

EXHIBIT 13

COMMONWEALTH OF MASSACHUSETTS
NANTUCKET, SS. SUPERIOR COURT DEPARTMENT
OF THE TRIAL COURT

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JOHN J. DALEY, III,	*	Docket No. NACV2009-00009
NANCIE B. TAYLOR,	*	NACV2009-00010
	*	
Plaintiffs,	*	
v.	*	
	*	
FRANK AVELLINO, et al.,	*	
	*	
Defendants.	*	

* * * * *

JURY TRIAL
BEFORE THE HONORABLE JOHN C. CRATSLEY

APPEARANCES:

For the Plaintiffs:
Donovan Hatem, LLP
Word Trade Center East
2 Seaport Lane, 8th floor
Boston, MA 02210
By: Kenneth B. Walton, Esq.
Peter C. Lenart, Esq.

For the Defendants:
Edwards Angell Palmer & Dodge, LLP
111 Huntington Avenue
The Prudential Center, 29th floor
Boston, MA 02199
By: Thomas H. Wintner, Esq.

For the Defendants:
Haile, Shaw & Pfaffenberger P.A.
660 US Highway One, Third Floor
North Palm Beach, FL 33408
By: Gary Woodfield, Esq.

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Fiore Reporting and Transcription Service, Inc.
4 Research Drive, Suite 402
Shelton, CT 06484
(203)929-9992

Nantucket, Massachusetts
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1 "It's not my thing, so don't tell me. Don't talk about it."
2 Whatever. That would be -- sorry -- that was the general
3 gist of --

4 Q Question: It doesn't change your answer to my question
5 that you never described or explained puts and calls to Mr.
6 Daley, right?

7 A Right.

8 Q Question: Now, when you accepted Mr. Daley's million
9 dollar check in 2001, did you know that amount of money
10 would be used to purchase securities?

11 A Definitely.

12 MR. LENART: Page 158.

13 Q Question: Paragraph 140 of the trustee's complaint
14 states: In or about late 1992 or early 1993, despite the
15 requirements of a preliminary injunction, the ongoing
16 litigation with the SEC and their clear knowledge that their
17 prior investment activities were prohibited, Avellino and
18 BLMIS attempted to find people willing to act as, quote,
19 "front men" to operate partnerships so that they could
20 continue to raise and pool money from others to invest with
21 BLMIS, but avoid the scrutiny of regulators. Is that a
22 correct statement, sir?

23 A On the advice of counsel, I invoke my Fifth Amendment
24 rights.

25 Q Question: Following the SEC investigation, you and Mr.

1 Bienes, did you undertake any action to recruit front men to
2 continue to fund Madoff or BLMIS?

3 A On the advice of counsel, I invoke my Fifth Amendment
4 rights.

5 Q Question: Was Kenn Jordan the front man who you
6 recruited to funnel money to Bernard Madoff or BLMIS?

7 A On the advice of counsel, I invoke my Fifth Amendment
8 rights.

9 MR. LENART: Page 165.

10 Q Question: Still on page 49, paragraph 147, the trustee
11 alleges: In or about February, 1993, just after the
12 issuance of the preliminary injunction, Kenneth Jordan, a
13 close friend of Avellino, and a former A and B investor,
14 established an IA account at BLMIS in the name of KJA. Is
15 that a correct statement, sir?

16 A On the advice of counsel, I invoke my Fifth Amendment
17 right.

18 Q Question: The next sentence on paragraph 147 contends
19 that KJA IA account was utilized to invest funds with BLMIS
20 that had been pooled from numerous investors who were given
21 limited partnership interests in KJA. Is that a correct
22 statement, sir?

23 A On the advice of counsel, I invoke my Fifth Amendment
24 rights.

25 Q Sir, has Kenn Jordan Associates ever had an IA account?