becker through Ellifrit that I've asked
4 you to look at does not correspond with an
5 engineering list, don't you?

6 MR. BACKSTROM:

7 Object to the form.

8 A. Yes, I agree with you, absolutely.

9 MR. ROBIE:

10 Q. What other sources did you have for
11 lists in order to search these computer documents
12 in this sequence?

13 A. I remember we printed off the engineer
14 roster. That was what we were intended to do. If
15 there was another list that I was using -- are
16 these all the claims that I printed that data dump
17 weekend or just a portion?

18 Q. Just 2nd and 3rd.

19 MR. TAYLOR:

20 Her question is are the ones on the left
21 the universe of claims that your records show she
22 accessed?

23 MR. ROBIE:

24 As of June 2nd at 2135 through --

25 MR. TAYLOR:

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1 -- June 3rd at 2128.

2 MR. ROBIE:

3 Right.

4 A. We had a -- it seems like we had a
5 roster -- what I'm remembering is we did have a
6 roster of the people who had filed suit, but Cori
7 and I had talked about that, and we thought we
8 don't really know if they had engineer reports.
9 We don't know if there was anything going on in
10 their case, let's stick to the engineer roster.
11 And it may be a situation where I thought I would
12 print some and then decided to go back to the
13 roster. But I don't remember a lot of discussion
14 about it other than we said, you know, we don't
15 even know what's going on, we do know we have the
16 engineer roster. We know there's an issue with
17 the engineer reports. So that's what I remember.
18 We had a discussion.

19 MR. ROBIE:

20 Q. Where did you get the list of files that
21 had filed a lawsuit?

22 A. Cori had it.

23 Q. And where did she get it?

24 A. I don't know. I didn't ask her.

25 Q. And how many lawsuits were identified on

1 that list?

2 A. I don't recall. It was a spreadsheet,
3 something like this.

4 Q. Did it have the caption on the
5 spreadsheet showing the identity of the lawsuit?

6 A. I don't remember.

7 Q. Did it have policy numbers or addresses
8 on the list?

9 A. I really don't remember. I'm
10 assuming --

11 Q. Do you remember anything other than a
12 list of names of people who you understood from
13 Kerri's list were in litigation?

14 A. Cori.

15 Q. I'm sorry, Cori's list?

16 A. It was a list of names that looked like
17 a spreadsheet. It looked very similar to this.

18 Q. And how many names were on there?

19 A. I don't remember. I did not count them.

20 Q. How many of them did you access?

21 A. I don't remember.

22 Q. Do you know whether or not or were you
23 told whether or not the names on the litigation
24 spreadsheet involved people who are represented by
25 any one attorney?

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1 A. I do not recall that.

2 Q. Did you ask Cori where she got it?

3 A. I did not.

4 Q. Do you know where she got it?

5 MR. BACKSTROM:

6 Objection, asked and answered.

7 A. I don't know where she got it.

8 MR. ROBIE:

9 Q. Did anybody assist you in pulling
10 records?

11 A. Yes.

12 Q. Who was that?

13 A. Let me clarify. Are you talking about
14 on the computer that weekend?

15 Q. Yes.

16 A. Okay. Three friends of Cori's that had
17 come over, for the most part they just made
18 copies, but they did access -- they did sit on the
19 computer to give us breaks and put in policy
20 numbers and do some printing.

21 Q. Did you work steadily through the day or
22 did you take lunch hours or breaks?

23 A. We tried to be as steady as possible,
24 but we would take breaks. And that's when the
25 rotation would come in.

1 Q. Why were you working on such a nonstop
2 basis?

3 A. We were trying to get done by Monday.

4 Q. Why?

5 A. We believed -- well, we knew that the
6 state -- that the computer would leave a footprint
7 of where we had been. So we weren't sure if
8 someone was monitoring that and would -- it would
9 be a red flag that we had been pulling up all
10 these claims, but we knew there was a footprint,
11 and we knew, you know, someone could be looking,
12 so we just wanted to get it done, get it over with
13 by Monday.

14 Q. Well, was it your view that the
15 monitoring at State Farm probably was not taking
16 place over the weekend and you could getaway with
17 this?

18 A. We -- correct, correct.

19 Q. So there was some urgency in trying to
20 get all of this done?

21 A. Yes.

22 Q. And was there a finite number of files
23 that you intended to download?

24 A. We had hoped to do the entire roster.

25 Q. Did you do that?

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1 A. We -- I don't believe we did. I
2 don't -- it seems to me that we ran out of time is
3 what I remember.

4 Q. Did you accomplish the download and
5 printing of all the cases on the litigation list?

6 A. I don't recall.

7 Q. Did you include that litigation list
8 with the boxes of documents that you distributed
9 to the attorney general and the United States
10 attorney?

11 A. I don't know.

12 Q. Do you have that roster?

13 A. No.

14 Q. Did you give it to Mr. Scruggs?

15 A. No. I didn't give it to anyone, and I
16 haven't seen it since that weekend.

17 Q. Did you highlight it as you accomplished
18 the printing of the information from each of those
19 litigation files?

20 A. I don't know if I did. I'm not even
21 sure I'm the one that printed them. I don't have
22 much of a recollection of that.

23 Q. Did you give your computer to anybody
24 else on the 2nd or 3rd of June 2006 after you
25 accessed it with your sign on ID?

1 A. Yes.

2 Q. Who did you give it to?

3 A. I didn't give it, but they accessed it,
4 the three friends that were over that weekend.

5 Q. All three of them used your computer?

6 A. I don't know if they all three did. I
7 know one or two of them did, but I can't even
8 remember which ones.

9 Q. Now, in order to get into a particular
10 claim, did you have to know the policy number?

11 A. You had to know the policy number or the
12 claim number or you could pull it up by name.

13 Q. And then it didn't -- it wasn't like a
14 Microsoft Word program with lots of pretty colors
15 and fields to fill in?

16 A. No.

17 Q. It was a black and white dos program?

18 A. It was.

19 Q. And what prompt did you have to use in
20 order to go from the initial screen in order to
21 get the data sheets that we talked about earlier?

22 A. There were prompts at the bottom of the
23 screen or you could do -- hit an F, a function
24 key, and it would send it to the next portion of
25 it.

Draft Copy

1 Q. Was an instruction, a set of
2 instructions prepared for the helpers in order to
3 give them basic steps to follow on how to navigate
4 that dos system?

5 A. It seems like we did write it down. We
6 wrote down F1 or F2 and we did just kind of jot
7 down in short form which screens, yes, I think we
8 did do that.

9 Q. And did you give each one of the helpers
10 one or did you keep one at each station?

11 A. At the station.

12 Q. And were those documents included in the
13 materials that were furnished to the attorney
14 general or the U.S. attorney?

15 A. I don't think they were.

16 Q. Do you still have them?

17 A. No.

18 Q. The original set that you printed out?

19 MR. TAYLOR:

20 Of what, set of what?

21 MR. ROBIE:

22 Q. Of the data from the data dump weekend,
23 what did you do with it?

24 A. I'm not sure if the original -- I'm not
25 sure where the original went. We had three

1 copies, but I'm not sure which box was the
2 original. I don't recall that.

3 Q. As the people took the printed documents
4 to the off site facility to copy them, were they
5 segregating the printed material from the copied
6 material?

7 A. Yes.

8 Q. And so there was a universe of documents
9 that were maintained as the printed material?

10 A. Yes, yes.

11 Q. And do you know whether that was given
12 to the attorney general, the United States
13 attorney or was saved by you?

14 A. I do not.

15 Q. How many days after -- well, the Monday
16 morning after the data dump as I understand it,
17 the attorney general and U.S. attorney picked up
18 the documents at Cori's house.

19 A. Yes.

20 Q. What happened to the other set?

21 A. Cori asked her friend my cell Lee, to
22 store them at her home.

23 Q. Why?

24 A. The attorney general's office at some
25 point had told Cori that people may be watching

1 us, we may be under surveillance, be careful and
2 kind of got us paranoid. So Cori was fearful to
3 leave the documents in her home.

4 Q. And who took them to Michelle Lee's
5 house?

6 A. I don't know. I was not there for
7 the --

8 Q. You had already gone to work?

9 A. I had gone somewhere. I don't know
10 where I was.

11 Q. What time did you go to work on the
12 Monday after the data dump?

13 A. I don't know.

14 Q. Did you go with Cori?

15 A. We went in at the same time. I don't
16 know if we rode together or not.

17 Q. And did you both go in and talk to Dave
18 Randel together?

19 A. We did.

20 Q. First thing in the morning?

21 MR. TAYLOR:

22 What do you mean by first thing in the
23 morning?

24 MR. ROBIE:

25 As soon as they got to the office,

Draft Copy

1 that's really what I mean.

2 A. It was real close to when we got to the
3 office, but I don't know if it was immediate.

4 MR. ROBIE:

5 Q. Did you download any other documents
6 from the State Farm computers before you talked to
7 Mr. Randel?

8 A. I don't remember if I did that at my
9 desk while I was there. I don't remember that, if
10 I did. I don't recall doing that, though.

11 Q. Did you do anything to check on the
12 system to see whether or not there was any
13 footprint that you could discern that gave away
14 the weekend of work that you had done?

15 A. No.

16 Q. Did Kerri?

17 A. Cori?

18 Q. Or Cori.

19 A. I don't know.

20 Q. What was Mr. Randel's reaction when you
21 told him?

22 A. I think he was shocked that we had
23 copied files and turned them over.

24 Q. Did you tell him how many files you had
25 copied?

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1 A. No, we did not.

2 Q. Did you tell him what protocol you used
3 to pick the files that you copied?

4 A. No. I don't believe we did.

5 Q. Was there anybody in the room other than
6 you and your sister and Dave Randel?

7 A. It was a large room with a bunch of
8 adjusters, but there was no one where we were. We
9 were kind of in a corner, but we weren't in a
10 private room.

11 Q. Mr. Randel didn't lose his temper?

12 A. No.

13 Q. He didn't raise his voice?

14 A. No.

15 Q. He didn't have any kind of visible
16 reaction other than to tell you to go back to
17 work, didn't he?

18 A. Correct.

19 Q. Mr. Randel treated you the way a
20 gentleman -- you would expect a gentleman to treat
21 you?

22 A. Yes.

23 Q. And he continued to do that until your
24 last day at State Farm, didn't he?

25 A. Yes.

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1 Q. He never had any harsh words with you,
2 did he?

3 A. Oh, no, no.

4 Q. He never purported to discipline you or
5 reprimand you in any shape or form, did he?

6 A. Did he reprimand us.

7 Q. Right?

8 A. Or order -- no, he did not.

9 Q. Was there any period of time when you
10 were collecting a paycheck both from Mr. Scruggs
11 and from Renfroe?

12 A. No, sir.

13 Q. When did your last paycheck from Renfroe
14 come in?

15 A. It seems like we were paid a week behind
16 from what we worked. I'm not sure when it came
17 in, but I didn't bill -- I don't recall what my
18 last billing date was, but it was end of May,
19 beginning of June time frame.

20 Q. And your first paycheck came in from
21 Scruggs when?

22 A. The end of July.

23 Q. Do you remember in March of 2006 Rick
24 Moore called sort of an impromptu meeting at the
25 claims office on a Saturday?

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1 A. Yes, I remember an impromptu meeting,
2 yes.

3 Q. Right and one of the reasons was he
4 wanted to get together and talk about the bad
5 press State Farm was getting?

6 A. Yes.

7 Q. And you participated in that meeting?

8 A. Yes.

9 Q. And there were off duty officers who
10 appeared at that meeting and were taking
11 photographs of people's license plates, do you
12 remember that?

13 A. I do.

14 Q. Had you told the attorney general's
15 office that that meeting was going to take place?

16 A. No.

17 Q. Do you know how they knew the meeting
18 was going to take place?

19 A. I learned after the fact, yes.

20 Q. What did you learn?

21 A. I was -- I was told by Dick that he had
22 talked to someone at the attorney general's
23 office.

24 Q. And let them know this meeting was going
25 to take place?

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1 A. Yes.

2 Q. But you had let Dick know that this
3 meeting was going to take place?

4 A. Cori had. I did not.

5 Q. Okay. And did you have an understanding
6 of what the attorney general's office was doing
7 taking photographs of people's license plates?

8 MR. BACKSTROM:

9 Object, speculation.

10 A. I did not, no.

11 MR. ROBIE:

12 Q. Did you find it intimidating to have
13 these off duty officers walking around the parking
14 lot taking pictures of license plates?

15 A. I didn't know they were going to be
16 there. Once I did see them I wasn't intimidated.
17 I kind of guessed where they came from. So, you
18 know I wouldn't say intimidated though would
19 describe how I felt.

20 Q. Did you assist Courtney Schloemer or
21 anyone from the AG's office in the preparation of
22 the March grand jury subpoena?

23 A. March grand jury subpoena to Rick Moore?

24 Q. Yes.

25 A. No.

Draft Copy

1 Q. And I think you told me earlier Rick
2 might have showed it to you?

3 A. It seems like he waved it around, you
4 know, I may have seen it, but I did not read it.

5 Q. Have you ever heard of anyone that's
6 referred to as Joey's friend from jumper town?

7 A. No, sir.

8 Q. Did you testify before the grand jury?

9 A. I did.

10 Q. When was that?

11 A. I don't recall the date.

12 Q. It was sometime after you concluded your
13 work at State Farm, though, wasn't it?

14 A. Oh, yes. Oh, yes, yes.

15 Q. The testimony you gave before the grand
16 jury was in Jackson County?

17 A. It was.

18 Q. The Harrison County grand jury
19 proceeding did not result in any testimony by you?

20 A. Only testified one time in the Jackson
21 County.

22 Q. The Jackson County grand jury subpoena
23 was issued the first one was issued in December of
24 '06; do you recall that?

25 A. That sounds right.

Draft Copy

1 Q. Did someone show you that subpoena?

2 A. Are you talking about my subpoena or to
3 someone else?

4 Q. The grand jury subpoena that was issued
5 to State Farm out of the Jackson County
6 proceeding.

7 A. I did not see that, no.

8 Q. Did Courtney Schloemer show it to you?

9 A. No.

10 Q. They served you with a subpoena?

11 A. It seems like I received a subpoena for
12 that as well, yes.

13 Q. And when were you served with that
14 subpoena?

15 A. I don't recall.

16 Q. Did they ask you to produce documents?

17 MR. TAYLOR:

18 Did the subpoena ask her to produce
19 documents?

20 MR. ROBIE:

21 Yes.

22 A. I don't remember producing any documents
23 for the grand jury. My attorney could have
24 provided documents, but I don't recall them asking
25 for any.

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1 MR. ROBIE:

2 Q. Just so we have a frame of reference
3 here, the order from Judge Acker ordering the
4 documents be returned is dated December 8th.

5 A. Yes.

6 Q. Did you have any documents at that
7 point?

8 A. I had -- no. I had already turned --
9 no, I did not have any documents at that point.

10 Q. When did you and your sister give the
11 documents to Scruggs?

12 A. Just a few months after the data dump.

13 Q. A few months?

14 A. It seems like it was maybe two months, a
15 month or two months, but I don't recall because I
16 did not personally bring the documents to Dick
17 Scruggs.

18 Q. How did you find out that they had been
19 given to him?

20 A. Cori told me.

21 Q. Well, he hired you in July?

22 A. Yes.

23 Q. Had he picked up the documents by the
24 time he started paying you on your \$150,000 a year
25 contract?

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1 A. No.

2 Q. How long after that started was it that
3 he got the documents?

4 A. I don't know.

5 Q. Within a month?

6 A. I would say within three months, but --

7 Q. Had you already done the 20/20 program?

8 A. I don't recall.

9 Q. Was it before Halloween of 2006?

10 A. Yes.

11 Q. By the time Judge Acker's order came
12 down in December, did you have any State Farm
13 documents left?

14 A. No, sir.

15 Q. They were all gone?

16 A. Yes, sir. Yes.

17 Q. Did you have any discussions with
18 anybody from the attorney general's office between
19 the date of Judge Acker's order and
20 December 14th, which was the second grand jury
21 subpoena issued by the attorney general to State
22 Farm?

23 A. No, no, no.

24 Q. Did you have any conversation with
25 anybody from the attorney general's office between

1 the date of Judge Acker's order and the date that
2 you appeared before that grand jury?

3 A. I don't recall. There were some
4 discussions about the documents and the injunction
5 with Courtney. I don't know exactly the date.

6 Q. Were you present in Alabama when
7 Courtney appeared as a friend of the court?

8 A. No, sir, I was not.

9 Q. Were you present in Alabama when
10 Courtney made any court appearance?

11 A. No.

12 Q. Did she serve you with any of her
13 pleadings that she filed in that proceeding?

14 A. No.

15 Q. Did she talk to you about her plan to
16 appear in that Renfroe litigation?

17 A. She did not talk to me about her plan,
18 no. I was informed, but it wasn't even by her.

19 Q. Who was it by?

20 A. It seems like it was my attorneys that
21 told me.

22 Q. They told you what her plan was?

23 A. No. They told me that she had appeared.
24 I believe it was after the fact.

25 Q. Okay. Did you have any discussion with

1 Courtney at all about what is the attorney
2 general's office wanted from State Farm in order
3 to settle the criminal matter?

4 A. No. She didn't indicate -- she didn't
5 tell us very much at all.

6 Q. What did she tell you?

7 A. She did most of -- she asked questions
8 mostly. She gave us very little information.

9 Q. What did she ask you questions?

10 A. Mainly it was procedural questions, what
11 do you normally do when this happens and how do
12 you handle this. It was those kind of questions.

13 Q. How long did you spend testifying before
14 the grand jury?

15 A. It was -- I don't know how many hours,
16 but it was done in an afternoon.

17 Q. Did you tell the grand jury that you
18 were paid -- you were being then paid \$150,000 a
19 year by Mr. Scruggs?

20 A. I don't know if she asked me that. I
21 don't recall.

22 Q. And if she didn't ask you, you wouldn't
23 have told her?

24 A. She asked me questions and I answered
25 them just like now.

1 Q. Did you tell the grand jury that you had
2 lied at all the mediations?

3 A. I told them the truth.

4 Q. Did that include the question of whether
5 you had lied at any mediations?

6 A. I'm sure I told them, yes.

7 Q. Did you tell the grand jury that you had
8 taken documents from State Farm system without the
9 company's permission?

10 A. Yes.

11 Q. And that you and your sister had
12 devised, intentionally devised a scheme in order
13 to get those documents off the system without
14 State Farm's knowledge or permission?

15 A. Yes.

16 Q. And that you had furnished those
17 documents to the attorney general, the United
18 States attorney and to Mr. Scruggs without State
19 Farm's permission?

20 A. Yes.

21 Q. You told them all of those things?

22 A. Yes.

23 Q. Did you also tell them that Dave Randel
24 was an honorable and nice person?

25 A. I don't recall.

Draft Copy

1 Q. Have you ever had any contact with
2 anyone from State Farm since you left there in
3 June?

4 A. I've talked with Mark Drain.

5 Q. When was that?

6 A. Several times, but I don't know the
7 dates.

8 Q. Was that after you started working for
9 the Scruggs Katrina Group?

10 A. Yes.

11 Q. What did you talk about?

12 A. How we were doing, very little about the
13 case. It was more of a personal conversation. He
14 would mention occasionally that he had been
15 deposed, but we didn't really talk much about
16 that.

17 Q. Has he ever asked you how you could
18 bring yourself to do what you did here?

19 A. No.

20 Q. He's never asked you that?

21 A. I believe he understood why -- what I
22 did and why I did it.

23 Q. Well, my question is a little different.
24 It's just simply did he ask you that?

25 A. I don't know that he's ever asked me

1 that.

2 Q. Has he asked you what you're going to do
3 once Mr. Scruggs doesn't need you anymore?

4 A. No.

5 Q. Have you talked to -- when you talked to
6 Senator Lott on the phone, did he tell you that
7 his claim had been resolved?

8 A. I don't think he mentioned that.

9 Q. Did he tell you that he was in
10 litigation with State Farm?

11 A. I don't recall discussing his case at
12 all.

13 Q. Did he tell you that he would gladly
14 give back all of the money State Farm paid him if
15 he could get them, if he could get the company?

16 A. No. He didn't say that.

17 Q. Do you recall anything else he said to
18 you other than what you've already told me?

19 A. No.

20 Q. Have you ever subpoena to Ed Snider of
21 the attorney general's office?

22 A. I don't believe I have.

23 Q. How about their investigators Holloman
24 or Halliday?

25 A. I don't recognize those names.

Draft Copy

1 Q. Did you ever appear or did you ever give
2 a statement to the department of insurance of the
3 state of Mississippi?

4 A. No, I have not.

5 Q. Were you requested to do so?

6 A. They had -- yes, yes.

7 Q. Who requested it?

8 A. It was George Dale's office.

9 Q. Do you recall who from George Dale's
10 office?

11 A. I believe his name was on the subpoena.

12 Q. George Dale actually had you served with
13 a subpoena from his department?

14 A. Yes.

15 Q. When was that?

16 A. It's been within the last four months, I
17 believe.

18 Q. Is this part of a market conduct survey
19 that Mr. Dale and his department is doing?

20 MR. BACKSTROM:

21 Object, speculation.

22 A. I would be speculating.

23 MR. ROBIE:

24 Q. The subpoena doesn't identify it as
25 such?

Draft Copy

1 A. No.

2 Q. Have you appeared as requested of the
3 subpoena?

4 A. No.

5 Q. Why not?

6 A. I know it's been postponed, and I
7 believe they were wanting some documents -- the
8 documents that Judge Acker has, and I believe
9 there was a request for that, and they wanted to
10 question us once they got the documents. I don't
11 know what's going on with that case.

12 Q. Has your sister also received a similar
13 subpoena?

14 A. Yes. And I was actually on my way
15 driving to Jackson for the deposition when they
16 called me and told me not to come, so --

17 Q. And neither you nor your sister have
18 given any information to the department of
19 insurance?

20 A. No, we have not.

21 Q. Do you know who Nellie Williams is?

22 A. I believe that person works for
23 Forensic.

24 Q. Did you ever ask Bob Simon or suggest to
25 Bob Simon that he assist you in gathering

1 documents or providing some kind of whistle blower
2 services against State Farm or worry or any other
3 company?

4 A. No, sir.

5 Q. He is a relative of yours?

6 A. He is.

7 Q. He was an adjuster working the cat?

8 A. Yes. He was a manager.

9 Q. At Worley?

10 A. Yes.

11 Q. Did you ever ask him whether he saw any
12 situation which an engineering report had a
13 request for a change?

14 A. No.

15 Q. Have you given any information to any
16 investigative body of Congress, the house of
17 representatives, the United States Senate or any
18 other group in Washington, D.C. other than your
19 D.C. lawyers?

20 A. Have I given them any information,
21 documents, is that what you're asking me?

22 Q. Or testimony.

23 A. Testimony. No, I don't know if my
24 attorneys have, but I have not testified or given
25 documents.

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1 MR. ROBIE:

2 We need to change the tape. And at this
3 point, I'm going to recess my questioning,
4 preserving the last little bit of time that I have
5 left to ask follow-up questions on the documents
6 that she's not produced and material we've not yet
7 seen.

8 VIDEOGRAPHER:

9 Off record at 1:49.

10 MR. BANAHAN:

11 Before we go off, just so the record is
12 clear on what we will want to come back on, I
13 think you're entitled to know that. It would be
14 with regard to documents that haven't been
15 produced, for example, the billing records
16 regarding the cell phones that we learned about
17 today, invoices to SKG for reimbursement of
18 expenses that we've not been produced.

19 MR. TAYLOR:

20 They weren't asked for.

21 MR. BANAHAN:

22 I think they are. I think they're
23 subject to Judge Walker's order as far as the
24 documents that would show any type of
25 reimbursement or financial exchanges between the

1 Rigsbys and SKG.

2 MR. TAYLOR:

3 I'm not saying you can't have them.

4 Just your request was for income information.

5 MR. BANAHAN:

6 Well, I certainly think that -- well,

7 I'm getting to that, too, that all of their

8 exchanges for funds that had been paid from SKG to

9 the Rigsbys should be produced. We're not seeking

10 sanctions. We just want the documents. We'll ask

11 for that. The records regarding legal fees paid

12 by the Scruggs Katrina Group to the Rigsbys is, in

13 fact, compensation. We'll ask for that and items

14 that might become an issue based on the production

15 or nonproduction of anything that's in Cori

16 Rigsby's computer that's still in Judge Walker's

17 court at this point. And then the documents that

18 were listed in the privilege log asserting a

19 privilege based on the Qui Tam case, which we

20 think Judge Walker has already addressed and

21 asserted that clearly that's not a basis for

22 claiming privilege. And then there are some

23 questions that were asked during the deposition

24 where you -- both of you instructed Ms. Rigsby not

25 to answer based on our right to go to court and

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1 seek a motion compelling answers to those
2 questions, we would recess.

3 MR. TAYLOR:

4 So you're reserving your right to
5 question on documents which have not been
6 produced?

7 MR. BANAHAN:

8 Yes.

9 MR. TAYLOR:

10 And essentially documents that have not
11 been produced and rulings on the claim of
12 privilege for the March 11 meeting?

13 MR. BANAHAN:

14 Correct. And understand, we're not
15 going to finish today anyway with your flight
16 schedule and Mr. Hibey's flight schedule.

17 MR. TAYLOR:

18 I'm happy to stay.

19 MR. BANAHAN:

20 Do you want to?

21 MR. TAYLOR:

22 Sure.

23 MR. BANAHAN:

24 Can you produce all the documents
25 between now and whatever time your flight leaves?

1 MR. TAYLOR:

2 Ah. Are we off the record?

3 MR. BANAHAN:

4 And I don't mean to waive anything else
5 where you made a claim of privilege. I wasn't
6 trying to limit it to what I stated, but those
7 were examples where a privilege has been asserted
8 and that's still an issue before the court or will
9 be before the court. And that's all I've got to
10 say.

11 VIDEOGRAPHER:

12 Off record at 1:52.

13 (Off the record.)

14 VIDEOGRAPHER:

15 On record at 2:13 p.m.

16 EXAMINATION

17 BY MS. LIPSEY:

18 Q. Ms. Rigsby, I'm Christine, Lipsey. I
19 don't believe we've ever met before.

20 A. No. Hi.

21 Q. Hi. I represent Renfroe, and I'm going
22 to have some questions for you today. I have some
23 questions that will be follow-up to some of the
24 questions that Mr. Robie asked you, and then I
25 have some other areas I'd like to touch on.

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1 A. Okay.

2 Q. Okay. Thank you. You talked earlier
3 about a meeting that occurred on March 11th,
4 2006 in a trailer. And you listed several folks
5 that were there, all attorneys except for your
6 sister, I believe, and your mother --

7 A. Correct.

8 Q. -- at that meeting. At that meeting --

9 MR. TAYLOR:

10 I just want to be clear about one thing,
11 Mrs. Lipsey. She has testified that there was a
12 meeting. She did not provide the date. The date
13 was provided by records from State Farm's
14 computers.

15 MS. LIPSEY:

16 Right. That's correct. That's correct.

17 Q. But let's talk about -- you do remember
18 that there was a meeting in spring, early spring,
19 I guess, of 2006?

20 A. Yes.

21 Q. And at that meeting the attorneys that
22 you listed earlier were present along with your
23 mother and your sister?

24 A. Yes.

25 Q. And was anybody else present?

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1 A. No.

2 Q. Okay. And what I wanted to ask you was
3 at that meeting, was the report that we've talked
4 about, the report that you said that you had
5 received sometime in -- at the end of October,
6 beginning of November, the October 12th, 2005
7 report with a sticky note, was that report with
8 the sticky note at that meeting? Did you see it
9 at that meeting?

10 MR. BACKSTROM:

11 Let me just object to being a little bit
12 imprecise because you focused on that sticky note,
13 and I want to be sure that there's an
14 understanding we're talking about original versus
15 copy. So are you talking about original versus
16 copy?

17 MS. LIPSEY:

18 Right now I'm talking about the original
19 sticky note, the October 12th report with the
20 original sticky note.

21 Q. And I think you said you thought it was
22 yellow, whatever color it was. Was that report
23 with that sticky note at that meeting?

24 A. No.

25 Q. Was there a copy of that report with the

1 copied sticky note at that meeting?

2 A. I don't recall.

3 Q. What about the October 20th, 2005 report
4 concerning the McIntosh property, was that report
5 at the meeting?

6 A. That actual report was not at the
7 meeting.

8 Q. Was there a copy of that report at the
9 meeting?

10 A. It's probable, but I don't recall.

11 Q. You seem to make a distinction when --
12 you said the actual report was not at the meeting,
13 and it seems to me that you were drawing the
14 distinction between an original, I guess, for lack
15 of a better word, and perhaps a copy. Why is it
16 that you draw that distinction?

17 A. Because I did not take the original out
18 of the office, so I know it couldn't have been at
19 the meeting.

20 Q. It couldn't have been that original
21 report that was in the file?

22 A. Right.

23 Q. In the wind file at the office?

24 MR. BACKSTROM:

25 Object to the form.

Draft Copy

1 MS. LIPSEY:

2 Q. But there could have been a copy of that
3 report that was in the wind file, the October 20th
4 report?

5 A. Sure. There could have been a copy of
6 that report in the meeting.

7 Q. Okay. And do you think it is probable
8 that there was a copy of that report?

9 A. I do.

10 Q. Okay.

11 A. But I couldn't say for sure.

12 Q. Okay. And let me go back to the
13 October 12th report. Do you think it was
14 probable that there was a copy of the
15 October 12th report without a sticky note at all
16 on it?

17 A. A copy of that October 12th report
18 was, yes, probably at the meeting.

19 Q. Okay. What about a copy of the
20 October 12th report with the sticky note sort of
21 superimposed on it, is it probable that that was
22 at the meeting?

23 A. Yes.

24 Q. Okay. Is it probable that the
25 October 12th report with the original sticky

1 note was at the meeting?

2 MR. BACKSTROM:

3 Object, asked and answered.

4 MR. TAYLOR:

5 Asked and answered.

6 A. No, not possible, no.

7 MS. LIPSEY:

8 Q. Okay. I wanted to ask you about

9 something that I'm not clear on. I understand

10 from your earlier testimony that this meeting, if

11 you want to call it that, occurred in a trailer.

12 Whose trailer was it?

13 A. Dick Scruggs' trailer.

14 Q. Okay. And I don't mean to be glib, but

15 I'm assuming he wasn't in a FEMA trailer? He

16 wasn't dispossessed of his home in the storm or

17 anything?

18 A. He lost his home in the storm.

19 Q. He did lose his home in the storm?

20 A. His home down here. He has another home

21 in Oxford.

22 Q. Okay.

23 A. So, yes, he did.

24 Q. But was this a FEMA trailer?

25 A. It was a mobile home.

Draft Copy

1 Q. So it wouldn't have been a FEMA issued
2 trailer with formaldehyde fumes, etcetera?

3 A. It was purchased because he lost his
4 home, but it was not a FEMA trailer, but it was
5 not a permanent trailer either. It was temporary.

6 Q. Was it located where his home was, his
7 home on the Coast?

8 A. I don't know. I don't think so. I
9 don't remember -- I never asked what the property
10 was. It was near the beach. It was in
11 Pascagoula. It could have been close to his
12 homesite. I don't know where his home was.

13 Q. Let me ask you this, and that may be
14 hard to answer in light of what occurred during
15 the storm, but was this area where homes had been
16 or damaged homes still were?

17 A. Yes.

18 Q. So it was in a neighborhood?

19 A. Yes.

20 Q. Okay. You talked at the end of
21 Mr. Robie's questioning about talking with
22 Mr. Drain, Mark Drain after your departure from
23 State Farm?

24 A. Yes.

25 Q. And you had indicated that y'all

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1 exchanged pleasantries, I guess and that sort of
2 thing and that you talked very little about the
3 case. What case were you referring to?

4 A. State Farm case.

5 Q. And any particular State Farm case?

6 A. No, just in general.

7 Q. Were you referring to civil proceedings
8 or what you thought may be criminal proceedings?

9 A. I wasn't putting -- I wasn't thinking
10 either way, just the State Farm case. I don't
11 know. I don't recall.

12 Q. Ms. Rigsby, do you have any knowledge as
13 to whether there are any other people that were
14 either employed by State Farm or Renfroe that may
15 have been serving in sort of a capacity that you
16 and your sister were, whether you want to refer to
17 it as moles or whistle blowers or whatever the
18 correct term might be? Are you aware of anyone
19 else that may have been supplying information?

20 A. No.

21 Q. Did you ever hear any rumors to that
22 effect?

23 A. No.

24 Q. You never heard any rumors about there
25 being other folks there were providing information

1 to either law enforcement or plaintiffs lawyers
2 possibly?

3 A. There was talk that there was a mole. I
4 always assumed they were talking about Cori and I.
5 If they were talking about someone else, I don't
6 know, but I'm not aware of any other person that I
7 worked with that was turning over evidence.

8 Q. Can you remember or can you say when the
9 first time was that somebody mentioned a mole?

10 A. It was in '06. I believe it was early
11 '06, 2006.

12 Q. And why is it that you use that date?

13 A. I remember that the discussion about a
14 mole came up often after the Rick Moore subpoena
15 and after the people down the security guards down
16 in the parking lot during that meeting. That's
17 when the mole talk surfaced. If there had been
18 mole talk prior to that, I don't remember any
19 discussions.

20 Q. Do you remember who may have said that,
21 you know, and what would they have said? Give me
22 an idea of what was said.

23 A. Mark Drain used to ask me all the time
24 if I was the mole. I remember that. There was a
25 discussion in that meeting when the guy was

1 videotaping or maybe he was taking photos, I
2 didn't see him, but anyway the tags in the parking
3 lot that day, someone in the meeting said well,
4 how would he have known we were having a meeting.
5 The meeting had been called at the last minute.

6 Q. And that was the Saturday meeting you
7 referred to earlier?

8 A. Right. The Saturday meeting. It had
9 been called at the last minute. So someone in the
10 office at that time announced well, we must have a
11 mole, how would they know we were even having a
12 meeting on Saturday morning. So I think that's
13 when I remember first because I remember kind of
14 wincing.

15 Q. That was going to be my next question.
16 Were you uncomfortable when there was talk of
17 there must be a mole?

18 A. Yes. Yes, I'm sure I was.

19 Q. Why do you think that Mark Drain asked
20 you if you were the mole?

21 MR. BACKSTROM:

22 Object, speculation.

23 A. Yeah. I don't know.

24 MS. LIPSEY:

25 Q. And you did say that he asked on several

1 occasions?

2 A. Uh-huh.

3 Q. So there must have been something. He
4 must have gotten that -- well, I don't want to say
5 that impression, but there had to have been a
6 reason he was asking. What do you think the
7 reason was?

8 MR. BACKSTROM:

9 Object, speculation.

10 MS. LIPSEY:

11 Q. You can answer.

12 A. He asked a lot of people if they were
13 the mole. I was just one of them that he asked.
14 But I think he was just curious, and he thought
15 that if I was, I would tell him, so I --

16 Q. Did you?

17 A. No, I did not. No.

18 Q. Did you ever tell anyone, I mean,
19 obviously your sister, but anyone -- well, your
20 mother would have had knowledge?

21 A. Right.

22 Q. Anyone else?

23 A. No, not that I remember. I can't
24 remember telling anyone.

25 Q. Did you consider yourself a mole?

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1 A. No. I didn't -- I don't care for the
2 term, but I considered myself an insider, yes,
3 absolutely.

4 Q. And at what point did you view yourself
5 as an insider?

6 A. I don't know that I thought about it
7 until after that meeting. I didn't --

8 Q. And which meeting are we talk?

9 A. About the Saturday morning meeting.

10 Q. And I --

11 A. I think I realized.

12 Q. So save me having to go back in my
13 notes, did you give an approximate date of that?
14 Was that in -- did you date that around March of
15 '06 --

16 A. Yes.

17 Q. -- or earlier? I don't remember.

18 A. I believe it -- no, it was not earlier.
19 It was around March of '06.

20 Q. Has there ever been an occasion when you
21 had a meeting with any of your lawyers and your
22 sister and anyone else? And I'm not talking about
23 the meeting -- the trailer meeting. But is there
24 any other occasion where you can remember you
25 being present, Cori being present, one or more of

1 your lawyers being present and someone else?

2 MR. BACKSTROM:

3 Let me ask for clarification. Within
4 the other, other else people, however you just
5 said it, are you including staff from law firms?

6 MS. LIPSEY:

7 No. I'm not including, for example, a
8 paralegal or a legal assistant from the Scruggs
9 Law Firm. I would characterize a third party.

10 MR. TAYLOR:

11 Like a mother?

12 MS. LIPSEY:

13 Q. Well, apart from that meeting -- well,
14 or like a mother, were there any other meetings
15 where your mother was present apart from the
16 trailer meeting and I think the February meeting
17 when you met Mr. Scruggs for the first time? I
18 think Cori was present and your mother was
19 present. Were there any other occasions where you
20 were present, Cori, your mother and any of your
21 attorneys?

22 A. Yes.

23 Q. And when were those occasions?

24 A. We had another meeting in the trailer
25 after the initial meeting in the trailer. I know

1 we met with Dick a couple of times, Cori and I,
2 and my mother was present when we met with Dick at
3 Cori's home.

4 Q. So let me just kind of get -- see if I
5 can get a chronology going. We have -- we know
6 there's the February 2006 meeting where your
7 mother was present, Cori was present, Mr. Scruggs
8 was present?

9 A. Correct.

10 Q. Then we have the trailer meeting, which
11 we think may have been in March of 2006?

12 A. Correct.

13 Q. And then you said that there was another
14 trailer meeting?

15 A. There's another trailer meeting.

16 Q. Okay. Do you remember approximately
17 when the second trailer meeting was?

18 A. I believe it was in April.

19 Q. Okay. And who was present at that
20 meeting?

21 A. Cori, my mother, Tony Dewitt, Mary, and
22 she works with him. She's an attorney at that
23 same firm. I don't recall if Zach, Zach could
24 have been there, and Dick could have been there,
25 and I don't remember if he was there. If he was

1 there, he didn't stay the whole time because I can
2 remember it just being my mother, my sister, Tony
3 and Mary all of us, I can just visualize us
4 sitting in a group talking. You know, I remember
5 that. It's possible Dick and Zach were in and
6 out.

7 Q. Okay.

8 A. That's -- that was the second meeting at
9 the trailer.

10 Q. Is this the same trailer?

11 A. Same trailer.

12 Q. Okay. And was the trailer in the same
13 location as it was the first time?

14 A. Yes, yes.

15 Q. About how long was the meeting?

16 A. I remember it being several hours.

17 Q. Were documents reviewed at that meeting?

18 MR. BACKSTROM:

19 Let me object and instruct not to answer
20 as to any discussions during that meeting or any
21 documents from the meeting.

22 MS. LIPSEY:

23 That's correct. It was not the
24 question. The question was were there documents
25 reviewed at that meeting.

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1 MR. TAYLOR:

2 Well, I think he's still instructing not
3 to answer.

4 MR. BACKSTROM:

5 You can answer if there were documents
6 reviewed without revealing the nature of the
7 documents.

8 MR. TAYLOR:

9 You can answer that yes or no. And it's
10 a passive voice, so it's not going to help us
11 much, go ahead, like mistakes were made.

12 A. Yeah. I believe we reviewed documents
13 at that meeting, I do.

14 MS. LIPSEY:

15 Q. Okay. Now, there is something that I
16 would like to clarify. There's been an objection
17 and instruction or at least we're getting there in
18 the zone, and your mother was present at this
19 meeting, the April 2006 meeting as she was at the
20 March 2006 meeting?

21 A. Yes.

22 Q. I'm trying to understand how there's a
23 privilege if Mrs. Lobrano was present at these
24 meetings?

25 MR. BACKSTROM:

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1 She was a client.

2 MS. LIPSEY:

3 Okay.

4 Q. Your mother was a client of who?

5 MR. BACKSTROM:

6 Of ours.

7 MS. LIPSEY:

8 So you contend the business at hand
9 dealt with Mrs. Lobrano's case and that's why the
10 attorney-client privilege applies?

11 MR. BACKSTROM:

12 I'm not going to reveal the nature of
13 those discussions, but she was a client at that
14 time.

15 MR. TAYLOR:

16 I think Mr. Hawley also in a deposition
17 in the Renfroe case took the position with which
18 we agree that she was also playing the role of
19 representative or facilitator which would bring
20 her within the privilege.

21 MS. LIPSEY:

22 And a representative of whom?

23 MR. TAYLOR:

24 Cori and Kerri.

25 MS. LIPSEY:

Draft Copy

1 And it's your contention that the
2 privilege would apply to Mrs. Lobrano under those
3 circumstances.

4 MR. TAYLOR:

5 Uh-huh. That Mrs. Lobrano's presence at
6 the meeting would not constitute a waiver of the
7 privilege.

8 MR. HIBEY:

9 Just to be clear, we don't agree with
10 that position. So I don't want Mrs. Lipsey's
11 silence to be taken as any acknowledgement of it.
12 We'll see how the judge feels about that.

13 MR. BACKSTROM:

14 I understand.

15 MR. TAYLOR:

16 This has been an issue which surfaced
17 months, months ago in your client's other case.

18 MS. LIPSEY:

19 All right. I'm just unaware of it being
20 ruled on by a court.

21 MR. TAYLOR:

22 I'm not sure that anybody has taken it
23 to a court.

24 MS. LIPSEY:

25 Yeah.

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1 MR. HIBEY:

2 As long as we're making the record, is
3 it your contention -- because I've heard two basis
4 supposedly --

5 MR. TAYLOR:

6 Both.

7 MR. HIBEY:

8 -- for the privilege.

9 MR. BACKSTROM:

10 Yeah. I agree with his as well.

11 MR. HIBEY:

12 I understand. I'm sure you do. I just
13 want to be clear was she also a client of
14 Mr. Dewitt and Mary?

15 MR. TWIFORD:

16 Mrs. Lobrano.

17 MR. HIBEY:

18 Yes.

19 MR. BACKSTROM:

20 I'm not sure it matters.

21 MR. HIBEY:

22 That wasn't the question, with all due
23 respect. I just want to be sure the record is
24 clear.

25 MR. BACKSTROM:

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1 We can make our arguments later.

2 MR. HIBEY:

3 I'm not making an argument. I just want
4 the fact was she or wasn't she.

5 MR. TAYLOR:

6 Let me -- you know the elements of the
7 privilege would be consultation with counsel and
8 the subject matter of representation and intention
9 that the consultations be confidential. And there
10 would only be a waiver if she's considered a true
11 third party to the conversation, not someone who
12 is bound by the same expectation of
13 confidentiality and in some respects necessary or
14 helpful to the provision of legal services. The
15 privilege is not waived by the mere presence of a
16 third party at a conversation with a lawyer. It
17 depends on what the role of the third party is
18 obviously, and our view is that she comes within
19 that group of cases which recognize that the third
20 party's presence doesn't waive the privilege. And
21 we're happy to set those reasons forth in more
22 detail if you want to --

23 MR. HIBEY:

24 I understand all of that, but I heard
25 two different things, all of which combined to set

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1 forth your position. I just want to know if
2 there's yet a third prong. And I don't understand
3 why you can't answer so that we at least know that
4 fact, that is whether Mrs. Lobrano is a client of
5 Mr. Dewitt and this lawyer by the name of Mary.

6 MR. BACKSTROM:

7 I'm not going to answer, I mean, we're
8 going to have plenty of opportunity to brief it if
9 you want to brief it. I'm not going to answer.

10 MR. HIBEY:

11 I guess that's the answer you're not
12 going to answer. I can't force you to.

13 MS. LIPSEY:

14 Q. As long as we're talking about meetings
15 and third parties, well, let's not leave the
16 second trailer meeting because it's too
17 scintillating. I must ask more questions.

18 A. Okay.

19 Q. You did indicate documents were
20 reviewed?

21 A. Yes.

22 Q. And the meeting lasted several hours?

23 A. Yes.

24 Q. There was some discussion about the
25 February -- I'm sorry, the earlier meeting perhaps

1 in March of 2006 that occurred in the trailer
2 where there was -- well, it was represented to you
3 that there was some computer access that occurred.
4 And I believe there's been testimony that Cori did
5 have her laptop at that meeting?

6 A. Yes. I don't know if there's testimony
7 to that, but she did have her laptop at one of
8 those meetings. I don't recall if it was the
9 first or second.

10 Q. Okay. Do you recall that she had her
11 laptop at one meeting but not at another?

12 A. That's my recollection, but -- because I
13 didn't bring the computer, I only remember it at
14 one meeting. It could have been at two. I
15 just -- but I know it was for sure at one of the
16 two meetings, could have been at both.

17 Q. Okay. And I take it from your answer
18 that you never brought a laptop?

19 A. Not to those meetings, no.

20 Q. Okay. My committee here has several
21 questions. The meeting that occurred, the second
22 trailer meeting that you believe occurred in April
23 of 2006, do you know whether that meeting occurred
24 before or after the Qui Tam action was filed?

25 A. It was around the same time, but I don't

1 know if it was before or after. I'm thinking
2 about it, and I think it would have to have
3 been -- the second meeting would have had to have
4 been prior to the Qui Tam being filed.

5 Q. Okay.

6 A. Okay.

7 Q. And how do you date it?

8 A. Because I --

9 MR. BACKSTROM:

10 I would instruct you not to reveal --

11 THE WITNESS:

12 Okay.

13 MR. BACKSTROM:

14 -- conversations that occurred during
15 that meeting or any other with counsel.

16 MS. LIPSEY:

17 Q. But it is your belief upon reflection
18 that this meeting occurred before the Qui Tam was
19 filed?

20 A. Yes.

21 Q. Now, I think that we went through the
22 roster of folks that were at the second trailer
23 meeting. I think you told me Cori, your mother,
24 Tony Dewitt, Mary, Tony's partner or associate?

25 A. Right.

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1 Q. Whatever? Perhaps Zach?

2 A. Perhaps Zach.

3 Q. Perhaps Dick?

4 A. Perhaps Dick.

5 Q. But they may have sort of been in and
6 out?

7 A. Right.

8 Q. Was there anybody else present at that
9 meeting?

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

11 Q. Okay. Now when, we started going down
12 this path we were talking about situations where
13 there were meetings where perhaps there were third
14 persons?

15 A. Okay.

16 Q. Okay. And you also mentioned that there
17 were some other meetings where your mom was
18 present?

19 A. Yes.

20 Q. There was the February original meeting
21 where you met Mr. Scruggs. There was the what we
22 believe a March 2006 first trailer meeting, the
23 second -- the April 2006 trailer meeting?

24 A. Yes.

25 Q. And there were other meetings where your

1 mother was present?

2 A. Yes. There was another meeting, one
3 possibly two where Dick Scruggs had come to Cori's
4 house after that initial February meeting.

5 Q. Okay.

6 A. And my mother was present.

7 Q. Okay. Do you remember approximately
8 when these meetings would have occurred?

9 A. Sometime in March, April. I believe
10 March or April. It could have gotten into May,
11 but I really think it's March or April.

12 Q. March or April 2006?

13 A. '6.

14 Q. At Cori's house?

15 A. At Cori's home.

16 Q. Now, the first meeting would have
17 been --

18 A. In the last week of February.

19 Q. That was the first meeting, I'm sorry.
20 As we fast-forward to the March -- to the
21 additional meetings at Cor's house?

22 A. That would be March or April.

23 Q. At the first March or April meeting, who
24 was present at that meeting?

25 A. The first March or April at Cori's's

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1 home.

2 Q. Uh-huh?

3 A. Cori, Dick, my mother -- and my mother's
4 husband, Bill Lobrano may have been there, but I
5 don't think -- remember him participating. I
6 think he was there for the first meeting at Cori's
7 home. I'm not sure he was there at any other meet
8 approximating at Cori's home.

9 Q. Okay. And approximately how long was
10 this meeting?

11 MR. TAYLOR:

12 Which?

13 A. The very first meeting?

14 MS. LIPSEY:

15 Q. The meeting that occurred the first
16 March or April 2006 meeting at Cori's house.

17 A. Second meeting at Cori's house, the
18 first one in March or April?

19 Q. Yeah.

20 A. Less than two hours.

21 Q. And were there documents present at that
22 meeting?

23 A. Yes. I believe there were.

24 Q. What about a computer?

25 A. I think there was a computer present. I

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1 know there was a computer present at our first
2 meeting.

3 Q. And by the first meeting you mean the
4 February 2006 meeting?

5 A. February. And I believe there was a
6 computer present at our second meeting as well.

7 Q. That occurred at Cori's house?

8 A. Yes.

9 Q. Let's go back to the February 2006
10 meeting. About how long was that meeting?

11 A. I would say no more than three hours. I
12 would say anywhere from one to three.

13 Q. Okay.

14 A. Because we ate as well. We had some
15 food, and we visited. So, you know, one to three.

16 Q. Okay. And whose computer was there?

17 A. It could have been mine or Cori's. It
18 wasn't uncommon for us to bring our computer
19 home.

20 Q. Okay. And was the computer accessed
21 during the course of the meeting?

22 MR. BACKSTROM:

23 Let me object and instruct not to answer
24 as to any materials reviewed during that meeting.

25 MS. LIPSEY:

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1 Q. I don't believe that's what I'm asking
2 for. I'm asking if a computer was accessed during
3 that meeting?

4 A. Was accessed?

5 Q. Yeah. Did somebody get on the computer
6 during the course of the meeting?

7 A. Yes.

8 Q. And who was that?

9 A. I know Cori did, and I believe I did as
10 well.

11 Q. And was State Farm information accessed
12 at that information?

13 MR. BACKSTROM:

14 I'm going to object and instruct not to
15 answer.

16 MS. LIPSEY:

17 Q. The computers that were at the meeting,
18 I think you said it may have been either perhaps
19 both your computer and Cori's computer. Both
20 these computers are laptops, right?

21 A. Yes.

22 Q. And both of these were State Farm
23 computers, right?

24 A. Yes.

25 MR. ROBIE:

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1 And, Counsel, Ms. Rigsby is being
2 instructed not to answer questions concerning the
3 State Farm laptops?

4 MR. BACKSTROM:

5 As to what information was reviewed,
6 that's right.

7 MS. LIPSEY:

8 I'm not asking -- well, I'm asking if
9 State Farm information was accessed. And the
10 instruction is not to answer.

11 MR. BACKSTROM:

12 Right.

13 MS. LIPSEY:

14 And that's attorney-client privilege.

15 MR. BACKSTROM:

16 Uh-huh, and work product.

17 MS. LIPSEY:

18 Were there.

19 MR. HIBEY:

20 Excuse me. I just want to understand,
21 the general question the category as opposed to
22 the documents you're instructing her not to
23 answer.

24 MR. BACKSTROM:

25 That's right.

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1 MR. HIBEY:

2 Are you her lawyer or are you
3 instructing her Mr. Taylor.

4 MR. TAYLOR:

5 We're complying with Mr. Backstrom's --

6 MR. HIBEY:

7 -- request.

8 MR. TAYLOR:

9 Wise counsel. It is his law firm's work
10 product at issue. So he has a perfect right to
11 instruct as overall work product, and I think he's
12 right. The subject matter of the meeting, what
13 happened at the meeting is all bound up in the
14 attorney-client relationship and what they did to
15 prepare for litigation or other kinds of things
16 and would be classed as work product. We could
17 argue about it, but that's our position.

18 MS. LIPSEY:

19 Q. Okay. The first meeting that we talked
20 about, the February 2006 meeting, you've talked
21 about the fact that Mr. Scruggs represented you in
22 some capacity. Was he representing you at the
23 outset of that February 2006 meeting?

24 MR. TAYLOR:

25 It doesn't matter.

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1 MS. LIPSEY:

2 It doesn't?

3 MR. TAYLOR:

4 No. Consultation for purposes of
5 determining -- go ahead, but that's not legally
6 relevant.

7 MS. LIPSEY:

8 The instruction is not to answer.

9 MR. TAYLOR:

10 Yes.

11 MS. LIPSEY:

12 Q. All right.

13 MR. BACKSTROM:

14 Let me ask a question. I don't mean to
15 be glib sounding here, but, for example, the first
16 time you met with Mrs. Renfroe and she was telling
17 you about the circumstances of this litigation, do
18 you contend that's privileged or not.

19 MR. HIBEY:

20 You don't need to answer that.

21 MS. LIPSEY:

22 I'm not going to answer that.

23 MR. BACKSTROM:

24 You're arguing.

25 MR. TAYLOR:

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1 It's a great rhetorical question.

2 MS. LIPSEY:

3 I'll take that under advisement and get
4 back to you on that.

5 MR. BACKSTROM:

6 You guys are looking at me with strange
7 looks.

8 MR. BANAHAN:

9 Sensitive.

10 MR. BACKSTROM:

11 No. I'm just trying to do the right
12 thing as always.

13 MR. HIBEY:

14 Let's keep going.

15 MS. LIPSEY:

16 Q. Let me ask this question: The second
17 meeting that happened at Cori's house that was in
18 March or April of 2006 that lasted less than two
19 hours, there were documents present, there was a
20 computer present. Bill Lobrano, your mother's
21 husband may have been there, but you don't know he
22 was participating.

23 MR. TAYLOR:

24 Actually, Ms. Lipsey, you can clarify
25 this, but I believe her testimony is that he was

1 at the first meeting.

2 MS. LIPSEY:

3 Q. He was at the February 2006 meeting?

4 A. Right.

5 Q. You were asking about first and the
6 context was first in March?

7 MS. LIPSEY:

8 Right.

9 MR. TAYLOR:

10 And she was thinking first, first,
11 first.

12 MS. LIPSEY:

13 Okay.

14 MR. TAYLOR:

15 So you better be clear on that.

16 MS. LIPSEY:

17 Q. So Dr. Lobrano was at the February 2006
18 meeting?

19 A. Right.

20 Q. He was not present at the two later
21 meetings that happened at Cori's house in March
22 and April of 2006 or was he?

23 A. He could have been. I don't remember.

24 Q. Okay.

25 A. I know he was at the first one.

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1 Q. Okay.

2 MS. LIPSEY:

3 Let me ask this question: Sid, is
4 Dr. Lobrano a client of the Scruggs Law Firm as
5 well?

6 MR. BACKSTROM:

7 Yeah, I think he was.

8 THE WITNESS:

9 He was.

10 MR. BACKSTROM:

11 It was a claim that they had.

12 MS. LIPSEY:

13 Q. Now, the third meeting that happened at
14 Cori's house, who was present at that meeting?

15 A. I don't remember.

16 Q. Okay.

17 A. It seems like he came out to the house
18 another time. I don't remember when it was, but I
19 just remember seeing him again and it -- it wasn't
20 significant. It wasn't a significant meeting.

21 Q. So you wouldn't remember who, how long,
22 what was reviewed, that sort of thing?

23 A. No, no.

24 Q. Let me ask you about -- now, we've
25 exhausted all the meetings where your mother was

1 present with Mr. Scruggs and your sister and your
2 mother?

3 A. I think so.

4 Q. Okay.

5 A. I think we've covered all those
6 meetings.

7 Q. Were there any meetings where perhaps
8 your mother was not present, but someone in
9 addition to Cori and your lawyers?

10 A. Oh, no, no. No. I -- I met with -- I
11 wouldn't say it was a meeting. It was a
12 gathering. I've had gatherings with clients and
13 Dick and Cori. I wouldn't call them meetings, but
14 there have been instances where we've all been in
15 the same room and there have been other people
16 there other than lawyers, but I wouldn't consider
17 them meetings.

18 Q. And when you say clients, do you mean
19 clients, Mr. Scruggs' clients?

20 A. Right, during the settlement.

21 Q. All right.

22 A. Things like that, yeah. I did meet a
23 lot of clients during the settlement.

24 Q. Okay. Did you ever meet with any of
25 your lawyers when Cori was not present?

1 A. I've had depositions when Cori is not
2 present like today and I've met with my lawyer,
3 so, yes.

4 Q. Okay. Apart from those kinds of
5 settings, do you recall a meeting with your
6 lawyers where she wasn't present?

7 A. No, no.

8 Q. Speaking of depositions, that brings to
9 mind, did you meet with anybody about your
10 deposition today in addition to your lawyers?

11 A. Yes. We met last night with my lawyers
12 and my sister was there.

13 Q. Okay.

14 A. But that was all had.

15 Q. And was your sister's testimony
16 discussed that she gave yesterday?

17 MR. TAYLOR:

18 We're not going to let her answer what
19 we discussed last night. That's privileged. But
20 the food was really good.

21 MS. LIPSEY:

22 Glad to hear it.

23 MR. NORRIS:

24 Tell us where you ate.

25 (Off the record.)

1 MS. LIPSEY:

2 Q. Okay. Let me ask you this: Did you
3 review any documents prior to your deposition
4 today or in preparation for your deposition today?

5 A. This week I have not. I did come to
6 Washington and I met with my attorneys in
7 Washington, and we did review documents that we
8 were -- that had been subpoenaed, but I wouldn't
9 consider it in preparation for the deposition, but
10 we were reviewing some documents.

11 Q. Okay. Did you review any of your
12 depositions that you've given in the Marion case,
13 the Renfroe case, the first part of the deposition
14 you gave in the McIntosh case, did you review any
15 of those transcripts prior to today?

16 A. No.

17 Q. Have you ever reviewed those
18 transcripts?

19 A. I have. I reviewed -- I have reviewed
20 the, I believe, the Renfroe transcript prior to
21 the McIntosh deposition. I have reviewed a
22 deposition prior to another deposition, but it has
23 been many many months.

24 Q. When you have done that, was there
25 anything that came to mind that you had further

1 recollection on or a thought that you might want
2 to add something or revise previous testimony?

3 MR. BACKSTROM:

4 Object to the form.

5 A. When I read my testimony, there's always
6 things that I think I wish I had said this or I
7 wish you know -- always you think wow, you know, I
8 could have worded that better, I could have
9 explained myself better. But if you're asking if
10 I want to go back and correct testimony, no, I
11 don't think so.

12 MS. LIPSEY:

13 Q. Okay.

14 A. But I believe the only testimony that I
15 have read is the Renfroe deposition with Barbara
16 Stanley.

17 Q. Okay.

18 A. I don't know that I have -- I don't
19 believe I have read any State Farm depositions.
20 So if I re-read them, I may would say, yes, I want
21 to correct something.

22 Q. Did you give testimony in the injunction
23 hearing that occurred or the contempt hearing that
24 occurred in the Renfroe matter?

25 A. Did I give testimony?

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1 Q. In court.

2 A. No, I didn't.

3 Q. Not on any occasion?

4 A. Not in court on any occasion.

5 Q. So the only testimony you remember
6 giving in the Renfroe matter would have been
7 deposition testimony?

8 A. Correct.

9 Q. Okay. You spoke earlier of a
10 tape-recording that you made of your meeting with
11 Dave Randel that occurred, I think, the Monday
12 after the early June data mining. Data dump is so
13 in elegant, but at any rate -- and I wanted to ask
14 you about that. You don't recall where that
15 tape-recording is now?

16 MR. BACKSTROM:

17 Objection, asked and answered.

18 A. Yeah. I don't know where that tape is.

19 MS. LIPSEY:

20 Q. Whose idea was it to tape the meeting?

21 A. Cori and I decided to tape the meeting.
22 We discussed it. I don't recall if it was her
23 idea or my idea.

24 Q. Why did you and your sister make that
25 decision?

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1 A. We weren't sure how he would react, and
2 we -- we wanted it on record what we told him and
3 who we turned those documents over to and what he
4 said, if he said something just, you know -- we
5 wanted if -- when this all came to testimony, you
6 know, that what was said was what was said. I
7 guess in our minds we thought he was going to
8 react crazy, what did you do that for, you know
9 you're crazy -- you're a horrible employee. We
10 didn't know what he was going to accuse us of,
11 terrible employees. We just didn't know. We had
12 never done this before. We just thought we'll
13 tape it and if it goes awry we have a tape of what
14 was said. We wanted a record of what was said.
15 Well, it was -- nothing happened. We told him.
16 He said okay, and the next day he presented us
17 with two State Farm attorneys. So it just kind of
18 nothing ever developed from it, you know, so there
19 was no need for it. And so, you know, we had all
20 moved into Cori's home, boxes everywhere, stuff
21 was everywhere. So when we all dispersed Cori's
22 home, I guess it got misplaced. I don't know
23 where it is, you know, it was just -- it was
24 pandemonium at the time.

25 Q. So beyond bringing the recording back to

1 Cori's home, you don't remember your sister giving
2 it to anyone?

3 A. No. I don't believe we gave it to
4 anyone. And I'm not sure that we even remembered
5 it. I can remember Cori was in a deposition and
6 came home and said I just remember today that we
7 had taped the discussion with Dave Randel.
8 Someone asked me if we had made a tape-recording.
9 And I was oh, we did do that. I mean, it just
10 wasn't something we thought about again.

11 Q. I assume Mr. Randel didn't know he was
12 being recorded?

13 A. Right. He didn't know.

14 Q. Where was the tape recorder?

15 A. In my purse.

16 MR. TAYLOR:

17 Would this be a good time to take a
18 short break.

19 MS. LIPSEY:

20 You bet.

21 VIDEOGRAPHER:

22 Off record at 3:00 p.m.

23 (Off the record.)

24 VIDEOGRAPHER:

25 On record at 3:09 p.m.

1 MS. LIPSEY:

2 Q. All right. I think we were talking
3 about the meeting with Mr. Randel, I believe.
4 Okay. And we talked about the meeting being
5 recorded. Whose tape recorder did you used to
6 record the meeting?

7 A. I don't know.

8 Q. Was it your tape recorder?

9 A. It was not mine. I believe it was
10 Cori's tape recorder, but it was not mine.

11 Q. Okay. You talked about what you and
12 Cori told Mr. Randel, that you copied documents,
13 that you provided a set, I believe, to the U.S.
14 attorney and a set to the Mississippi attorney
15 general.

16 A. Yes.

17 Q. Now, as I understand it, there was a
18 third set of documents that Michelle Lee kept for
19 a period of time.

20 A. Yes.

21 Q. Did you tell Mr. Randel about that
22 thurst set of documents?

23 A. No. I don't believe we did.

24 Q. Is there any particular reason that you
25 would have told him about the documents that you

1 gave to the U.S. attorney and the Mississippi
2 attorney general, but not that a third set of
3 documents had been retained?

4 A. Yes.

5 Q. And what is that reason?

6 A. I believe the third set was for the Qui
7 Tam and we weren't supposed to talk about that.

8 Q. All right. And a Qui Tam action is --
9 Qui Tam action where I think you and your sister
10 are relaters I think is the correct term and that
11 action was filed in April of 2006?

12 A. Yes.

13 Q. State Farm was a defendant in that
14 matter?

15 A. Yes.

16 Q. And do you remember who else would have
17 been in April of 2006?

18 A. No. I do not.

19 Q. Okay. You do know that Renfroe and Jana
20 Renfroe and Gene Renfroe were not defendants in
21 that original complaint that was filed in April of
22 2006?

23 A. Yes.

24 Q. And you are aware that they were made
25 defendants via an amended complaint filed, I

Draft Copy

1 believe, in May of 2007?

2 A. Yes.

3 Q. I'm going to show you a document that
4 I'm going to give -- I'm going to give this to you
5 and ask if the court reporter will put a sticker
6 on it. And I believe that's going to be Exhibit
7 F. We could put the sticker over that preexisting
8 sticker that was used in another matter.

9 (Exhibit F was marked.)

10 MS. LIPSEY:

11 Q. Exhibit F is it? Do you recognize this
12 document, Ms. Rigsby?

13 A. Yes.

14 Q. All right. What is it?

15 A. Employment agreement.

16 Q. Okay. And this is your employment
17 agreement with Renfroe?

18 A. Yes.

19 Q. All right. And if we turn to the back
20 page, is that your signature on the last page of
21 the document?

22 A. Yes.

23 Q. And the date by your name is August 11,
24 2004?

25 A. Correct.

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1 Q. Okay. Now, this would have been the
2 agreement that would -- that you had with Renfroe
3 that was the most recent agreement or the
4 agreement existing immediately prior to Hurricane
5 Katrina, right?

6 MR. BACKSTROM:

7 Object to the form.

8 A. This was an agreement that was signed, I
9 believe, prior to being deployed to hurricane
10 Charlie is when I signed this agreement.

11 MS. LIPSEY:

12 Q. Okay. Are you aware of any other
13 agreement that would have been signed before
14 Hurricane Katrina which occurred on August 29,
15 2005?

16 A. No, I'm not aware of any.

17 Q. All right. So prior to the storm, the
18 agreement that we've marked as Exhibit F would be
19 your agreement with Renfroe?

20 MR. TAYLOR:

21 Objection. There's a legal argument
22 about that.

23 MS. LIPSEY:

24 Q. Okay. Well, I will simply ask again to
25 clarify the record, that this is the last

1 employment agreement that you signed before
2 Hurricane Katrina on August 29, 2005?

3 A. Yes.

4 Q. Okay. And if you would, turn to the
5 second page of the agreement, section 6, paragraph
6 6. I'll give you a moment. Do you see the
7 non-disclosure, non-solicitation?

8 A. Yes.

9 Q. And paragraph A?

10 A. Okay.

11 Q. Deals with confidential information.
12 You were aware of these provisions of your Renfroe
13 employment agreement that dealt with
14 confidentiality of information belonging to
15 Renfroe, its clients and their customers, correct?

16 A. Yes.

17 Q. And you understood that under the
18 agreement that you were not supposed to disclose
19 or misappropriate this confidential information as
20 its defined in the agreement?

21 A. Yes.

22 Q. And you also understood that you were
23 not supposed to disclose confidential information
24 during the period of time of the agreement for a
25 two-year period after the agreement, correct?

1 A. Yes.

2 Q. And under the agreement you also agreed
3 to return all documents and other property upon
4 your ceasing employment with Renfroe?

5 A. Yes.

6 Q. And, Ms. Rigsby, isn't it true that you
7 felt like you would be under the obligations of
8 the employment agreement whether or not there was
9 a signed document at any given moment in time?

10 A. Yes.

11 Q. I'd like to attach Exhibit F, please.
12 Thank you.

13 And Exhibit G. Give this to the court
14 reporter to mark.

15 (Exhibit G was marked.)

16 MS. LIPSEY:

17 Q. Ms. Rigsby, we've marked for
18 identification Exhibit G a code of conduct. Do
19 you recognize this document?

20 A. Yes.

21 Q. All right. If you would, turn to the
22 last page. Is that your signature where it says
23 employee signature?

24 A. Yes.

25 Q. And this agreement is dated October 5,

Draft Copy

1 2004?

2 A. Yes.

3 Q. And this code of conduct would have been
4 the code of conduct that would have been the most
5 recent code of conduct prior to Hurricane Katrina
6 occurring on August 29, 2005?

7 A. Yes.

8 Q. Okay. And in paragraph 1 you'll see a
9 statement concerning Renfroe's expectations of its
10 employees. And I'm not going to read the whole
11 thing. I'm going to paraphrase, but the employees
12 of Renfroe having a duty of undivided loyalty to
13 Renfroe, our clients, and their customers. And
14 then the paragraph goes on to say that employees
15 are to protect those interests and to avoid
16 situations where their self-interest actually or
17 even appear to conflict with the interests of
18 Renfroe, our clients, and their customers. You
19 see that language there?

20 A. Yes.

21 Q. And you understood that language was in
22 the agreement when you signed the agreement in
23 August of 2004?

24 A. Yes.

25 Q. I'd like to go ahead and attach Exhibit

1 G to the deposition.

2 If we have time, I'm going to go through
3 a timeline, Ms. Rigsby, so we'll have a frame of
4 reference for some questions, but first I'd like
5 to ask some questions that jump ahead to the
6 issues of the two reports that have been discussed
7 at some length in your deposition. Of course,
8 this case is the McIntosh case and the two reports
9 we're talking about is the October 12, 2005 report
10 and the October 20, 2005 report in the McIntosh
11 case. Now, I believe that you said earlier today
12 that you discovered the existence of both of these
13 reports either at the end of October or beginning
14 of November of 2005?

15 A. Yes.

16 Q. Okay. And you made copies of both these
17 reports, right?

18 A. I did.

19 Q. Okay. And you brought copies of both of
20 the reports to your house?

21 A. Yes.

22 Q. Okay. And you did not mention the fact
23 of the two reports to Lecky King, did you?

24 A. No. I just gave her the first report
25 back.

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1 Q. The one with the sticky note?

2 A. Right. And just asked her if I was -- I
3 told her I don't think I was supposed to get this.
4 So that was all that was said.

5 Q. All right. And you did not talk to her
6 about the October 20th, 2005 report that you found
7 in the wind file?

8 A. No.

9 Q. Now, you never brought your concerns,
10 and I guess that's a fair characterization,
11 concerning the existence of the October 12 and
12 October 20th reports to the attention of Gene
13 Renfroe?

14 A. No.

15 Q. And you didn't bring them to the
16 attention of Jana Renfroe?

17 A. No.

18 Q. You didn't bring them to the attention
19 of anybody affiliated with Renfroe?

20 A. No, I did not.

21 Q. Who was your supervisor, if that's the
22 correct word, at Renfroe?

23 A. In Katrina it was Joe LaFontaine.

24 Q. Okay. So should I assume that you
25 didn't bring the issue of the two reports to

Draft Copy

1 Mr. LaFontaine's attention?

2 A. Correct.

3 Q. And who would have been above

4 Mr. LaFontaine?

5 A. Don Goodin.

6 Q. Do you know what Don Goodin's position
7 is?

8 A. He's -- I don't know his exact title,
9 but I know that he's over the adjusters.

10 Q. Okay. And you did not bring the issue
11 of the two reports to his attention?

12 A. No.

13 Q. And who would have been upstream from
14 Mr. Goodin?

15 A. Gene and Jana.

16 Q. All right. And we've already
17 established that you did not bring the reports to
18 their attention?

19 A. Right.

20 Q. There's been some discussion, and quite
21 frankly I don't remember if it was in your
22 sister's deposition yesterday or previous
23 testimony you've given, about why you did not
24 notify Gene or Jana Renfroe or anyone affiliated
25 with Renfroe. And would you tell me what your

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1 reasoning was?

2 A. I didn't feel that they could do
3 anything about it and I also felt they were just
4 an extension of State Farm.

5 Q. Why did you think they couldn't do
6 anything about it?

7 A. I don't believe they had any authority
8 to investigate State Farm. State Farm would not
9 give them that authority.

10 Q. And you viewed it as an issue of
11 investigation?

12 A. Yes. It needed to be investigated.

13 Q. And you assumed that neither Jana
14 Renfroe nor Gene Renfroe would do any necessary
15 investigation or research?

16 A. Well, this was a criminal issue, and I
17 felt like it needed to be investigated by criminal
18 authorities.

19 MR. WEBB:

20 Excuse me. I want to object to that
21 answer and move to strike as non-responsive.

22 MR. TAYLOR:

23 Just because we don't say anything
24 doesn't mean we agree it's non-responsive.

25 MR. WEBB:

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1 Clearly understood. Otherwise, I would
2 have been talking a lot more.

3 MS. LIPSEY:

4 Q. Let me ask you this, Ms. Rigsby: Is
5 there anything about your prior experience with
6 the Renfroes that suggested to you that they
7 didn't mean or that the code of conduct did not
8 mean what it said?

9 A. No.

10 Q. Looking back at the code of conduct, it
11 says that Renfroe employees have an undivided --
12 have a duty of undivided loyalty to Renfroe, our
13 clients, and their customers.

14 A. Uh-huh.

15 Q. And then also, in the third paragraph,
16 it goes on to say, This code does not attempt to
17 cover every situation, and there may be exceptions
18 to the rule. If you have questions about a
19 particular situation or believe others are not
20 adhering to the code, the law or policies, contact
21 Gene or Jana Renfroe. Each of us must be willing
22 to raise ethical and legal concerns. No one will
23 be penalized for reporting in good faith a
24 suspected violation or questioning a company
25 practice. Did you have reason to believe that the

1 code of conduct was meaningless?

2 MR. BACKSTROM:

3 Object to the form.

4 A. No. But I didn't think it applied -- I
5 couldn't have undivided loyalty to the
6 policyholder and Renfroe and State Farm on this
7 issue. I had to choose one, and I chose the
8 policyholder.

9 MS. LIPSEY:

10 Q. Did it never cross your mind to talk to
11 the Renfroes?

12 A. I'm sure it did. I'm sure I thought
13 about it.

14 Q. You didn't believe that the Renfroes
15 were involved in any wrongdoing, did you?

16 A. I didn't know.

17 Q. And why do you say you didn't know?

18 A. I didn't know who all was involved. I
19 just didn't know.

20 Q. Was there any tangible act or statement
21 made by anybody affiliated with Renfroe that would
22 suggest to you that they were involved in
23 wrongdoing?

24 MR. BACKSTROM:

25 Christine, at what time, anytime?

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1 MS. LIPSEY:

2 At any time.

3 A. Not that I can recall.

4 MS. LIPSEY:

5 Q. Would you agree that Renfroe was not in
6 a position to disclose to the McIntoshs or to
7 anybody else for that matter the existence of the
8 October 12th report because you didn't tell
9 them?

10 A. Could you repeat the question?

11 Q. Would you agree that Renfroe would have
12 been unable to disclose to the plaintiffs or to
13 anybody else the existence of the October 12th
14 report if you didn't tell the Renfroes about the
15 October 12th report?

16 A. I don't know if they knew about the
17 report or not. I didn't tell them. Did they know
18 about the report, I don't know.

19 Q. You have no reason to believe that they
20 knew about the October 12th report, do you?

21 A. I have no reason to believe they did or
22 they didn't. I don't know if they did.

23 Q. In the ordinary course of business would
24 the Renfroes, Gene and Jana Renfroe, know about
25 any given engineering report?

1 A. On a day-to-day basis, no. No.

2 Q. You didn't have anything to lose by
3 telling Gene or Jana Renfroe about the
4 October 12th report, did you?

5 MR. TAYLOR:

6 Objection as to form. You can answer
7 the question.

8 A. I don't know. At the time I didn't know
9 if I had anything to lose. I didn't know if I
10 did. I thought it was possible that I would
11 simply be fired and no one would question why
12 State Farm was deceiving policyholders. That was
13 a fear, that it would not be investigated.

14 MR. WEBB:

15 Same objection, same position.

16 MS. LIPSEY:

17 Q. But you did have the option, didn't you
18 of telling the Renfroes of your concerns and if
19 you believed appropriate action wasn't taken, you
20 could have then talked with Mr. Scruggs or the
21 Mississippi attorney general or the U.S. attorney
22 general, right?

23 A. I had the option, but I didn't know if
24 they were involved.

25 Q. Did you have any reason to believe that

Draft Copy

1 the Renfroes were involved in any wrongdoing?

2 MR. TAYLOR:

3 Asked and answered.

4 A. I didn't know.

5 MS. LIPSEY:

6 Q. Did you ever tape-record any
7 conversations you had with Jana or Gene Renfroe or
8 anybody affiliated with Renfroe?

9 A. No.

10 Q. Do you know if Cori did?

11 A. I don't, but she's never told me that
12 she did.

13 Q. Are you aware of anybody else
14 tape-recording any conversations with Jana or Gene
15 Renfroe or anyone affiliated with Renfroe?

16 A. No.

17 Q. You talked earlier about some mediations
18 that you participated in. At those mediations,
19 did you ever have occasion to I guess for lack of
20 a better word, give testimony? Were you ever
21 sworn in, given an oath?

22 A. No, no.

23 Q. Okay. And you didn't ever give any what
24 we would call witness testimony, sort of like what
25 you're doing today?

1 A. No.

2 Q. It was more of a mediation settlement
3 discussion?

4 A. Yes.

5 Q. I have a document that was marked as an
6 exhibit in your first deposition in this case or
7 the beginning of your deposition. I'll give you
8 that to take a look at it and give you one. And
9 if you would, turn to paragraph 102. Now,
10 Ms. Rigsby, I understand that you're not a lawyer,
11 you didn't draft this complaint, and I know you're
12 not a party to the McIntosh file. So I just want
13 to make that clear. I understand that. But what
14 I'm asking you for is any information you may have
15 that would relate to any of these allegations. If
16 you'll look at paragraph 101, the last sentence,
17 and it states, Had Renfroe revealed to the
18 policyholder the existence of the October 12, 2005
19 report, Defendant State Farm would not have had
20 the basis to issue a bad faith denial of
21 plaintiff's insurance claim. Do you know who, if
22 anyone, would Renfroe had the ability to reveal to
23 the McIntoshs the existence of the October 12th,
24 2005 report?

25 A. I don't know if they did. I don't know.

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1 Q. Now, you knew of the October 12th,
2 2005 report?

3 A. Yes.

4 Q. Is there anybody else with Renfroe that
5 you believe had knowledge of the October 12, 2005
6 report?

7 A. I know Cody Perry did.

8 Q. And now, you did talk earlier about
9 Mr. Perry bringing you the October 12th report
10 with a sticky note and saying I'm assuming you're
11 going to handle it this or something to that
12 effect?

13 A. Yes.

14 Q. So you don't know that Mr. Perry read
15 the October 12th, 2005 report?

16 A. I don't know.

17 MR. BACKSTROM:

18 Object speculation.

19 Q. You do not know?

20 A. I don't know.

21 Q. Did he tell you he read the October 12,
22 2005 report?

23 A. No. And I didn't ask.

24 Q. And I gather from previous testimony
25 that's been given that engineer reports went --

1 did not go to the adjusters, but rather they went
2 to Ms. King; isn't that correct?

3 A. Yes.

4 Q. All right. So as I understand it,
5 adjusters were not after Hurricane Katrina called
6 upon to review engineer reports; is that correct?

7 A. That's correct.

8 Q. Now, is there anybody else associated
9 with Renfroe that you believe knew of the
10 existence of the October 12, report?

11 A. I don't know.

12 Q. Okay. Now, if you look at paragraph
13 102, it states, Renfroe knew that the October 20,
14 2005 report was an inaccurate representation of
15 the cause of the subject loss. Renfroe also knew
16 that the October 12th report was not being
17 relied upon but instead was being replaced by the
18 October 20, 2005 report simply because the
19 October 20, 2005 report was more favorable to
20 State Farm and less favorable to the policyholder.
21 Do you have any facts or documents that baron this
22 statement that would suggest that Renfroe knew
23 about the October 20, 2005 report?

24 A. No.

25 Q. You didn't tell anyone affiliated with

1 Renfroe about the October 20, 2005 report?

2 A. I did not.

3 Q. Do you know if Cody Perry saw the
4 October 20, 2005 report?

5 A. I don't know if he did.

6 Q. Okay. He never told you that he did?

7 A. No.

8 Q. Did you ever talk with the McIntoshs
9 about the October 12th report?

10 A. No, I have not.

11 Q. You have never talked with them about
12 that?

13 A. No.

14 Q. Have you ever talked with them about the
15 October 20th report?

16 A. No.

17 Q. Now, I'm trying to remember previous
18 testimony. You did meet Mr. McIntosh?

19 A. On the initial inspection.

20 Q. Right.

21 A. Before there were ever any reports.

22 Q. Right.

23 A. Yeah.

24 Q. The initial inspection that you
25 conducted with Cody Perry?

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1 A. Yes.

2 Q. And that's the only time you've ever met
3 Mr. McIntosh?

4 A. Yes.

5 Q. You've never met Mrs. McIntosh?

6 A. No, I have not.

7 Q. Have you ever talked with either of them
8 on the telephone?

9 A. No. I was trying to make sure I didn't
10 talk to them before the inspection, but, no, I
11 don't believe I have.

12 Q. And is it your belief that the McIntoshs
13 were denied something they were entitled to?

14 MR. BACKSTROM:

15 Object to the form.

16 A. It's my belief that they were deceived,
17 yes.

18 Q. Now, I want to ask you about that, but
19 let me ask you this: Do you believe they were
20 denied something they were entitled to?

21 MR. BACKSTROM:

22 Same objection.

23 MR. TAYLOR:

24 Do you mean something tangible other
25 than information?

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1 MS. LIPSEY:

2 Yes.

3 Q. For example, do you believe that they
4 were denied additional moneys that they were owed
5 on wind coverage, for example?

6 MR. BACKSTROM:

7 Object to the form and also object to
8 asked and answered in previous deposition
9 testimony.

10 A. I believe according to the reports, they
11 were owed additional money, yes.

12 MS. LIPSEY:

13 Q. Now, is it your recollection that the
14 McIntoshs did receive payment under a flood
15 policy?

16 A. It's my recollection, yes.

17 Q. Okay. And you also recall that they did
18 receive payments under their homeowners slash wind
19 policy?

20 A. They did receive payment, yes.

21 Q. And are you contending that they were
22 owed additional sums under the homeowners, slash
23 wind policy?

24 MR. TAYLOR:

25 Occasion as to form.

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1 MR. BACKSTROM:

2 Same action, asked and answered, as
3 well?

4 A. Yes.

5 MS. LIPSEY:

6 Q. You are contending that?

7 A. Yes.

8 Q. And that contention is based on what?

9 A. The engineer reports.

10 Q. And is it one particular report or is it
11 the October 12th report that you base that
12 contention on or the October 20th report?

13 MR. BACKSTROM:

14 Same objections.

15 A. The October 12th report.

16 Q. And you believe that the October 12th
17 report would have supported more in wind coverage
18 claims than the McIntoshes in fact received?

19 A. Correct.

20 Q. And do you rely exclusively for that
21 opinion on the October 12th report?

22 A. Yes, for the most part. I have been out
23 to the home.

24 Q. On the initial inspection?

25 A. Right.

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1 Q. Have you been out there since then?

2 A. I have not.

3 Q. Okay. And so I guess what you're saying
4 is you were at the house, you were present, you
5 saw damage?

6 A. I saw damage.

7 Q. And I know that there's previous
8 testimony on that, and I think that you thought
9 that there was both water damage and wind damage?

10 A. Correct.

11 Q. Did you ever think about talking to the
12 McIntoshs and telling them I believe you're owed
13 more money?

14 A. I don't recall if I thought about that
15 or not. I didn't do it. I didn't call them.

16 Q. Do you think that now that the -- it
17 would have been more beneficial to the McIntoshs
18 if you had said something at the time you saw the
19 October 12th report?

20 MR. TAYLOR:

21 Objection.

22 MR. BACKSTROM:

23 Objection, speculation?

24 A. I don't know the answer to that. I
25 don't know.

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1 MS. LIPSEY:

2 Q. Let me ask you to take a look at --
3 well, paragraph 105 of the complaint, the amended
4 complaint. You can see there's some statements
5 here or allegations, rather, about the Renfroe
6 code of conduct. And then if you turn to
7 paragraph 109, the second sentence in paragraph
8 109 -- and please go ahead and read the whole
9 thing so you have some context, the 109.

10 A. Okay.

11 Q. Have you had a chance to read paragraph
12 109.

13 A. Yes.

14 Q. The second sentence reads had Renfroe
15 follow its own code of conduct, Renfroe employees
16 would have notified plaintiffs of the actions of
17 the other defendants in the fraud and so on
18 allegations. Now, there's a reference to Renfroe.
19 Do you have any information as to who or which
20 Renfroe employees, rather, are referred to in that
21 second sentence?

22 A. No.

23 Q. We've established so far that you were a
24 Renfroe employee and you had knowledge of the
25 October 12th report.

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1 A. Yes.

2 Q. Cody Perry brought you the report, but
3 we don't know that Cody read the report and more
4 over the reports went to Lecky King and not to
5 adjusters. You told Cori, also, a Renfroe
6 employee about the October 12th report. So we
7 know of two Renfroe employees. Do we know of
8 anyone else who would fall in the category of
9 Renfroe employees who should have notified the
10 plaintiffs of the actions of the defendants?

11 A. No, we don't. Could be talking about
12 me. I don't know.

13 Q. I know this is going to be really random
14 and it is, but it occurs to me now. I know that
15 you said that the Mississippi AG's office and the
16 U.S. attorney picked up their individual sets of
17 the documents after the data mining occurred at
18 the beginning of June. And I think it was on that
19 Monday, June 6th or whatever it was. Had you
20 talked with the Mississippi AG's office prior it
21 that Monday about the picking up of documents?

22 A. No.

23 Q. And what about the U.S. attorney, had
24 you talked with that office about the picking up
25 of documents?

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1 A. No.

2 Q. How did they know to come pick up the
3 documents on that Monday?

4 A. I don't know. I didn't contact them.

5 Q. You didn't contact them?

6 A. No.

7 Q. Was it a surprise to you? I think you
8 said you were home or there, present, when one of
9 the pickups occurred, and you don't know which one
10 it was?

11 A. Right.

12 Q. Were you surprised when someone arrived
13 on your doorstep looking for documents?

14 A. No. I knew they were coming to pick
15 them up. But I'm not the one who called them, so
16 I'm not -- I don't know when they were called.

17 Q. Do you know if any of your lawyers knew
18 that the Mississippi AG and the U.S. attorney were
19 going to pick up documents after the data mining?

20 MR. TAYLOR:

21 If they knew when?

22 MS. LIPSEY:

23 If they knew prior to the pick up.

24 A. I don't know. I don't know.

25 MS. LIPSEY:

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1 I think I asked that. Sid will tell me
2 whether I did or not.

3 MR. BACKSTROM:

4 I'll let you know.

5 Q. Do you know who made the call to arrange
6 for the pickup?

7 A. Cori made the call, but I don't know who
8 she called.

9 Q. Okay. It must have been okay.

10 MR. BACKSTROM:

11 I figured I'd let it slide.

12 MS. LIPSEY: Can we take five?

13 MR. TAYLOR:

14 Before you do though, can I raise
15 something and we'll put some time back on your
16 clock. I understand that you all take the
17 position that the depositions of general and Jana
18 Renfroe in this case are subject to a
19 confidentiality order and will not be provided to
20 us, to counsel for the Rigsbys; is that your
21 position.

22 MS. LIPSEY:

23 That is our position.

24 MR. TAYLOR:

25 I would renew our request there and

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1 particularly sense I don't want to duplicate
2 questioning of Gene and Jana that's already
3 occurred. And if I don't have those depositions,
4 I have no way of avoiding that duplication. And I
5 guess I can tell you that if you don't consent,
6 then we'll probably have to take it up with the
7 magistrate.

8 MS. LIPSEY:

9 Let me ask you this: In what proceeding
10 do you plan on -- or do you want to say what
11 proceeding you plan on taking their depositions?

12 MR. TAYLOR:

13 Renfroe versus Rigsby.

14 MS. LIPSEY:

15 Versus Rigsby in Alabama. Well, I guess
16 we'll have to talk with --

17 MR. TAYLOR:

18 I thought you might.

19 MS. LIPSEY:

20 Yeah, yeah.

21 MR. TAYLOR:

22 I just wanted to make that point and
23 renew our request.

24 MS. LIPSEY:

25 Okay. We'll take a quick break and

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1 then --

2 VIDEOGRAPHER:

3 Off record at 3:48 p.m.

4 (Off the record.)

5 VIDEOGRAPHER:

6 On record at 4:02 p.m.

7 MS. LIPSEY:

8 Q. Ms. Rigsby, you talked earlier about
9 when you said that Cody Perry brought you the
10 October 12th report. And I believe you said at
11 that point you went to the wind file. Why did you
12 go to the wind file?

13 A. Because on the sticky note it said put
14 in the wind file.

15 Q. Did you ordinarily do that kind of
16 filing?

17 A. No.

18 Q. Who -- what was the ordinary practice in
19 the office for filing?

20 A. We had a group called Caps that did all
21 the filing.

22 Q. Why wouldn't you have routed it to Caps
23 to do the filing?

24 A. Because it said do not pay, do not
25 discuss and that's -- we normally pay the invoices

1 on engineer reports, so I knew there was something
2 off, suspicious to me.

3 Q. And because you were suspicious, you
4 went to the wind file. You thought there may be
5 more information there?

6 A. Yes. Well, the file -- it said put it
7 in the wind file. So initially I thought I'm
8 going to go put this in the wind file. And I'm
9 sure on the way over there, as I'm thinking why
10 aren't he paying the invoice on this and why
11 aren't we discussing this. And so instead of just
12 telling them to put this report in the wind file,
13 I wanted to see the wind file to find out why we
14 weren't discussing it or paying for it.

15 Q. And the things, I guess, that got your
16 attention were do not discuss and do not pay?

17 A. That got my attention.

18 MR. WEBB:

19 Object to the form.

20 MS. LIPSEY:

21 Q. Are you aware of any other situations
22 where invoices weren't paid?

23 A. Only that I was told by Lecky King.
24 I've heard her say I'm not paying these invoices
25 unless the reports are changed. She has said

1 that. Before Katrina, no, I was not aware of
2 that.

3 Q. I'm not going to get too much into this
4 because we don't have a whole lot of time left
5 today. Let me just ask you a couple of questions
6 about who you worked with during Katrina. As I
7 understand it, you were a manager.

8 A. Yes.

9 Q. And as a manager, you would have had a
10 team of adjusters working with you?

11 A. Correct.

12 Q. How many adjusters were working with
13 you?

14 A. I don't recall the exact number. It was
15 approximately ten, I believe.

16 Q. Do you remember who some of those folks
17 would have been?

18 A. It was difficult to say exactly who was
19 on my team because there was more than one Renfroe
20 team, and we all worked together. So just because
21 the person wasn't on my team didn't mean that they
22 wouldn't come to me with questions. So we worked
23 as a group.

24 Q. Okay?

25 A. So it would be hard for me to say who

1 was on my team. I treated them all as if we were
2 all the same team.

3 Q. Was one of your duties as a manager to
4 complete evaluations when an adjuster completed an
5 assignment?

6 A. Yes.

7 Q. And that is the point in time when you
8 would do the evaluation. Was it the completion or
9 might an evaluation occur before the completion of
10 an assignment?

11 A. It could, but I did it at the end.

12 Q. All right. Honestly I don't remember
13 whether this was testimony yesterday, but I
14 believe there was this testimony at some point in
15 your sister's, one of her depositions where she
16 testified that it was her idea alone was the word
17 she used to do the data mining. Do you agree with
18 that?

19 MR. TAYLOR:

20 Objection as to form and if you're not
21 correct about what her testimony was, how do we
22 deal with this.

23 MS. LIPSEY:

24 Well, the testimony was in the
25 Renfroe -- in Cori Rigsby's deposition in the

1 Renfroe case. And I do have the page sites, but
2 not on these tablets right in front of me.

3 MR. TAYLOR:

4 I accept your representation.

5 MS. LIPSEY:

6 I wouldn't lie about that.

7 MR. TAYLOR:

8 I know it.

9 MS. LIPSEY:

10 Q. That's her assessment. Do you agree
11 with that assessment?

12 A. I do believe it was her initial idea to
13 do some type of data dump; however, I do believe
14 we discussed it as well about what we were going
15 to do. So I hate to say, well, it was all her
16 idea, but I would say, yes, she initiated the
17 idea, yes.

18 Q. Do you remember when she would have
19 first discussed the idea with you?

20 A. I don't recall when we first had the
21 discussion.

22 Q. I believe that you said earlier that
23 your mother may have -- it may have been discussed
24 with your mother, the data mining in the week
25 preceding the data mining.

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1 A. Yes.

2 Q. Was there anybody else that you spoke
3 with or you know that your sister spoke with in
4 addition to your mother about the data mining?

5 MR. BACKSTROM:

6 Objection, asked and answered.

7 A. I don't believe Cori spoke with anyone
8 else, and I did not.

9 Q. And you did not?

10 A. No, I did not.

11 Q. And after the data mining, did you speak
12 to anybody about it afterwards in addition to the
13 U.S. attorney, the Mississippi AG and your
14 attorneys?

15 A. We told Dave Randel.

16 Q. And Dave Randel, right.

17 A. Two attorneys that Dave Randel brought
18 in for us to meet knew about --

19 Q. Right.

20 A. They were, I guess, State Farm attorney.
21 And no, other than that I didn't tell anyone.

22 Q. Okay. And you did not tell Jana Renfroe
23 or Gene Renfroe?

24 A. No, I did not.

25 Q. Or anybody else associated with Renfroe?

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1 A. No.

2 Q. There's been some discussion about
3 accessing of State Farm's computer on occasions
4 prior to the data mining and then of course the
5 data mining itself. To your knowledge, are State
6 Farm's computers located outside the state of
7 Mississippi?

8 A. To my knowledge, yes.

9 Q. Do you know where they're located?

10 A. I've been told several locations. I do
11 not know where they're located.

12 Q. Okay. What locations have you been
13 told?

14 A. I've heard Birmingham, and I've heard
15 other states. I don't recall the other states,
16 but I know I've heard that there's -- it seems
17 like I was told different regions, there's
18 locations in different regions. I know Birmingham
19 was told to me at one time. You just asked me if
20 I told anyone else about the data dump. And I
21 don't know if I've testified to this prior, but I
22 do know when I told Dave Randel about the data
23 dump that he asked us not to tell -- and I believe
24 I've testified, anyone including Renfroe. I
25 wanted to add that.

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1 MR. WEBB:

2 Excuse me. I can't hear you. I know
3 it's late in the day.

4 MR. TAYLOR:

5 Why don't you come sit up here.

6 MR. WEBB:

7 I can't sit on that side of the table.

8 MR. BACKSTROM:

9 I'll move it to the middle.

10 THE WITNESS:

11 I was just stating that when we told
12 Dave Randel about the data dump, he asked us not
13 to -- why are you laughing? I didn't know I was
14 saying something funny. Told Dave Randel he asked
15 us not to tell anyone including Renfroe.

16 MS. LIPSEY:

17 Q. Tell me if my assumption is correct.
18 I'm assuming that you didn't tell anybody
19 associated with Renfroe that you were collecting
20 information to turn over to the government for any
21 investigation, did you?

22 A. Say that again.

23 Q. I'm assuming that you didn't tell
24 anybody associated with Renfroe that you and Cori
25 were collecting information to turn over to the

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1 government?

2 A. Correct, we did not, right.

3 Q. And I'm assuming likewise that you
4 didn't tell anybody associated with Renfroe that
5 you were talking with Mr. Scruggs or any other
6 attorney?

7 A. Right.

8 Q. Do you contend that Renfroe has
9 retaliated against you for the data mining?

10 A. Yes.

11 Q. In what way?

12 A. They sued us.

13 Q. And the suit you're referring to is the
14 Renfroe versus Rigsby suit in Alabama?

15 A. Correct.

16 Q. And that was a suit -- and this is
17 shorthand because I'm not looking at the
18 complaint, that was a breach of contract suit and
19 an injunction suit?

20 A. Yes.

21 Q. And it dealt with a breach of the
22 employment agreement that you and Cori each
23 signed?

24 A. Yes.

25 Q. And it also dealt with a breach of the

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1 code of conduct?

2 A. Yes.

3 Q. That you and Cori signed? So it
4 involved those things as far as you know?

5 A. It does involve those things, yes.

6 Q. Okay. Apart from that lawsuit, do you
7 contend that Renfroe has retaliated against you?

8 MR. TAYLOR:

9 Would you mind -- you don't have to --
10 tell me what the relevance in this case of that
11 information is.

12 MR. HIBEY:

13 He's right. You don't have to.

14 MR. BACKSTROM:

15 He's right the second time.

16 MR. HIBEY:

17 It's your deposition.

18 MS. LIPSEY:

19 Oh, I thought you were -- I didn't know
20 who you were talking to.

21 MR. HIBEY:

22 No. She can answer the question.

23 MS. LIPSEY:

24 That's what I thought -- I was just
25 saying, I'm a little confused here, but it is late

1 in the day. Yeah. I believe that if it's not
2 relevant to the precise suit, which I think it is,
3 that it certainly could lead to admissible
4 evidence.

5 Q. So I would ask that you answer that
6 question.

7 A. Okay. The lawsuit that we discussed.

8 Q. Is there anything apart or in addition
9 to the lawsuit that you consider to be retaliation
10 on the part of Renfroe against you?

11 A. I was also terminated.

12 Q. Now, I want to ask about that because
13 I'm confused about that. And I don't know that
14 we've gone into this with you. It may have been
15 with your sister. But it's my understanding that
16 you and your sister were suspended by State Farm
17 with pay?

18 A. Correct.

19 Q. Now, at what point do you contend that
20 you were terminated by Renfroe?

21 A. We received a letter -- we received a
22 letter that stated that if we didn't discuss -- I
23 don't have the letter in front of me, but
24 demanding that we discuss why we were suspended
25 with pay from State Farm that we would be

1 terminated. And then a couple of weeks later I
2 received a letter that said they accepted my
3 resignation.

4 Q. Now, you believe there were two letters?

5 A. I believe there were two letters.

6 Q. And you believe there was one letter
7 that talked about your suspension and --

8 A. Talked about that I would be terminated
9 if I did not discuss the issues that were at hand.
10 And then I received, I believe, another letter
11 that said we accept your -- your resignation.

12 Q. The first letter that you think you got,
13 when do you think you received that letter?

14 A. I believe I received it in July, but I'm
15 not sure.

16 Q. Okay.

17 A. Maybe June. I don't know.

18 Q. Okay. The second letter, when do you
19 think you received that one?

20 A. Late August.

21 Q. Okay. Number 1, I'm going to need
22 something in my car. That's Number 1.

23 When you received the -- do you believe
24 that you received the letter that you said
25 accepted your resignation, do you believe you

1 received that before or after 20/20?

2 A. After 20/20.

3 Q. Okay. And 20/20 was on August 24th or
4 25th, I think, 2006?

5 A. It was in late August, yes.

6 Q. Okay. And so you received that, the
7 letter --

8 A. After that.

9 Q. -- after that?

10 A. At some point.

11 Q. I believe you testified earlier that you
12 became employed by the Scruggs Katrina Group in
13 July of 2006?

14 A. Correct.

15 Q. So were you employed by both the Scruggs
16 Katrina Group and Renfroe at the same time?

17 MR. BACKSTROM:

18 Objection, asked and answered.

19 THE WITNESS:

20 I wasn't being paid by both. You're
21 only paid when you actually work when you work on
22 a catastrophe. So I wasn't currently work on a
23 catastrophe, so I was not being paid by Renfroe
24 and the Scruggs Katrina Group.

25 MS. LIPSEY:

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1 Q. And let me understand this. You were
2 suspended with pay, and that occurred at the
3 beginning of June?

4 A. Yes.

5 Q. So do you know how long the suspension
6 with pay lasted?

7 A. Not long, maybe a day, maybe a day or a
8 few days. I don't recall, but it didn't last
9 long.

10 Q. So the pay during that time suspension
11 would have lasted in June? It would have been in
12 June?

13 A. It would have been after the data dump.

14 Q. Okay.

15 A. So June, yes. I recall Don Goodin
16 calling and telling me I had been suspended with
17 pay, I could not come to the building, and I
18 believe --

19 Q. I'm sorry.

20 A. Yeah. I believe that only lasted maybe
21 a day, maybe two days.

22 Q. Now, let me go back to something we were
23 talking about earlier. You said that you had
24 thought you had received a letter about -- did you
25 say a band thing the assignment. What was the

1 term you used? I'm sew?

2 A. I would be terminated if I didn't
3 disclose what was going on.

4 Q. Okay. And let me ask you if rather than
5 a letter that if the communication we're talking
6 about, you're talking about rather, might have
7 been an e-mail that Don Goodin sent?

8 A. Okay.

9 Q. That said that you were a band thing an
10 assignment -- that abandonment of an assignment
11 without annex planning was grounds for
12 termination. Is that the communication we're
13 talking about?

14 A. It could have been.

15 Q. Okay. It sounds like that might have
16 been that communication?

17 A. Could have been. Could have been an
18 e-mail.

19 Q. And is it possible that that e-mail did
20 not say that you would be terminated, but that it
21 said that a band thing an assignment without an
22 explanation was grounds for termination?

23 A. It said something about termination.

24 Q. So it's possible that maybe it was what
25 I just related?

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1 MR. BACKSTROM:

2 Object to the form.

3 Q. That had the word termination in there?

4 MR. TAYLOR:

5 Objection. It is what it is. It says
6 what it says.

7 MS. LIPSEY:

8 Q. Do you remember if that communication
9 asked you to return Mr. Goodin's phone calls?

10 A. Oh, I don't remember.

11 Q. Okay. It's possible that it did?

12 A. It's possible.

13 MR. BACKSTROM:

14 Object to the form.

15 MS. LIPSEY:

16 Q. Did you call Mr. Goodin?

17 A. I did speak with Mr. Goodin. I don't

18 know if I spoke with him before or after the

19 e-mail, but I did speak with Don Goodin and he

20 asked me what was going on, why they were

21 suspended me with pay, it's unprecedented, and I

22 explained that I just could not tell him at that

23 time. I could not talk about it.

24 Q. And was there ever a time that you did

25 talk to Mr. Goodin and explain what was going on?

1 A. No. I never got an opportunity to talk
2 to Mr. Goodin.

3 Q. Okay.

4 MR. BACKSTROM:

5 He's out of tape Christine.

6 MS. LIPSEY:

7 Okay.

8 VIDEOGRAPHER:

9 Off record at 4:22 p.m.

10 (Off the record.)

11 VIDEOGRAPHER:

12 On record at 4:23 p.m.

13 MS. LIPSEY:

14 Q. All right. We have a fresh tape.

15 Ms. Rigsby, you had talked about your discussion
16 with Mr. Goodin and how you couldn't really
17 provide him with an explanation for why you were
18 suspended with pay. Did you tell Mr. Goodin that
19 your lawyers had told you that you couldn't talk
20 with him or anyone associated with Renfroe about
21 why you had been suspended?

22 A. I don't recall if I told him my lawyers
23 said I couldn't talk about it. I just know I said
24 I can't talk about it at this time. I could have
25 said my lawyers. I don't remember.

1 Q. Okay. We talked a little bit earlier.
2 I asked you the question about did you receive
3 payment from the Scruggs Katrina Group while you
4 were still receiving wages from Renfroe. And you
5 said no, that you were only paid for a storm, you
6 had ceased receiving payments from Renfroe at the
7 time that you started receiving compensation from
8 the Scruggs Katrina Group?

9 A. Correct.

10 Q. But were you employed by both at the
11 same period of time?

12 MR. BACKSTROM:

13 Object --

14 MS. LIPSEY:

15 Q. Were you employed by Renfroe at the same
16 time you were employed by the Scruggs Katrina
17 Group?

18 MR. BACKSTROM:

19 Object to the form --

20 A. I considered -- I'm sorry.

21 MR. BACKSTROM:

22 Calls for a legal conclusion. Go ahead

23 THE WITNESS:

24 I considered myself employed by Renfroe
25 until I was terminated or they told me I had

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1 resigned.

2 MS. LIPSEY:

3 Q. All right.

4 A. A lot of adjusters when they're not
5 working a storm have other jobs, so I could have
6 been a consultant and adjusters. It could happen.

7 Q. So you believe that you were still
8 employed by Renfroe after the time you became
9 employed by the Scruggs Katrina Group?

10 MR. BACKSTROM:

11 Object to the form.

12 A. Yes.

13 MS. LIPSEY:

14 Okay. We are going to recess and then
15 we'll come back on another day. Thank you very
16 much.

17 THE WITNESS:

18 Thank you.

19 VIDEOGRAPHER:

20 Off record at 4:26 p.m.

21

22

23

24

25

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