

IN THE SUPERIOR COURT OF COBB COUNTY

STATE OF GEORGIA

BRUCE DAVID AILION,)
)
 Plaintiff)
) Case Number
Versus)
) 04-1-05290-42
)
MARLA SUSAN AILION)
)
 Defendant)

CONTEMPT OF COURT HEARING

The transcript of the proceedings before the
HONORABLE ADELE L. GRUBBS, on October 1st, 2004, at
the Cobb County Courthouse, Marietta, Cobb County,
Georgia.

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* * * * *

THE COURT: Okay. Are we ready to go forward?

MR. STAHL: We are ready, Your Honor.

THE COURT: Are you ready, Mr. Canale?

MR. CANALE: Yes, Your Honor, we're ready.

THE COURT: Okay. Mr. Stahl, do you want to tell me
what this is about?

MR. STAHL: Thank you, Judge.

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1 documents, that she made profit by the re-sale of those items?

2 A. Not from these documents. There are other
3 documents that purport that. These are just the invoices of
4 the purchases, what would ordinarily be referred to as the
5 cost of goods.

6 Q. Okay. Now, are you aware that she then declared a
7 bankruptcy?

8 A. Yes, I am.

9 Q. Tell the Court about that.

10 A. Apparently, in September of 2003 Marla filed a
11 Chapter Seven Bankruptcy claiming approximately ninety
12 thousand dollars in debt, mostly credit card debt. A portion
13 of that was a portion of her share of the arbitration fee and
14 her share of the attorney's fees for the arbitration.

15 Q. All right. And from those pleadings in U. S.
16 Bankruptcy Court -- well, let me be clear -- what's the status
17 in the bankruptcy, to your knowledge?

18 A. I understand -- well, technically, it's discharged,
19 but I understand the trustee is still investigating it based
20 on his belief the veracity of Marla was not correct.

21 Q. Okay. Now, based on that, what would have happened
22 to the cost for this jewelry?

23 A. Essentially, since Marla --

24 MR. CANALE: Objection, Your Honor. That
25 apparently calls for a conclusion that he's making based

1 Q. Okay. We'll get to that in just a minute. I'm
2 talking about M.B.A. now.

3 A. M.B.A. debts have essentially been settled. You
4 know, the people have stopped their active collection
5 attempts. You know, they understand the business is closed
6 and those people who are threatening to sue and pressuring me,
7 I paid. You know, the others, there's probably another forty
8 thousand dollars' worth of debt that's been written off from
9 M.B.A.

10 Q. Well, not counting the debt written off -- we'll
11 give her a by on that one -- how much do you still owe, do you
12 believe, and will honestly try to pay?

13 A. I don't owe -- all of the M.B.A. debts that were
14 required to be paid, except the agent who hasn't been paid,
15 and I'll eventually pay him personally if I have to.

16 Q. How much is that agent debt?

17 A. About twenty-five hundred dollars.

18 Q. So, about another twenty-five.

19 A. He was due to get seventy-six hundred -- or
20 seventy-six or so dollars a month -- and hasn't been paid for
21 about two years. So, say, twenty-two hundred.

22 Q. Okay. What was Marla's response to this?

23 A. She doesn't care. She filed a bankruptcy,
24 discharged everybody but me, and is happily going on with her
25 life.

1 Q. Well, now, I want to follow up on something. You
2 said you were not part of that bankruptcy?

3 A. Marla didn't declare the assets or income of M.B.A.
4 in her bankruptcy and didn't declare these funds she owes me
5 in the bankruptcy.

6 Q. All right. Were you notified of the bankruptcy
7 action?

8 A. No, I was not.

9 Q. How did you find out about it?

10 A. Private investigator.

11 Q. Okay. So, by not listing you as a creditor, or
12 M.B.A. as a creditor, you would not have gotten any notice of
13 this action, right?

14 A. Had I gotten a notice I would have opposed the
15 bankruptcy based on fraud. I think she knew that.

16 Q. All right. Now, I'm going to direct your attention
17 to paragraph nineteen of your complaint. This deals with the
18 Doral (ph) Circle marital property. Tell the Court, please --
19 to refresh the Court's memory -- what the status of that was
20 at the final order of the divorce.

21 A. At the final order of the divorce it was believed
22 that there was substantial equity in the property, such that
23 the property needed to be sold and that equity liquidated,
24 divided, first, to the payment of M.B.A. creditors and the
25 student loan, and then the balance of the proceeds divided