

1 VIDEO TECHNICIAN:

2 Back on the record. The date is May 1,
3 2007. The time is 9:12, a.m.

4 MR. WEBB:

5 Okay. With respect to the attendants,
6 just for purposes of the record, I would announce
7 that we have one additional attorney here with
8 news addition to the lawyers here yesterday if you
9 would introduce yourself?

10 MR. BREARD:

11 Katherine Breard representing Forensic
12 Analysis engineering corporation. I'm here today
13 in place of Larry Canada that was here yesterday.

14 MR. WEBB:

15 Q. All right. With that out of the way,
16 Ms. Riggsby, with respect to any of the activities
17 that you have undertaken with respect to getting
18 documents and information from State Farm, have
19 you ever been read your rights by any law
20 enforcement officials that you've discussed any of
21 those matters with?

22 A. Could you be more specific?

23 Q. You know what Miranda warnings are,
24 don't you?

25 A. Yes.

2

1 Q. Have you ever been given Miranda
2 warnings advising you that anything you say or do
3 could be used against you in a court of law?

4 A. I don't recall.

5 Q. All right. Have you ever -- have you to

6 this point been granted any immunity either civil
7 or criminal from either a criminal prosecution or
8 any suits against you by anyone?

9 A. No I have not.

10 Q. Okay. Have you been advised by
11 Mr. Scruggs, anyone with the Scruggs Katrina Group
12 or any other attorney that you need not worry
13 about that even though you don't have a formal
14 agreement?

15 MR. HAWLEY:

16 Objection. Mr. Webb, I object to this
17 line of questioning. In her prior deposition
18 testimony which I know you've read, I think you
19 know from in that deposition testimony she has
20 been cooperating with federal criminal authorities
21 and the State of Mississippi criminal authorities
22 and she has been instructed by both of those
23 authorities she's not at liberty to discuss the
24 extent of her involvement as a cooperating witness
25 or as any sort of witness and I would instruct

3

1 her not to answer any further questions other than
2 your basic questions about the existence of such
3 an investigation and the fact of her being a
4 cooperative witness this those investigations.

5 MR. SCRUGGS:

6 Let me add my objection. I am wearing
7 two hats today. One as a lawyer for Kerri Riggsby
8 and her sister in another matter entirely. And
9 she is an employee of our law firm. So to the
10 extent that it covers work product or my advice to
11 her or communications with her that don't relate

12 specifically to this case in her work in helping
13 us prepare for this case. Beyond that, I don't
14 object. But to that extent, I would be and
15 instruct her not to answer.

16 MR. WEBB:

17 Q. Okay. With respect to that you say
18 you're wearing two hats. I understand that you're
19 receiving Ms. Riggsby relating to another matter
20 is that what you're saying?

21 MR. SCRUGGS:

22 That's what I'm saying.

23 MR. WEBB:

24 But not in this case?

25 MR. SCRUGGS:

4

1 Not in this case. She has her own
2 lawyer here.

3 MR. WEBB:

4 Q. Let me ask you this question: In view
5 of the fact that you testified yesterday that in
6 your judgment you had defrauded the McIntoshes,
7 have you reached any agreement that you're aware
8 of with the McIntoshes that they will not hold you
9 or attempt to hold you civilly liable for that
10 conduct in exchange for your testimony?

11 MR. HAWLEY:

12 Object to the form?

13 A. No. I have not reached any kind of
14 agreement.

15 Q. Okay. Are you aware of such an
16 agreement being discussed?

17 A. No, I'm not.

18 Q. With respect to your access, and I know
19 you testified about this generally in the Renfroe
20 case and I understand it the time line and can you
21 correct me if I'm wrong about this, from your
22 testimony, the time line runs that you looked at
23 the October 12th document, you and your -- you
24 made a copy of it, ultimately presented it to
25 Mr. Scruggs at a meeting that you had with him at

5

1 the request of your mother?

2 A. Correct.

3 Q. And your sister was also present,
4 correct?

5 A. Correct.

6 Q. And that took place sometime in February
7 as I understand?

8 A. Correct.

9 Q. Subsequent to that time and I believe
10 in April you had a meeting also with either the
11 Mississippi Attorney General and/or the United
12 States attorneys representatives, correct?

13 A. Correct.

14 Q. Was Ms. Scruggs present in those
15 meetings?

16 A. No, he was not.

17 Q. Okay. Did Mr. Scruggs arrange those
18 meetings?

19 A. I believe he did.

20 Q. Okay. Was anyone else involved in
21 arranging those meetings that you're aware of
22 other than Mr. Scruggs?

23 A. Zach Scruggss.

24 Q. And with respect to Zach Scruggs here
25 Mr. Scruggs' son and also an attorney in his firm?
6

1 A. Correct.

2 MR. HAWLEY:

3 Mr. Webb, I don't want to be a bother of
4 this but I want to make sure that my client needs
5 the be aware of the density of certain lawyers
6 should remain undisclosed. But there's one
7 sensitive issue here that I think Mr. Scruggs has
8 already alluded to and I want to make sure she
9 stay protective as we get to that area.

10 MR. WEBB:

11 I understand your position so I'll go
12 ahead and ask the question.

13 Q. Who did you meet with from the attorney
14 general's office?

15 MR. SCRUGGS:

16 Now, I think she's been instructed not
17 to mention that, but I may be wrong.

18 MR. HAWLEY:

19 I think the density of who the
20 investigators are that she met with, she has met
21 with him and she's been instructed by them not to
22 disclose the substance of those meetings.

23 MR. SCRUGGS:

24 And knowing who they were it tells who
25 they've got on the case and what their level -- 7

1 their area of expertise is hail haul in the nature
2 of the case.

3 MR. SCRUGGS:

4 Sure. And I think that's improper and I
Page 5

5 think she should not answer that.

6 MR. WEBB:

7 So you're instructing her not to answer
8 that question?

9 MR. SCRUGGS:

10 That's right.

11 MR. WEBB:

12 Q. The basis for that is what?

13 MR. SCRUGGS:

14 And on going grand jury criminal
15 investigation.

16 MR. WEBB:

17 So there is an ongoing investigation to
18 your understanding.

19 MR. HAWLEY:

20 As far as I know. You obviously know
21 from the Renfroe case that a woman named court
22 reporter knee shrimp emergency as intervened in
23 that case. If you'd like to take up further
24 questions with Courtney about the nature of that
25 investigation, the scope of it, the ongoing nature
8

1 of of it.

2 MR. WEBB:

3 I think I'm entitled to ask the question
4 of the witness and if you want to instruct her not
5 to answer, just to make the record, but I actually
6 believe that we're entitled to have the
7 information provided to us through this witness.

8 Q. Let me ask you this question: Can you
9 tell me how many times you've spoken with anyone
10 representing the Mississippi Attorney General's

11 office?

12 A. Several times.

13 Q. More than 10?

14 A. Not more than 10.

15 Q. And the first time you did that was in
16 April of 2006 or before?

17 A. It could have been March or April, but
18 it was around that time frame.

19 Q. And let me go onto the next area here:
20 With respect to communications with the United
21 States attorney's office, did you meet with them
22 in April?

23 A. It was around April, yes.

24 Q. And who did you meet with?

25 MR. SCRUGGS:

9

1 Same objecti on. Same i nstructi on.

2 MR. HAWLEY:

3 Mr. Webb, if I could take a 60 minute
4 break and talk to Mr. Scruggs for a second.

5 MR. WEBB:

6 Sure.

7 VIDEO TECHNI CI AN:

8 We're going off the record. The time is
9 9:21.

10 (Off the record.)

11 VIDEO TECHNI CI AN:

12 We're back on the record. The time is
13 9:23.

14 MR. WEBB:

15 Y'all took a break. I di dn' t know
16 whether you had some i nformati on for me related to

17 that.

18 MR. HAWLEY:

19 We had a meeting of the minds.

20 MR. WEBB:

21 No positions changed?

22 MR. HAWLEY:

23 No positions changed.

24 MR. WEBB:

25 Q. All right. Let's go further into the ¹⁰

1 activities related to your accessing the State
2 Farm system?

3 A. Okay.

4 Q. I recall from your testimony you did
5 that several times over a course of months?

6 A. Sure, yes.

7 Q. Leading up to a what was referred to
8 yesterday in your testimony as a data dump that
9 occurred on the first weekend in June, correct?

10 A. Correct.

11 Q. How did you select the anything, what
12 State Farm documents to access?

13 A. Can you restate the question.

14 Q. Yeah. How well I can say it again. How
15 did you select the State Farm documents that you
16 accessed and printed?

17 A. There's not one answer to that. There
18 were many things that factored into what she
19 chose.

20 Q. And the we is you and Cori?

21 A. Cori, right, correct. We would look at
22 e-mails or safe e-mails that gave directives. We

23 would look into the policy and determine what was
24 needed out of that claim file. And not every
25 claim file did we look at. It was -- it was from
11

1 a list.

2 Q. Okay. What was the list? Was it a list
3 of -- let me see. Let me show you what I
4 premarked as Exhibit 7. That should be a copy of
5 it. It has a title up at the top called
6 engineering roster. That would be an engineering
7 roster for Katrina, correct?

8 MR. SCRUGGS:

9 We're going to need to take a break here
10 for just a second.

11 MR. BANAHAN:

12 Off the record.

13 VIDEO TECHNICIAN:

14 We're going off the record. The time is
15 9:26.

16 (Off the record.)

17 VIDEO TECHNICIAN:

18 We're back on the record. The time is
19 9:27.

20 MR. HAWLEY:

21 Mr. Webb, after having take a look at
22 that document, is this something that came from
23 State Farm's files and would fall within Judge
24 Acker's exception that he outlined for us for the
25 purpose of this deposition?

12

1 MR. WEBB:

2 Yes.

3 MR. HAWLEY:

4 So this is a State Farm document and if
5 it was at any time part of the data dump or is
6 later determined to be part of the data dump
7 documents which I've never seen and you've never
8 seen, there's no injunction liability as to it.

9 MR. WEBB:

10 Well, I'm not saying I can rule on that,
11 but as I understand it, as this document exists
12 right here, this document is a document just like
13 the other documents we discussed yesterday.

14 MR. HAWLEY:

15 It came from the State Farm files?

16 MR. WEBB:

17 Yes. And actually been produced in some
18 litigation. Okay.

19 MR. SCRUGGS:

20 And I'm going to make the same objection
21 that I did yesterday.

22 MR. WEBB:

23 Continuing?

24 MR. SCRUGGS:

25 Continuing objection.

13

1 MR. WEBB:

2 Q. Okay. Ms. Riggsby, you've had a chance
3 to look through that roster and I would ask you
4 have you used a roster like that at any point in
5 time to access documents from State Farm system?

6 A. I have.

7 Q. Okay. And did you do that more than
8 once?

9 A. I would think I did, yes.

10 Q. But you don't know for sure?

11 A. I accessed State Farm's documents not
12 only from this list. This was a large part of
13 accessing the documents.

14 Q. Okay. Did you actually go down through
15 Exhibit 7, not literally this one, but a list like
16 this, and go through the claim numbers that was
17 identified as claim numbers for engineering
18 reports were signed and print those things out?

19 MR. HAWLEY:

20 Mr. Webb, I hate to interrupt you again,
21 but going back to our conversation with Judge
22 Acker yesterday, I understood that you weren't
23 going to ask Kerri whether a certain document was
24 a part of what they copied during the data dump.
25 And I can't tell from your questioning right now
14
1 if you're saying was this a part of the data dump
2 copying or is this a document like that that you
3 utilized to determine what documents to copy. So
4 if you could clarify that.

5 MR. WEBB:

6 I used the word like and that was the
7 point of my question.

8 Q. Did you use a document like this?

9 A. Yes.

10 Q. Okay.

11 A. I did.

12 Q. And you went down the list of ensured
13 and claim numbers on there and selected documents
14 from State Farm's system, correct?

15 A. Correct.

16 Q. Okay. At the time you were doing that,
17 that was before or after you had first
18 communicated with the Scruggs Katrina Group?

19 A. When I started using this list?

20 Q. Uh-huh.

21 A. This list was circulated throughout the
22 storm, so I can't tell you when I started looking
23 at this list or using this list or a list like
24 this. So there were times when I would look into
25 State Farm database and get information at

15

1 sporadic times before I met Dick Scruggs. The
2 data dump, if you were speaking about that,
3 occurred in June.

4 Q. And that occurred after you had already
5 had these meetings that we mentioned with
6 Mr. Scruggs and with the attorney general's office
7 or the United States attorney's office?

8 A. Correct.

9 Q. And as I understand it, after that
10 having done the data dump, you were doing that to
11 collect a lot of information at one time?

12 A. Correct.

13 Q. And you were doing that to collect that
14 for yourself and for them as well, correct?

15 A. Correct.

16 MR. SCRUGGS:

17 Now, who is them?

18 MR. WEBB:

19 Q. They would be the Scruggs Katrina Group,
20 the United States attorney's office and/or the

21 Mississippi Attorney General's office.

22 A. I was copying it for law enforcement.

23 Q. Okay. You were copying it for law
24 enforcement, that implies to me that there was
25 some pre arrangement that you would do that for

16

1 them?

2 A. No. There was no pre arrangement. But
3 my intent was once it was copied, I was going to
4 turn it over to them so they could use it.

5 Q. Is your testimony that no one in law
6 enforcement had any idea you were doing it?

7 A. That is my testimony.

8 Q. And is it your testimony that no one in
9 this Scruggs Katrina Group had any idea you were
10 doing this?

11 A. No. They did not.

12 Q. Okay. And did you use any lists
13 provided to you by the Scruggs Katrina Group, any
14 of its lawyers or other persons associated with it
15 in doing the downloads on that particular day in
16 June?

17 A. No.

18 Q. Let me show you --

19 MR. SCRUGGS:

20 Dan, I'm going to give you a little
21 leeway here, but I was representing these ladies
22 at that time in a different matter. And, you
23 know, I always like to follow Napoleon's advice
24 never interrupt when he's making a mistake. So
25 I'm giving you leeway.

17

1 MR. WEBB:

2 Q. Do you recognize what I just put in
3 front of you that's marked as Exhibit 6?

4 MR. HAWLEY:

5 Is that Exhibit E I'm sorry?

6 MR. WEBB:

7 No. The sticker has a 6 on it.

8 MR. HAWLEY:

9 Oh, I see. You covered the E up with a
10 6. I'm with you.

11 MR. SCRUGGS:

12 The first document, the engineering
13 roster, State Farm insurance confidential
14 proprietary information, mine says D. What number
15 is that?

16 MR. WEBB:

17 7.

18 MR. SCRUGGS:

19 7. And so now we're looking -- the
20 witness is looking at what?

21 MR. WEBB:

22 Number 6, which is -- can you tell what
23 that is or do you know what that is?

24 A. Well, I can see that it's the list of
25 policyholders with their address and their
18 insurance company and their policy number.

2 Q. All right. And do you recognize the
3 fact that it has a case name -- excuse me a case
4 style with the initials L T S-R H W on it?

5 A. I see that that is on there.

6 Q. Would you agree with me that that
7 appears to be a case style referring to Judge

8 Senter and judge walker or do you know?

9 A. I would n' t know that.

10 Q. Okay. Did you use a list of documents
11 like this to access State Farm's information?

12 MR. HAWLEY:

13 Object to the form, but answer if you
14 can.

15 A. It was more like this, like Exhibit 7
16 than Exhibit 6.

17 Q. Okay.

18 A. But it seems like it was a combination
19 of the two, but I don't -- you know, it seems like
20 this was the policy -- there's no policyholder
21 name on the engineer roster. It's just the claim
22 number.

23 Q. Right.

24 A. Here we have the policyholder's name but
25 no engineer firm.

19

1 Q. On Number 6?

2 A. On Number 6.

3 Q. And I'll represent to you that that's an
4 exhibit as I understand it from the imagine far
5 land lawsuit?

6 A. Okay.

7 Q. Did you have that exhibit made available
8 to you by the Scruggs Katrina Group at any point
9 in time before the data dump?

10 MR. HAWLEY:

11 ^ Object to that in terms of work
12 product, but you can answer, if you can.

13 A. No I have not seen this.

14 MR. WEBB:

15 Q. Okay. Is it your sworn testimony that
16 you did not take a list that included the list off
17 the McFarland lawsuit yourself during the data
18 dump and just go through and download information
19 from the State Farm system?

20 A. Say that again.

21 Q. Is it your testimony that you did not
22 take a list either one exactly like it or similar
23 it to this exhibit from the McFarland lawsuit and
24 download information by going through this list
25 during the data dump?

20

1 A. It is my testimony that I didn't take
2 anything from the McFarland lawsuit and go down a
3 list to copy the documents. I copied documents
4 from a list that I obtained from State Farm.

5 Q. Okay.

6 A. The list that I was using had been
7 e-mailed to me from State Farm.

8 Q. And of course, no one with State Farm
9 would have e-mailed to you an exhibit out of the
10 McFarland lawsuit for you to use, right?

11 A. No. I wouldn't think so.

12 Q. Okay. Did you ever e-mail Zach Scruggs
13 from the State Farm computer?

14 A. No. I did not.

15 Q. Did you ever e-mail any lawyers with the
16 Scruggs Katrina Group from the State Farm
17 computer?

18 A. No. I did not, that I recall.

19 Q. How did you -- you testified given some

20 information about the information that you copied,
21 but I'm a little unclear. Specifically how did
22 you decide what you wanted to copy?

23 A. Initially or during the data dump?

24 Q. Let's talk about the data dump.

25 A. Okay.

21

1 Q. How did you decide what you wanted to
2 copy -- and I'm saying copy to include print and
3 copy. So how did you decide? What criteria did
4 you use and how did you go about it?

5 A. Okay. There was a list that was sent
6 around the State Farm office for the managers to
7 show the policyholders who had engineering reports
8 either been ordered, cancelled, under peer review.
9 It was a list and it was a spreadsheet that had
10 been created I believe by Lisa Whacker at State
11 Farm. I printed that list, and that was what I
12 used to --

13 Q. Okay. I'm sorry.

14 A. That's what I used to determine what
15 would be copied or printed.

16 Q. And when you printed that list, what --
17 where was the printer that you printed it on?

18 A. I'm -- I don't recall where I printed
19 the list. It could have been at the State Farm
20 office. It could have been at my home. I don't
21 recall where I printed the list.

22 Q. Can you print to from your State Farm --
23 could you print directly from your State Farm
24 laptop to a printer that you had at the house?

25 A. No. But with our computer, they issued

1 a printer, so it would just be hooked up to the
2 company issued printer.

3 Q. Okay. During the data dump, did you use
4 any printer other than the State Farm issued
5 printer?

6 A.

7 A. I did not.

8 Q. So all you used was a State Farm issued
9 printer to do that?

10 A. Correct.

11 Q. At the time that you were doing that,
12 you did know that you were in violation of the
13 confidentiality agreement that you had signed with
14 State Farm?

15 MR. HAWLEY:

16 Object to the form.

17 MR. SCRUGGS:

18 Object to that. That's leading and
19 misleading and I object to the form of that
20 question.

21 MR. HAWLEY:

22 It calls for a legal conclusion.

23 MR. SCRUGGS:

24 What confidentially are you talking
25 about? I'd like to see whatever confidentiality
23

1 you have from State Farm, I would like to see it.

2 MR. WEBB:

3 Q. Do you have one?

4 A. On my personal.

5 Q. Did you ever sign one?

6 MR. SCRUGGS:
7 With State Farm?
8 MR. WEBB:
9 Right.
10 MR. SCRUGGS:
11 Not Renfroe?
12 MR. WEBB:
13 Right.
14 A. We did a security awareness every year
15 on -- yeah. We did a security awareness on the
16 computer every -- I think it was every year. And
17 in the security awareness, there could have been
18 -- I don't know. I can't remember exactly what it
19 said.
20 MR. WEBB:
21 Q. All right. You don't recall whether you
22 ever signed the security agreement or
23 confidentiality agreement with State Farm?
24 MR. WEBB:
25 Let's go off the record a second. 24

1 VIDEO TECHNICIAN:
2 We're going off the record. The time is
3 9:40
4 (Off the record.)
5 VIDEO TECHNICIAN:
6 We're back on the record. The time is
7 9:50.
8 MR. WEBB:
9 Q. Okay. I had just very quickly I had
10 just asked you a question about confidentiality
11 agreements or agreements with respect to accessing

12 State Farm's system. And I've attached -- the
13 number on it is out of sequence, but it's 13 and
14 I've actually highlighted the areas.

15 MR. SCRUGGS:

16 Is this it?

17 MR. WEBB:

18 Yes, that is.

19 Q. The first page here, is that a copy of
20 your signature on this page?

21 A. Yes, it is.

22 Q. And that's dated January 21st, 2005,
23 correct?

24 A. Correct.

25 Q. There are others in here that are for
25

1 years preceding that, but I want to go back to the
2 last page of this exhibit. And the last page of
3 this exhibit, is that a copy of your signature?

4 A. Yes, it is.

5 Q. And the date of that document is January
6 25th, 2006?

7 A. Correct.

8 Q. Okay. So that one was -- the last page
9 was an agreement and I just tore it off, but it
10 was an agreement related to access in the State
11 Farm system telling you what you could and could
12 not do?

13 A. Yes.

14 Q. All right. When you access or attempt
15 to access file that's are not assigned to you in
16 the reflects or the CSR system in State Farm, do
17 you get any kind of notice that the file's not

18 available?

19 A. No.

20 Q. What kind of notice, if any, do you get?

21 A. You don't -- you can access any file,
22 any file in the system unless they have put a
23 block on it. If it's a special file or whatever
24 reason and they don't want anyone to be able to
25 view the file, they can put a block on it where
26

1 only one person can get in. But as far as normal
2 files, you know -- in fact, I had never seen a
3 file blocked before Katrina, so that was actually
4 my first experience with it, but you can go into
5 any claim. It doesn't matter in it's your file or
6 no.

7 Q. So on cases not assigned to you when
8 you're accessing it, there's nothing that tells
9 you that the file's not available or gives you any
10 kind of warning or information related to
11 accessing the file is that what you're saying?

12 A. Not that I recall.

13 Q. Okay. With respect to the files that
14 you mentioned that were just blocked, did you
15 attempt to access files that you were not assigned
16 to that were blocked?

17 A. I must have because I remember there
18 being a block on a file, but I don't remember
19 whose file it was.

20 Q. Did you attempt to access ^ ck sp file
21 in the fall of 2005?

22 A. It's possible that I did. I just know
23 it was a blocked file.

24 Q. Would you have done that at the request
25 of a third party or anyone connected with the

27

1 Scruggs Katrina Group?

2 MR. SCRUGGS:

3 What was the date of that question?

4 MR. WEBB:

5 In the fall of 2005.

6 A. I hadn't met with Dick Scruggs at that
7 point. We had not met, so, no, it wouldn't have
8 been -- had anything to do with Dick Scruggs.

9 MR. WEBB:

10 Q. Did you make any attempts to access
11 files related to congressman Gene Taylor?

12 MR. HAWLEY:

13 When is the time frame of that question,
14 Mr. Webb?

15 MR. WEBB:

16 From August 29th, 2005 through June 3rd,
17 2006.

18 A. It's possible.

19 MR. WEBB:

20 Q. Okay. You don't recall specifically?

21 A. I don't recall exactly, but it wouldn't
22 surprise me if I was checking on the status of
23 those claims.

24 Q. And do you recall whether you were asked
25 to check on the status of those claims by anyone

28

1 with the Scruggs Katrina Group or with law
2 enforcement?

3 A. No.

4 MR. SCRUGGS:

5 On law enforcement, I will have to
6 obj ecti on.

7 MR. HAWLEY:

8 Same obj ecti on.

9 MR. SCRUGGS:

10 And instruct her not to answer as to
11 private her working for us my becoming her lawyer
12 for a different matter. I'll object to that as
13 well, but she's -- since she's answered the bell's
14 runni ng.

15 MR. WEBB:

16 Q. And prior to June 6th, did you provide
17 any documents you accessed via the CSR system to
18 anyone else other than the Scruggs Katrina Group
19 prior to June 6th?

20 A. Prior to June 6th, did I --

21 Q. June of 2006, I'm sorry.

22 A. Okay. Say that again.

23 MR. SCRUGGS:

24 Say that again, yeah.

25 MR. WEBB:

29

1 Q. Prior to June 3rd, 2006, did you provide
2 any information access to State Farm's system to
3 anyone else other than the Scruggs Katrina Group?

4 MR. SCRUGGS:

5 All right. I object to the form of that
6 question. That implies that she provided to the
7 Scruggs Katrina group.

8 MR. WEBB:

9 Okay.

10 Q. Can you answer that question?

11 MR. HAWLEY:

12 And for clarification, you're talking
13 about before the data dump weekend, up until the
14 data dump weekend.

15 MR. WEBB:

16 Yes.

17 A. Did I -- one more time.

18 MR. SCRUGGS:

19 And what she gave us that we developed
20 before that, I'm instructing her not to answer.

21 MR. WEBB:

22 Well, I understand what you're saying on
23 the one hand, you're saying the question implies
24 that you got stuff and you're instructing her not
25 to answer to stuff that she may have provided to
30

1 you.

2 MR. SCRUGGS:

3 You said other than.

4 MR. WEBB:

5 Other than.

6 MR. SCRUGGS:

7 Which implies it was to us and it might
8 have been somebody else so we object to that and
9 instruct her not to answer.

10 MR. WEBB:

11 Q. Did you provide documents before June 3,
12 2006 that you access from the State Farm system to
13 anyone with law enforcement?

14 A. I don't recall if I provided them with
15 documents.

16 Q. Did you provide them with anything?

17 A. Information. I did do that.

18 Q. Word of mouth is that what you're
19 talking about?

20 A. Right I provided them with firsthand
21 knowledge that I had witnessed.

22 Q. And before you began the data dump in
23 June, the first weekend in June, had the Scruggs
24 Katrina Group provided you with any written or
25 electronic information concerning that group State
31

1 Farm's policyholder clients?

2 A. No.

3 MR. SCRUGGS:

4 Same objection. I mean she's already
5 answered it, but what we give her in the context
6 of representing her and her sister is privileged.

7 MR. WEBB: Well.

8 Q. Well of course I'm not asking in the and
9 I don't think it would be appropriate to claim a
10 privy protect information related to the issues
11 involved in this case or frankly any other case
12 when this matter couples up merely because you're
13 representing them in some context that may be
14 related to that litigation?

15 MR. WYATT:

16 What's this got to do with McIntosh
17 anyway? We're on a single lawsuit here for
18 failure to pay coverage.

19 MR. BANAHAN:

20 Let's move on.

21 MR. WEBB:

22 We are moving on.

23 MR. BANAHAN:

24 Not to be rude, but we're on the clock.

25 Keep moving.

32

1 MR. WYATT:

2 I got you.

3 MR. WEBB:

4 Q. When you were doing the data dump, were
5 you and Cori printing documents at the same time?

6 A. Sure.

7 Q. And do you know how anything about how
8 she decided what file she was going to access as
9 opposed to the ones you were accessing?

10 A. Yes.

11 Q. What was the difference? What was the
12 criteria?

13 A. We had our list, several pages like this
14 one, like Exhibit 7, and we just divided the
15 sheets.

16 Q. Okay. Did you ever exchange present
17 yourselves list of policyholder or claims numbers
18 or policy numbers while you were in the process of
19 doing it?

20 A. Exchange lists?

21 Q. Uh-huh.

22 A. I'm not sure I understand what you're
23 asking me.

24 Q. Well, did you have a list that she
25 didn't have and you gave it to her to use and she

33

1 have a list that you didn't have and gave it to
2 you to use?

3 A. We had several pages of a list. We
4 divided it up.

5 Q. And was that just between you and Cori
6 or did you also divide it up among the three
7 persons that you identified assisted you in that
8 effort?

9 A. We only had two computers so we divided
10 it up. One of us went to one one within the to
11 the other.

12 Q. And the two computers was one was State
13 Farm lap stop?

14 A. Correct.

15 Q. Did you download any documents during
16 that weekend from any other computer specific to
17 Cori's desk top or any other computer?

18 A. Not that weekend, no.

19 Q. Okay. And you had done that at some
20 over time?

21 A. To Cori's computer?

22 Q. Uh-huh.

23 A. I think we went over -- didn't we go
24 over this yesterday? You had e-mailed to that
25 computer and downloaded from that computer from
34

1 the State Farm system.

2 A. Correct.

3 Q. All right. Can you rule out, based on
4 your own knowledge as we sit here today, that
5 anyone -- that someone connected with the Scruggs
6 Katrina Group or law enforcement, can you rule out
7 their paying for any of the expenses incurred
8 related to your data dump?

9 MR. HAWLEY:
10 Object to the form, but answer if you
11 can.
12 MR. SCRUGGS:
13 I do, too or, it's a big or. Object to
14 the form. I don't object to her answering it.
15 A. Okay. No one paid for the someplace.
16 Is that what you're asking me.
17 MR. WEBB:
18 Q. Right?
19 A. No one paid for those other than Cori
20 and myself or Cori actually. Cori paid for those.
21 Q. You mentioned yesterday with respect to
22 your State Farm laptop that trainers would
23 sometimes come around and use thumb drives and put
24 them in the USB port, I guess, and download
25 software?
35
1 A. Uh-huh.
2 Q. How often do you recall that being done?
3 A. When we would have price updates, they
4 would do that periodically. That could happen
5 once every 60 days. Sometimes we've had have a
6 change price change in 30 days. So it was
7 periodically. There was no set schedule.
8 Q. And when you said trainers, were there
9 any particular people who were tasked with doing
10 that?
11 A. I just know the trainers did it. There
12 could have been -- it seems like some of the same
13 people did it over and over, but I know the
14 trainers were the ones that were supposed to do

15 it.

16 Q. Okay. Do you recall the names of any
17 persons who accessed your computer that way for
18 that purpose?

19 A. I believe his name was Dave Rungy.

20 Q. Okay.

21 A. He was a trainer.

22 Q. Anyone else?

23 A. Yes. I believe his name is Mick
24 Backstrom.

25 Q. Okay. Anyone else?

36

1 A. It's possible that Shane Abernathy.

2 Q. Do you specifically remember

3 Mr. Abernathy accessing?

4 A. He was one that would do that.

5 Q. My question is: Do you specifically
6 remember him doing that with your laptop?

7 MR. SCRUGGS:

8 Let her finish.

9 A. He was one of the ones that would do
10 that. There were so many adjusters we would see
11 one of next. I don't know that I ever
12 specifically saw Shane to do my computer. I do
13 know the other two did access for you're my
14 laptop.

15 MR. WEBB:

16 Q. Anybody else that you can tell us that
17 you know for sure accessed your laptop like that?

18 A. I know -- I believe Dave Rungy actually
19 put the Haag Engineering report on my laptop using
20 that knowledge order.

21 Q. We've already mentioned Mr. Rungy. I'm
22 talking about anybody else that you're certain
23 did.

24 A. It's possible there were others. I
25 can't think of them at this moment.

37

1 Q. The three friends that you've testified
2 to that assisted you in the data dump that was
3 arranged from Cori, have you had any communication
4 with them since the data dump regarding --

5 A. No. I have not.

6 Q. Not at all?

7 A. I know they were deposed recently. And
8 I may have seen them perfect or after the
9 deposition. I don't recall. But there was no
10 conversation about the deposition or about the up
11 coming deposition. I don't even know if I saw
12 them before or after the deposition. I have seen
13 them, but we don't talk about it.

14 Q. Okay. So you didn't talk about the
15 testimony either before or after the deposition?

16 A. Oh, no.

17 Q. Do you know if they were paid for any of
18 their efforts in assisting you?

19 A. I did not pay them.

20 Q. Okay. Did you know if anyone did of
21 your own knowledge?

22 A. I don't know if anyone paid. I don't
23 know if Cori paid them or not, but I did not.

24 Q. Do you know if anyone else other than
25 Cori paid them?

38

1 A. I don't know of anyone paying them.

2 Q. When you spoke to them most recently --
3 any of them most recently, was there anybody
4 present besides you and the person you were
5 talking with?

6 A. Cori was present and I believe all three
7 of the girls were present. We had a gathering at
8 Cori's house not too long ago and they came by,
9 food and we ate. But that was -- there was other
10 people there as well. It wasn't just us.

11 Q. All right. When was that?

12 A. Probably three weeks ago.

13 Q. Okay.

14 A. It was a party.

15 Q. It was a party?

16 A. It was a party. There were other people
17 there. It was a group of us.

18 Q. A party you gave?

19 A. My sister gave.

20 Q. Cori gave?

21 A. Uh-huh.

22 Q. All right. And do you have any
23 knowledge yourself of how congressman Taylor, what
24 would be his basis for testifying that you were
25 involved in filing what is known as a key town ^
39

1 ck sp?

2 MR. SCRUGGS:

3 Now that assume that's he give such
4 testimony and I would have to object to the form
5 of the question based on it being an argumentative
6 question.

7 MR. WEBB:

8 Q. Do you know?

9 A. Could you ask the question again.

10 Q. Do you of your own knowledge know of any
11 basis that Gene Taylor would have to have
12 testified at any point in time that you and/or you
13 and Cori had filed what's known as a key town
14 proceeding?

15 MR. HAWLEY:

16 Object to the form.

17 MR. SCRUGGS:

18 Same objection.

19 A. I don't know. I can't speak for what
20 Gene Taylor is doing or why he's doing it.

21 MR. WEBB:

22 Q. Have you ever communicated any
23 information either directly or I object directly
24 to Gene Taylor regarding doing anything like that?

25 A. No, I've not.

40

1 Q. Do you know of anyone who has?

2 A. No. I do not.

3 Q. As I understand the testimony from the
4 Renfroe case, there was some agreement reached
5 whereby Mr. Scruggs and some unnamed lawyer I
6 think referred to as a mystery lawyer by one of
7 the participants that resulted in an agreement
8 whereby you had a contingency arrangement leaving
9 you will in a situation where you could recover
10 money; is that correct?

11 MR. SCRUGGS:

12 Well, I -- I may be a mystery, but there
13 are lawyers that were involved in the litigation

14 that we are not under federal law at liberty to
15 talk about so I have to instruct her not to answer
16 that.

17 MR. WEBB:

18 Even they it's already been answered in
19 Renfroe?

20 MR. SCRUGGS:

21 I wasn't there. I'm objecting.

22 MR. WEBB:

23 I thought you testified.

24 MR. SCRUGGS:

25 I didn't testify about any of that.

41

1 MR. WEBB:

2 Okay. So you're instructing her not to
3 answer any questions about the fee arrangement or
4 any you ^ were in RAEUGS she might employed as a
5 result of pursuing any claim she's got?

6 MR. SCRUGGS:

7 If it's related to this so-called
8 mystery lawyer me in connection with that
9 litigation with the so-called mystery lawyer, I am
10 instructing her not to answer. Under any other
11 scenario, I don't object to it.

12 MR. WEBB:

13 Q. So you talked with any other lawyers
14 representing the plaintiffs or State Farm
15 policyholders about testifying for them in cases?

16 A. No. I have not.

17 Q. Are you aware of any attempts to take
18 your deposition in other cases?

19 A. I have been subpoenaed or served for

20 another depositions.

21 Q. Do you know by whom?

22 A. I do not.

23 Q. Do you know the case?

24 A. I don't know the case.

25 Q. Do you know or have you ever met a

42

1 lawyer known as Chip Merlin?

2 A. Where is he from?

3 Q. Florida.

4 A. No. From Florida?

5 Q. You ever heard of the Merlin Law Group?

6 No recollection?

7 A. I know you know attorney named Chip. I
8 didn't think he was from Florida, but no, I don't
9 know.

10 Q. Have you spoken with this -- first of
11 all, does this attorney named Chip represent you?

12 A. Which this one?

13 Q. The attorney that you know named Chip.

14 A. He's -- yes, he's one of my
15 representatives, yes.

16 Q. And what firm is he with?

17 A. I don't know the whole firm name.

18 Q. Do you know any name in the firm?

19 A. Yes.

20 MR. HAWLEY:

21 Mr. Webb, I want to -- if I need to
22 confer with my client, I will, but --

23 MR. WEBB:

24 Why don't we go off the record and let
25 y'all do that.

1 VIDEO TECHNICIAN:
2 Going off the record. The time is 10:11
3 (Off the record.)
4 VIDEO TECHNICIAN:
5 We're back on the record. The time is
6 10:24.
7 MR. WEBB:
8 Q. I understood you to testify yesterday
9 that you lived at the time of Katrina at a house
10 located on a street Rue Tonti?
11 A. Correct.
12 Q. And I understand I think from your
13 testimony that either you or Cori gave in the
14 Renfroe case that at some point in time, your
15 mother and stepfather lived there with you?
16 A. That's correct.
17 Q. Did they pay you rent when they were
18 there?
19 A. They did.
20 Q. Do you remember how much they paid you?
21 A. They paid a portion of the mortgage, on
22 what the mortgage -- I believe it was around
23 \$1,200 a month, something like that.
24 Q. Okay.
25 MR. SCRUGGS:

1 Kerri, can you keep your voice up.
2 THE WITNESS:
3 I'm sorry. But I don't recall the exact
4 amount.
5 MR. WEBB:

6 Q. But your best recollection is they --

7 A. It was a portion of the rent or the
8 mortgage.

9 Q. And the mortgage was paid to whom if you
10 recall?

11 MR. HAWLEY:

12 Mr. Webb, I don't want to obstruct, but
13 does this relate to the McIntosh case, the rent to
14 the house.

15 MR. WEBB:

16 Well, please don't obstruct, but I think
17 it is.

18 MR. HAWLEY:

19 I'm the guest here, that's fine. I just
20 wanted to ask.

21 MR. WEBB:

22 It has nothing to do with Judge Acker.

23 Q. Your best recollection is that was
24 around \$1,200?

25 A. It was around \$1,200.

45

1 Q. Did you have a lease agreement with
2 them?

3 A. No.

4 Q. Didn't have a lease agreement with them.
5 I want to show you what we were looking around and
6 made a copy of it, this has holes in it -- by the
7 way, before I do this: you eventually sold that
8 house, correct?

9 A. Correct.

10 Q. You sold it around February of '06; is
11 that right?

- 12 A. I believe the closing date was March
13 1st.
14 Q. March 1st of '06?
15 A. Yes.
16 Q. And you moved from there to where you're
17 currently living?
18 A. No. I moved to Mockingbird Circle
19 first.
20 Q. Cori's house?
21 A. Right.
22 Q. And your parents moved with you?
23 A. Correct.
24 Q. I want to show you what we've marked
25 Exhibit 8 and if you ask you can identify this for
46
1 us. It's a document that has Mississippi Lease
2 agreement up at the top of it. Yes.
3 Q. Can you identify that?
4 A. Well, I can identify it's my mother's
5 handwriting.
6 Q. And is it is your mother's handwriting
7 on all the entries you see?
8 A. Let's see.
9 MR. HAWLEY:
10 Mr. Webb, you're going to ask her many
11 questions about this legal document? I just want
12 to encourage her, if so, that she read it
13 carefully and confer with counsel if necessary.
14 THE WITNESS:
15 It appears to be a lease agreement.
16 MR. WEBB:
17 Q. And a lease agreement for the Rue Tonti

18 house is that what it says?
19 A. Correct.
20 Q. And the address there is a house you
21 were living in?
22 A. Correct.
23 Q. And what's the amount of the Renfroe
24 stated in there?
25 A. 28 hundred dollars. 47
1 Q. Were you paid 28 hundred dollars a month
2 for the rent?
3 A. If that's what the agreement says, I
4 was.
5 Q. Earlier you testified that your best
6 recollection was it was \$1,200?
7 A. That was my best recollection. It went
8 into an account.
9 Q. Where?
10 A. Into an account, merchant's and marine
11 bank or Hancock Bank. It was a bank.
12 Q. Okay. In your name?
13 A. No. In Payton properties.
14 Q. In Payton properties name?
15 A. Correct.
16 Q. What is Payton properties?
17 A. We had to do it -- we had to -- for some
18 kind of business -- for tax purposes and things,
19 the bank I think recommended that it needs to go
20 on the business name or something.
21 Q. Do you have a recollection of talking
22 with Lecky King about additional living expenses
23 and how were they to be paid relative to your

24 mother' s cl ai m?

25 A. No, I don' t.

48

1 Q. Okay. Were you aware at the time that
2 your mother' s cl ai m was bei ng pursued before June
3 of 2006, I et' s say, were you aware that i f
4 addi ti onal l i vi ng expenses were pai d to a fami ly
5 member, that you woul d need to provi de a -- ei ther
6 a soci al securi ty number or a 1099 excu se me a
7 soci al securi ty number or a tax ID number?

8 A. No. I was not.

9 Q. Were you aware that thi s l ease agreement
10 was execu ted -- was execu ted by your mother for
11 purposes of obtai ni ng ALE relati ve to a house that
12 you owned and then sol d i n February?

13 MR. HAWLEY:

14 Object to the form, but answer i f you
15 can.

16 A. Repeat the questi on.

17 MR. WEBB:

18 Q. Were you aware that your mother execu ted
19 thi s l ease agreement for purposes of obtai ni ng ALE
20 from State Farm?

21 A. Absolutel y. I wasn' t going to l et her
22 l i ve there for free.

23 Q. And who at the bank recommended your
24 setti ng up Payton properti es for the tax purposes
25 that you menti oned?

49

1 A. I don' t know the name, the l ady at the
2 bank. I t was a femal e.

3 Q. I t was a fee fai l. I t was a l ady at the
4 bank?

5 A. Uh-huh.

6 Q. What were the circumstances surrounding
7 that that led you to be talking to this lady?

8 A. She stated that we needed to set up an
9 account, separate account for IRS purposes.

10 Q. Okay. And you -- what bank?

11 A. It's a bank in Ocean Springs. I don't
12 bank there. It was -- you know, I know it when I
13 drive by it.

14 Q. Do you know what street it's on?

15 A. It's on Highway 90 in Ocean Springs.
16 It's not my bank.

17 Q. All right.

18 A. So it could have been any of those banks
19 on Highway 90.

20 Q. Did you open that business account?

21 A. Yes.

22 Q. Okay. And you opened it in the name of
23 Payton properties?

24 A. Yes.

25 Q. Who were the signatories on that
1 account? Just you? 50

2 A. Cori might have been, but I don't
3 recall.

4 Q. Okay. But you actually opened the
5 account?

6 A. Right.

7 Q. And used the name Payton properties?

8 A. Correct.

9 Q. Did you get a tax ID number for Payton
10 properties?

11 A. No.
12 Q. Well, did you register Payton properties
13 name with the State of Mississippi?
14 A. No.
15 Q. Okay. Was it formed as a legal entity
16 like a PLLC or incorporated if you're there are
17 with those terms?
18 A. I don't know that it was. I don't know
19 that it was.
20 Q. Okay. And Payton properties, did it
21 have any other participants in it other than
22 yourself?
23 A. No.
24 Q. Okay. So Payton properties would be you
25 and you would be Payton properties?

51

1 A. Correct.
2 Q. Okay. You saw this earlier, Exhibit
3 Number 9. It actually has an e-mail attached to
4 it.
5 MR. SCRUGGS:
6 Is this the one that she referred to as
7 her baby?
8 A. This is what I called my baby earlier in
9 the deposition.
10 MR. WEBB:
11 Q. And this is a photograph that has a date
12 of January 20, 2006. And attached to it is an
13 e-mail. It appears to be from you on your State
14 Farm e-mail to you at -- but it refers to subject
15 e-mailing Payton and it's from the storm -- well,
16 you tell me who it's from.

- 17 A. The storm doctor at AOL.com.
- 18 Q. Who is that?
- 19 A. That's a co-worker, friend of mine that
20 works with State Farm.
- 21 Q. Who?
- 22 A. Rachel fisher.
- 23 Q. Rachel fisher?
- 24 A. Uh-huh.
- 25 Q. And the picture of of the dog attached
52
1 to is a picture of a dog named Payton?
- 2 A. Named Payton.
- 3 Q. Is Payton the -- I don't know for lack
4 of a better word the mass cotton for Payton
5 properties?
- 6 A. Correct, she is.
- 7 Q. So you picked the name Payton properties
8 because it was your dog?
- 9 A. Correct.
- 10 Q. And you dog wasn't on that account over
11 there, was she?
- 12 A. No.
- 13 MR. BANAHAN:
- 14 A little paw print.
- 15 MR. WEBB:
- 16 Q. Couldn't sign off on it?
- 17 A. No. That's how I chose Payton.
- 18 Q. Were those payments made directly to you
19 or by State Farm or through Payton properties or
20 were they made through your mother to you to
21 Payton properties?
- 22 MR. SCRUGGS:

23 Those payments I mean the rent.

24 MR. WEBB:

25 Yes, the rent.

53

1 A. The rent money went into the account. I
2 don't really remember if -- it seems like she
3 would write me a check for that account.

4 MR. WEBB:

5 Q. Okay. Why did you do it that way?

6 A. I've never leased a home before. I
7 thought this was the way you were supposed to do
8 it.

9 Q. Didn't you continue to get lease
10 payments -- didn't your mother continue to get
11 lease payments that you knew about for the Rue
12 Tonti address even after you sold the house?

13 A. Well, she moved to Cori's house and
14 started renting at Cori's house. And that's
15 probably why we switched the name on me.

16 Q. And you switched the name where?

17 A. At the bank.

18 Q. At the bank. So your best recollection
19 is then you switched the name on that account from
20 yourself to Cori. Would it be Cori only when the
21 switch occurred?

22 A. It would be Cori only.

23 Q. And the 28 hundred dollars that your
24 mother was paying after it was paid to her by
25 State Farm -- was it paid before or after; do you
54

1 remember?

2 A. Before or after what?

3 Q. Did your mother pay you first and then
4 later on Cori that 28 hundred dollars before State
5 Farm paid it or afterwards?

6 MR. HAWLEY:

7 Object to the form, but answer if you
8 can.

9 A. I don't recall that.

10 MR. WEBB:

11 Q. Okay. But after the account was
12 switched to Cori's name, Cori got the payment?

13 A. Correct. It was Cori's house at that
14 point so he she would get the payment.

15 Q. But to your knowledge, she actually did
16 get the payment?

17 A. As far as I know.

18 Q. Is that account still opened at the bank
19 that you recall?

20 A. No. I don't think so. But it wasn't in
21 my name at the end, so I wouldn't have been
22 allowed to close it. So I don't know what's going
23 on with that account.

24 Q. Okay. You have were you -- did you
25 assist your mother with respect to her claim?

55

1 A. At what point?

2 Q. At any point.

3 A. I just remember in the beginning, I did
4 not. During the process, there were times where
5 she asked me how do I fill out a personal property
6 inventory form, where am I supposed to put this.
7 So we had a lot of -- she had a lot of form
8 questions she didn't understand. Other than that,

9 no.

10 Q. Specifically is it your testimony that
11 you did not contact Lecky King and other people at
12 State Farm related to a particular engineer that
13 should be provided to your mother?

14 A. I did not.

15 Q. Okay. Is it your testimony that you
16 didn't have a role in the selection of the
17 adjusters that dealt with your mother's claim?

18 A. It is my testimony that when my mother
19 filed the claim, I did go to Lecky King to let her
20 know that my mother, our mother, Cori's mother,
21 would be filing a claim. It would be coming to
22 this office and I didn't want anyone to be
23 surprised. I wanted them to know. But I had no
24 say so in who the adjuster was nor did I want to
25 have any input into that. I just wanted her to

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1 know that my mother would be filing a claim and it
2 would be handled in this office.

3 Q. So your testimony is, no, you didn't
4 have any role in the selection of the adjuster?

5 A. No role in the selection of the
6 adjuster.

7 Q. Is it your testimony that you did not
8 communicate with Ms. King or other folks in the
9 State Farm office regarding attempting to get
10 other adjusters involved other than the adjuster
11 that was initially assigned?

12 A. I don't recall ever doing that.

13 Q. Okay. Did you have any role in the
14 selection of an engineer?

- 15 A. No. I did not.
- 16 Q. Okay. Did you have any role in your
17 mother obtaining her own engineer?
- 18 A. Not that I recall.
- 19 Q. Did you have any role in your mother
20 taking an engineer report to Mark Drain at his
21 hotel room or motel room?
- 22 A. No. I did not.
- 23 Q. Did you know that happened?
- 24 A. I did know it happened.
- 25 Q. Did you know it was going to happen 57
1 before it happened?
- 2 A. Before 15 minutes before it happened.
- 3 Q. And you learned that from your mother?
- 4 A. Yes. She said I'm leaving. I'm going
5 to give my engineer report to Mark Drain who was
6 consequently in charge of her claim.
- 7 Q. Uh-huh. Would it be an irregular
8 proceeding from your standpoint for a person such
9 as your mother to go to the hotel?
- 10 A. I think that policyholders -- we were
11 meeting anywhere we could meet them, camp sites,
12 Denny's. I've met policyholder all over the
13 place. There was no place. Everything was gone.
14 So it didn't -- it wasn't unusual.
- 15 Q. Did you have any role at all in
16 arranging that meeting?
- 17 A. No.
- 18 Q. Did you have any role in providing your
19 mother with information about who Mr. Drain was so
20 she could go to that meeting?

21 A. No.
22 Q. Do you have any idea how she would know?
23 A. I assume he would have told her.
24 Q. But you personally don't know is that
25 your testimony?

58

1 A. I personally don't recall having any
2 knowledge or preparing for that meeting until
3 right before it happened.

4 MR. WEBB:

5 Let's go off the record.

6 VIDEO TECHNICIAN:

7 We're going off the record. The time is
8 10:40

9 (Off the record.)

10 VIDEO TECHNICIAN:

11 We're back on the record. The time is
12 10:56.

13 MR. WEBB:

14 Q. One thing that we took a break back a
15 couple of times ago and I had asked you some
16 questions that you had identified a lawyer by
17 either a nickname or a first name called Chip.
18 And I had asked a question about who that lawyer
19 was, who the last name was and then there was an
20 issues that came up. Can we have any
21 clarification about who that is?

22 MR. HAWLEY:

23 Yeah. I think we can have some
24 clarification and I know you have a copy of her
25 deposition in the prior Renfroe case. I think she

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1 was asked about the Merlin firm and I don't know

2 if Mr. Merlin's name is Chip or not. But
3 unrelated to that, going back to the mystery
4 lawyer, the mystery lawyer whose name will not be
5 disclosed, may have someone in that firm who goes
6 by a nickname Chip or something that sound like
7 Chip and I believe the witness is focused on that
8 person who does have part of an attorney-client
9 relationship with the mystery lawyer who should
10 remain a mystery. So if there is someone with the
11 name like Chip in the representation it's within
12 the mystery lawyer firm.

13 MR. WEBB:

14 I understand that you're giving an
15 instruction related do that and for her not to answer
16 the questions, correct?

17 MR. SCRUGGS:

18 I mean, I don't mind I asking her and I
19 don't think Mr. Hawley does either guess about the
20 Merlin firm or Chip Merlin.

21 MR. WEBB:

22 No. I understand. But the instruction
23 that you would give her not to answer relates to a
24 Chip that may be other than Merlin.

25 MR. HAWLEY:

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1 Correct.

2 MR. SCRUGGS:

3 Well, a Chip that might be represent her
4 in a matter that's prohibited from disclosure by
5 federal law.

6 MR. WEBB:

7 I understand.

8 Q. Going back to list of lawyers and to
9 exclusion of the gentleman that we just discussed
10 on the record or lady if it could be a lady lawyer
11 named Chip, I had asked you about Chip Merlin.
12 Let me also ask you and throw in some other names,
13 Randy Santa Cruz, William weatherly, buddy gun,
14 flip Phillips. Have you spoken with or met with
15 any of those lawyers concerning any of your -- any
16 of your knowledge or activities relating to State
17 Farm?

18 A. Not that I recall.

19 Q. Okay. Have you spoken to any other
20 lawyers other than the lawyers that your attorneys
21 have instructed you not to disclose and lawyers
22 with the Scruggs Katrina Group and your personal
23 counsel concerning any of your knowledge related
24 to your activities or claim knowledge related to
25 State Farm? For clarification I'm talking about

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1 lawyers in the private sector that are
2 representing other policyholders that are suing my
3 client?

4 A. Not that I recall.

5 MR. SCRUGGS:

6 You're excluding Renfroe's lawyers and
7 people like that, right?

8 MR. WEBB:

9 Right. Well, I mean, she's been deposed
10 and --

11 MR. SCRUGGS:

12 Right.

13 MR. WEBB:

14 Q. But since the issue was brought up, have
15 you met with privately and discussed these issues
16 in this case or any other case with Renfroe's
17 lawyers?

18 A. Sure.

19 Q. Okay. And how did that -- when did that
20 happen?

21 A. The deposition?

22 Q. Is that the only way you've done that is
23 in a deposition? Did you do it in a private
24 meeting?

25 A. We've had a deposition.

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1 Q. Okay. Did you have any interviews,
2 private interviews with them?

3 A. No. Not private interviews.

4 Q. All right. With respect to the bank
5 that you mentioned in Ocean Springs that Payton
6 properties' account was in that you opened, can
7 you tell me any -- where it is on Highway 90 or
8 anything that it is around?

9 A. If you're -- if you're going towards --
10 if you're in Ocean Springs coming to Pascagoula --

11 Q. Okay.

12 A. -- it's on Highway 90. It's on the
13 right. It's a small building. I had never been
14 there before, so I never noticed which bank it
15 was. I knew it was a bank and I didn't know -- I
16 didn't really pay any attention to to it.
17 All I was doing was opening this account.

18 Q. And you did that at that particular bank
19 why?

20 A. It must have been because my mother
21 banks there or maybe her and her husband's
22 practice banks there. They own a practice. Maybe
23 that's where they bank. I don't know.

24 Q. Okay. You have no recollection about
25 that at all?

63

1 A. She told me to meet her at that bank and
2 I did.

3 Q. Okay. Now --

4 A. I believe I was -- this was right when
5 the -- we were in the heat of Katrina and I was
6 working all the time. I didn't, you know, spend a
7 whole lot of time thinking about it.

8 Q. All right. You testified that you sold
9 your house?

10 A. Right.

11 Q. And do you recall how much you sold your
12 house for?

13 A. Yes.

14 Q. How much was that?

15 MR. SCRUGGS:

16 You know, Dan, I don't know what in the
17 world this has to do with the price of tea in
18 China, but if you're going to make some sort of a
19 record that she sold it to one of us or something,
20 then certainly go ahead with it. But I think
21 you're just running the clock out now.

22 MR. WEBB:

23 Well, no I think you're trying to do
24 that right at this moment.

25 Q. How much did you sell it for?

1 A. I sold my home for -- which I consider a
2 private issue, but I sold my home for 498 \$1,000.

3 Q. How long was it on the market?

4 A. It wasn't on the market.

5 Q. How did -- how did you connect with a
6 buyer?

7 A. I had a real estate agent call me who I
8 had worked with in the past who actually showed me
9 the home.

10 Q. Who?

11 A. Jerry rhymes.

12 Q. Okay.

13 A. And she called me and she said I've got
14 a couple, they really want to live in your
15 neighborhood. I know this is a long shot, how do
16 you feel about me showing your home.

17 Q. All right. And do you have any idea
18 when that communication took place?

19 A. I do not.

20 Q. Sometime before March 1 of 2006?

21 A. Yes.

22 Q. Was it after the first of the year in
23 2006?

24 A. I don't recall when they came over.

25 Q. You don't know how long it was after
65

1 that phone call came to you that you actually cut
2 the deal, so to speak.

3 A. I do not.

4 Q. Okay. Do you know whether anyone with
5 the Scruggs Katrina Group had any involvement in

- 6 making arrangements for you to sell your house?
- 7 A. Oh, no. They didn't have any
- 8 involvement at all.
- 9 Q. Okay. And you know that for a fact of
- 10 your own knowledge?
- 11 A. I can't imagine what that would have --
- 12 my house would have to do with anything. They
- 13 didn't -- no one offered Cori money for her house.
- 14 This was just me and the family had lost their
- 15 home and needed a home. And Jerry rhymes knew at
- 16 some point prior that I had thought about selling
- 17 it because I had been on the road so much. So she
- 18 and I had prior conversations along time ago that
- 19 I may want to sell my home.
- 20 Q. Jerry rhymes works where?
- 21 A. She works with Ellis branch realty.
- 22 Q. And what city is that in?
- 23 A. Ocean Springs.
- 24 Q. And who bought your house?
- 25 A. The Oswalds.
- 66
- 1 Q. The Oswalds?
- 2 A. I call them Mr. and Mrs. Oswald.
- 3 Q. Is that all you know them by?
- 4 A. That's all I know them by.
- 5 Q. Okay. Do you know if either of the
- 6 Oswalds have any connection with the Scruggs
- 7 Katrina Group or any of its lawyers?
- 8 A. I do now. I didn't at the time I met
- 9 them.
- 10 Q. What do you know about that now?
- 11 A. I know he's a former judge.

12 Q. Okay. Do you know whether he had been
13 involved in representing clients with Mr. Scruggs
14 before?

15 A. I've heard he was, but it's never been
16 discussed or confirmed.

17 Q. Okay.

18 A. I've never discussed that with him or
19 Dick.

20 Q. Okay. I'm not asking you to tell me
21 what you discussed with Mr. Scruggs. I'm just
22 asking you of your personal knowledge. Can you
23 say on your oath that no one with the Scruggs
24 Katrina Group had any involvement in making
25 arrangements for the sale of your house?

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1 A. Absolutely.

2 Q. Okay. And you know that of your own
3 personal knowledge?

4 A. Yes.

5 Q. Did the Oswalds move into your house?

6 A. Yes.

7 Q. Are they still living there?

8 A. Yes.

9 Q. Okay. And have they lived there
10 continuously since you sold it?

11 A. As far as I know, yes.

12 Q. You testified yesterday, I believe at
13 some point being friends or becoming friends with
14 a lady whose name you mentioned a few times, Lecky
15 King.

16 A. Yes.

17 Q. And as I understand it you worked with

18 Ms. King and became friends with her over in
19 Florida?

20 A. That's true.

21 Q. And at any time during your association
22 with him when you worked with her in Florida --
23 well, strike that. How long did you work with her
24 in Florida?

25 A. I transferred to Florida Hurricane Ivan,
68

1 I believe in November of 2004.

2 Q. Okay. Did you work with her until you
3 came to Katrina?

4 A. Correct.

5 Q. And you came to Katrina, as I recall,
6 shortly after the storm or thereabouts?

7 A. Shortly after the storm.

8 Q. So you had worked with her for a matter
9 of several months?

10 A. Several months, correct.

11 Q. During this time, you became personal
12 friends?

13 A. Yes, we did.

14 Q. Close personal friends?

15 A. Yes. I would say we were.

16 Q. And I assume you continued to be close
17 personal friends with her after you came to
18 Katrina?

19 A. Yes.

20 Q. Okay. At any time in working with or
21 around her in Florida, did you see any indication
22 or evidence that Ms. King in whatever she was
23 doing or however she was performing her job was

24 doing it in any way that you thought was
25 inappropriate?

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1 A. I didn't notice anything like that in
2 Florida that I can recall.

3 Q. Okay. And consequently you would have
4 never had any conversations with her about
5 anything that you perceived to be inappropriate
6 over there?

7 A. No.

8 Q. Okay. And as I understand your
9 testimony, you actually never had any conversation
10 with her specifically regarding anything that you
11 thought was inappropriate with respect to Katrina?

12 A. Correct.

13 Q. And so what is the particular reason
14 that you would not discuss these issues with the
15 person that you termed a close, personal friend?

16 A. Because when I found the report, I
17 recognized that it was her handwriting and knew
18 what was happening -- I considered her to be a
19 friend, but I also knew exactly what she was
20 capable of. She's a very strong willed person and
21 I knew that -- you know, she was a friend, but she
22 wouldn't necessarily be someone I trusted with
23 everything. You know, I knew when I saw that note
24 what was going on.

25 Q. Okay. I understand you testified about
70

1 you knew when you saw that -- what's been referred
2 to as a sticky note.

3 A. Uh-huh.

4 Q. That's all as I understand it you needed

5 to know to know what was going on?

6 A. Absolutely.

7 Q. But you also testified that there was
8 nothing inappropriate by indicating that any
9 engineer report be placed in the wind fall during
10 telling me that?

11 A. There's nothing inappropriate about an
12 engineering report going into the wind file.
13 However, the other engineer report should be going
14 to the policyholder not in a file drawer.

15 Q. Okay. And -- excuse me just a second.
16 Do you recall being involved -- as a matter of
17 fact, I believe you testified -- or I know you
18 made statements on 20/20. We talked about that,
19 with ABC. I assume prior to doing that, you had
20 some prep work before the interview?

21 A. No.

22 Q. Okay. None at all?

23 A. None.

24 Q. Okay. With respect to that interview, I
25 recall you talking about the McFarland case. Do
71

1 you remember that in that interview?

2 A. I remember talking about the McFarland
3 case.

4 Q. Do you remember anything about what you
5 said?

6 A. I'm sure I talked about --

7 Q. Do you remember?

8 A. I really don't remember what I said.

9 Q. With respect to the McFarland claim,
10 didn't you have a claim activity roll related to

11 it as well?

12 A. I did.

13 Q. Okay. Did you not also, as you did with
14 the McIntosh claim, after the first of the year in
15 2006 accompany a claim rep to the scene to
16 reinspect that property for a mediation?

17 A. I did.

18 Q. Okay. Do you remember or recall the
19 name Zastrow?

20 A. Todd Zastrow.

21 Q. Who is that?

22 A. He was another adjuster who works for
23 State Farm directly.

24 Q. Okay. Do you recall having any
25 communications with Mr. Zastrow related to that
72

1 claim before you went on 20/20?

2 A. Between what time period? January 1st,
3 2006, forward.

4 A. Same sure we had conversations when we
5 reinspected the property if that's what you're
6 asking.

7 Q. And you specifically participated in the
8 mediation?

9 A. Correct.

10 Q. And didn't you tell Mr. Zastrow after
11 you reinspected that property that that case was a
12 slam dug in terms of water damage being the cause
13 of the loss?

14 A. I don't recall that.

15 Q. Could you have said that?

16 A. I don't recall saying that.

17 Q. Okay. Are you saying under your oath
18 you didn't say it?

19 A. I'm saying I can't recall saying that.

20 Q. Well, my question is: do you deny
21 saying it?

22 MR. SCRUGGS:

23 I think she's answered the question, so
24 I object to the form. You're arguing with the
25 witness.

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1 A. I don't recall saying that.

2 MR. WEBB:

3 Q. Okay. Do you recall measuring the water
4 mark or water line out in that area?

5 A. I don't recall. If there was a water
6 line we would have measured it.

7 Q. Do you recall being involved -- prior to
8 that mediation being involved in putting on mock
9 mediation?

10 A. We did put on mock mediation that is
11 correct.

12 Q. Do you remember you being involved in
13 any of that?

14 A. Yes.

15 Q. What part did you play?

16 A. Now, we did not do a mock mediation for
17 Mr. McFarland.

18 Q. I'm just talking generally.

19 A. Yes. When we started mediation, they --
20 they asked that -- I guess because I had done
21 mediation in Florida, they asked that Cori and I
22 roll play mediation for the entire mediation team.

23 Q. Did you do that?

24 A. And we did that.

25 Q. Did you play the insured?

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1 A. No. I played the State Farm
2 representative.

3 Q. The State Farm representative. So it
4 was scripted out.

5 Q. Who scripted it.

6 Q.

7 A. They told us exactly what we were
8 supposed to do.

9 Q. There's that they again.

10 A. State Farm.

11 Q. Who specifically told you exactly what
12 you're supposed to say?

13 A. State Farm team managers, people in
14 charge of the mediation program.

15 Q. Do you know any specific names who
16 specifically told you?

17 A. Doug Taber.

18 Q. Anybody else other than Mr. Taber?

19 A. We had meetings. There were various
20 people in charge of the meetings. Rod Murphy was
21 in charge of the meetings. Terry Blaylock would
22 come to meetings. But as far as preparing us.
23 They didn't really prep us. As far as preparing
24 us for our first mediation, Doug Taber was
25 responsible for that because he was the head

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1 manager over mediation. And so what he had us do
2 is he had Cori, she was to be the told

3 policyholder and I was to be the State Farm
4 receive active. And then.

5 Q. What claim documents?

6 A. Not claim documents. I'm doing one
7 claim.

8 Q. I didn't ask her to make a speech, Dick.
9 And quite frankly if she continues to do that I'm
10 going to have to make an objection in the record
11 and keep the time and throw it on the back end?

12 MR. SCRUGGS:

13 If you keep asking her questions in the
14 middle of her answer, I'm going to have to object
15 to that.

16 THE WITNESS:

17 So, any way, we were told what resources
18 we were to use and we were basically put in front
19 of each over and scripted out roll play for the
20 whole mediation team. So I basically -- she would
21 ask me a question, I would respond. I would throw
22 things right back.

23 MR. WEBB:

24 Q. Did you have any role other than that
25 related to the mediation, and the mock mediation?
76

1 A. That was my role was to show everyone.

2 Q. Had you done it before with Renfroe in
3 any other capacity on any other storm?

4 MR. HAWLEY:

5 You mean mock mediation.

6 MR. WEBB:

7 Right.

8 A. Not that I recall.

9 Q. You had had experience in mediations
10 however in Florida?

11 A. Correct.

12 Q. How long did you do mediations in
13 Florida before you came to Katrina?

14 A. I don't recall.

15 Q. How long were you involved in
16 mediations, mediation work with respect to
17 Katrina?

18 A. I was involved -- I believe mediation
19 started when we merged to the Biloxi office around
20 that time. It would have been February I believe
21 is when we started our mediations. And I was
22 involved in mediation all the way until June.

23 Q. Okay. You mentioned a gentleman by the
24 name of Terry Blaylock.

25 A. Uh-huh.

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1 Q. I haven't heard you mention his name
2 earlier. In the context of anything that you saw
3 irregular or improper.

4 A. No.

5 Q. Did you see anything that you claim to
6 be irregular or improper related to anything
7 Mr. Blaylock did?

8 A. No.

9 MR. WEBB:

10 Let's go off the record.

11 VIDEO TECHNICIAN:

12 We're going off the record. The time is
13 11:17.

14 (Off the record.)

15 VIDEO TECHNICIAN:

16 We're back on the record. The time is
17 11:52.

18 MR. WEBB:

19 Q. Okay. Before we go into the document
20 that's you've had a chance to review over the
21 break, let me ask you a question about your
22 preparation. Did you review any documents for
23 preparation of your deposition?

24 A. I revised -- yes.

25 Q. What?

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1 A. I reviewed my deposition from my Renfroe
2 testimony.

3 Q. Okay. Anything else?

4 A. I refiled the injunction from Judge
5 Acker.

6 Q. Okay. Anything else?

7 A. That was all.

8 Q. Okay. Did you meet with anyone other
9 than your lawyers to discuss your testimony?

10 A. No.

11 Q. I had asked you a question earlier about
12 accessing blocked files and specifically
13 referenced Senator Lott's and congressman
14 Taylor's. Can you give me any business reason in
15 your job working for Renfroe and State Farm and
16 Katrina that you would have to do that at any
17 point in time?

18 A. If I checked on their -- if I went into
19 their file or was trying to go into their file,
20 you want to know why I would do that?

21 Q. If there would be a business reason in
22 your judgment for you to go into those particular
23 block files?

24 A. No. I would have just had some
25 suspension and I would have wanted to see what was
79

1 going on in their file to see if there was any in
2 pry at this. But other than that, know ^ ck sp.

3 Q. But you did say you don't remember doing
4 it?

5 A. If I went into their files. I don't
6 know that I did.

7 Q. Okay. . Have you ever heard anyone with
8 reference to issues concerning Katrina, have you
9 heard of anyone discussing an issue related to
10 allegations that any agents back dated any
11 applications for coverage?

12 A. We did hear allegations.

13 Q. We?

14 A. At the State Farm office.

15 Q. Can you name anybody?

16 A. They talked about that.

17 Q. Can you name anybody would said anything
18 about it?

19 A. I'm trying to think. I remember one day
20 Mark Drain had gone on -- you know, was upset.
21 Mark Drain was upset and he stated I can't believe
22 here in Mississippi you allow your agents will
23 back date policies so they'll have flood coverage.
24 And that was the first I had ever heard. So in
25 the office -- it was a group around. It wasn't
80

1 just us. And people like, really.

2 Q. Who else overheard him say that?

3 A. I don't remember. Probably the people
4 who sat in front of him, behind him and next to
5 him.

6 Q. Do you know who they were at that time?

7 A. No.

8 Q. Okay. Did you have any follow up
9 conversations with him about that comment that he
10 made?

11 A. No I did not.

12 Q. Did you overhear him making any further
13 comments other than the one you just described
14 concerning that matter?

15 A. No. I did not.

16 Q. Do you have any personal knowledge
17 yourself that would supporter provide any evidence
18 that such back dating allegedly occurred actually
19 occurred?

20 A. I have no personal knowledge.

21 Q. Okay. Have you spoken with anyone other
22 than the comment that you've referenced from
23 Mr. Drain, have you spoken with anyone who claims
24 to have any specific knowledge of such activity
25 taking place?

81

1 MR. SCRUGGS:

2 Beside her lawyers?

3 MR. WEBB:

4 Q. I'm not asking you to tell me anything
5 about communication with your counsel.

6 A. This issue came up again because there
7 was another agent that was angry.

8 Q.

9 Q. Who?

10 A. And I don't know the agent's name. I
11 think it was Mike Myers doing this. This issue
12 came up. People talked about it for a long period
13 of time that he had sent a check into
14 underwriting. They were to say that they had
15 received a check but didn't post it to his
16 account.

17 Q. Who?

18 A. I don't recall. I talked to 100 people
19 a day in that office. I don't know who said it.
20 I heard it. I took it in and then did my job.

21 Q. Don't know any -- you personally don't
22 know whether any of those statements are, in fact,
23 correct, do you?

24 A. I do not.

25 Q. But other than Mike Myers, any other 82

1 specific agency name or agent name that you can
2 recall?

3 A. No.

4 Q. Even in the form of anal investigation
5 against an agent?

6 A. Not even in the form of anal
7 investigation.

8 Q. So the only allegation you heard
9 referencing a specific occasion had something to
10 do with Mr. Myer?

11 A. Correct.

12 Q. You have there in front of you, I
13 believe, two exhibits that are numbered 14 and 15?

- 14 A. Correct.
- 15 Q. And what are the dates on -- what's the
16 date on 14?
- 17 A. October 12.
- 18 Q. Okay. And the date on 15 is what?
- 19 A. October 20th, 2005.
- 20 Q. Okay. Both of those are 2005?
- 21 A. Correct.
- 22 Q. I recall yesterday your testimony that
23 -- and you can correct me if I'm wrong about this,
24 but I recall you saying that there really wasn't
25 an issue about rather being involved to some
83
1 extent in the McIntosh loss from your own
2 observation; is that correct?
- 3 A. From my own observation, I felt like
4 there was both wind and water at that home.
- 5 Q. Okay. Look at the document that has the
6 October 12th date and see if you can see -- and
7 specifically look at the --
- 8 MR. SCRUGGS:
9 What's the number of that one?
- 10 MR. WEBB:
11 That's Number 14.
- 12 Q. And look on the second page where it
13 says conclusions.
- 14 A. Second page, got it.
- 15 Q. Second page says conclusions. And in
16 those conclusions, do you -- and they continue
17 onto the next page. You've had a chance to look
18 at this during the break, correct?
- 19 A. I skimmed it.

20 Q. Okay. If you need to look at it, fine,
21 we can perhaps go off the record rather than
22 wasting time. Do you recall seeing in those
23 conclusions any reference to water damage at all?

24 A. No.

25 Q. Okay. So you'll agree with me, then, 84

1 that in terms of the conclusions stated in the
2 document that bears the October 12th date, that
3 document is inconsistent with what you actually
4 observed when you were at the site; isn't that
5 correct?

6 A. Well, it does say there was wind damage
7 to the roof, door, carport and window damage,
8 which I would think means that it's possible the
9 windows blew out allowing water to come in. I
10 said water damage.

11 Q. Okay. And by water damage --

12 A. That could be rain. It could be rising
13 water.

14 Q. Okay. Well, let me ask you this: I
15 thought when you were looking at the pictures --
16 as a matter of fact, I do recall when you looked
17 at some pictures out the claim file that we
18 referred to by Bates number, you identified some
19 that indicated more likely the result of rising
20 water in the form of storm southern?

21 A. Well surge I believe I pointed out that
22 that window had blown out and water did come in.
23 I don't know if it was rainwater or rising water
24 is what I said.

25 Q. Okay. You don't know whether the damage

1 you saw to the Sheetrock in that house when there
2 was a four or five foot water mark in that house
3 came in as a result of rain or storm surge?

4 A. When I went out to that house, the house
5 had been cleaned and gutted.

6 Q. The photographs that we were looking at
7 were taken earlier than that. Do you remember
8 that?

9 A. I remember those.

10 Q. And from those photographs, did you or
11 did you not testify that there was an indication
12 in those photographs of damage that would have
13 occurred from rising water?

14 A. Water.

15 MR. SCRUGGS:

16 I think -- let me make an objection that
17 it mischaracterizes and therefore is argue active
18 with the witness. When she said those
19 photographs, the early photographs were very
20 difficult to interpret because they were poor
21 quality. The ones you showed her at least were.
22 And so I think that's what she testified to
23 yesterday, not as you stated in your question.

24 MR. WEBB:

25 Q. In any event, you did agree with me that
86

1 there's no reference in the October 12th document
2 to water of any kind, correct?

3 A. In the conclusion, it address is all
4 wind it looks like.

5 Q. It does not reference water at all,

6 correct?
7 A. Correct.
8 Q. And with respect to the last paragraph
9 -- well, it's not the last part TKPWRAR. It's the
10 first paragraph under the last conclusion on Page
11 3 where it says if additional information or facts
12 become available which would materially affect
13 these stated conclusions or opinions, then for
14 Rick reserves the right to amend the changes as
15 needed. Do you see that?
16 A. Correct.
17 Q. You have in the course of your address
18 adjusting work seen engineering reports from time
19 to time outside of Katrina, correct?
20 A. Correct.
21 Q. And have you seen engineer report that
22 contain the same or similar statements?
23 A. Sure.
24 Q. Doesn't that tell you based on your
25 experience that the reason that's put there is to
87
1 advise the recipient of the report that the
2 company reserves the right to, as it says here,
3 amend or change its opinions or conclusions?
4 A. If additional information or facts
5 become available. Yes, yes.
6 Q. And it doesn't say or provide any
7 limitation or how that additional information or
8 facts become available?
9 A. Right.
10 Q. Okay. Look at Exhibit Number 15, the
11 next one.

12 A. It just is -- kind of crazy how fast
13 these additional facts became available, like
14 eight days later. Usually you don't see if they
15 update a report it happen eight days later.
16 Usually it's when additional information comes in
17 maybe months later.

18 Q. Well, it could be months later. It
19 could be a day later, depending on when the
20 information is received or only contained,
21 correct?

22 A. Correct.

23 Q. Look at Exhibit Number 15.

24 A. Yes.

25 Q. Exhibit Number 15 has a conclusion 88

1 section in it, too, doesn't it?

2 A. It does.

3 Q. And in Exhibit Number 15 in the
4 conclusion section of that -- well, before I get
5 to that, look at Page 2?

6 A. Okay.

7 Q. And going onto Page 3, doesn't Page 2 of
8 that report actually contain a more detailed
9 statement of facts than the first report?

10 A. Yes.

11 Q. Okay. And in fact, in the conclusion
12 section, which would be on Page 3 of Exhibit 15,
13 and if you need to compare it to the conclusions
14 on pages 2 and 3 of Exhibit 14, you -- there is a
15 reference to tree failures in a northwesterly
16 direction. And that reference is made in both of
17 those documents, correct?

18 A. Correct.
19 Q. Okay. And there's also a reference --
20 and I'm in Exhibit 15 -- to the fact that there's
21 appears to have been damage do the structure by
22 wind as evidences by missing shingles on parts of
23 the roof damage to the second story floor and
24 first floor ceiling was caused by wind and
25 including rainwater, right?

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1 A. Correct.
2 Q. That's in both of those, isn't it?
3 A. Worded that way it's in both of these?
4 Q. That information.
5 A. The information, but not worded that
6 way, correct.
7 Q. Not worded exactly the same but stated
8 in the conclusions, correct?
9 A. Correct.
10 Q. On Page 1 the damage to the first floor
11 walls and floors appears to have been
12 predominantly caused by rising water from the
13 storm surge and waves, correct?
14 A. Correct.
15 Q. Is that substantially the only ^ ck sp
16 difference you see from these documents?
17 A. That's the difference in the documents,
18 yes, that I see.
19 Q. And you know that flood had been paid?
20 A. Uh-huh.
21 Q. And flood was paid after you were out
22 there with Mr. Perry, correct?
23 A. Correct.

24 Q. And you know that some windstorm was
25 paid under the homeowners policy, correct?

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1 A. Yes, correct.

2 Q. And if the information that is reflected
3 in Exhibit Number 15 in terms of the conclusions
4 are accurate conclusions, then paying some --
5 paying flood damage under the flood pole and
6 paying some windstorm damage under the homeowner's
7 policy would be appropriate, correct?

8 A. Correct. Because if he just paid based
9 on this then we would OET NFIP all their money
10 back.

11 Q. Are you now expressing legal opinions?

12 A. No. I'm just saying if we had just gone
13 by this report, paying the flood would not have
14 been accurate.

15 Q. You're talking about Exhibit 14?

16 A. Right. I'm talking about Exhibit 14.
17 If we had just gone by this, then there would have
18 been a huge ER other and we would have had to pay
19 that money back.

20 Q. But you testified yesterday to your
21 knowledge as I recall it you had never been
22 involved in a file where you allowed that to
23 occur?

24 A. I never been to a house that flooded
25 that had four feet of water and said, no, that's
91

1 not flood, that's wind. But when a house is
2 destroyed by wind if any water that's why you hire
3 experts. And I believe you told me yesterday if I
4 seawater on the floor, I don't call it wind. If

5 it was only flood, it was only flood.

6 Q. Right. I understand. And let me change
7 the subject, if I may. You have testified over a
8 course of about a day and a half here about what I
9 understand to be concerns that you had during the
10 Katrina involvement that you had, correct?

11 A. Correct.

12 Q. Is there anything else that I didn't ask
13 you about that was a concern that you haven't told
14 us about?

15 A. I'm sure there are other concerns. I'm
16 sure other things happened.

17 Q. But I'm talking about in terms of what
18 you know yourself and what you were concerned
19 about?

20 A. I had some concerns going into mediation
21 and things that happened prior to mediation and
22 before mediation.

23 Q. We talked about that?

24 A. Did we get into mediation?

25 Q. We did talk about it.

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1 A. I wasn't sure. I remember we talked
2 about it briefly, but I wasn't sure how far into
3 it we went. I'm sure there are other concerns
4 that, you know -- things come to me that I
5 remember, but right at this time, I think we've
6 covered for the most part --

7 Q. Okay. Well, it's important from the
8 standpoint of my job in representing my client to
9 know -- to know if there are other things that you
10 think of rather than to leave did in the most

11 part. I really need to know if you can tell me if
12 there are other things that you were concerned
13 about other than what you talked about in this
14 deposition?

15 MR. SCRUGGS:

16 I'll have to object to the question
17 being argue active and that she has given an
18 answer to that question once and you're now asking
19 again.

20 MR. WEBB:

21 Perhaps that will be the last time.

22 Q. I didn't think it was the same question,
23 but can you answer that?

24 A. Give me just a minute to think and make
25 sure I have covered everything that I want to

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1 cover.

2 I think we've touched on the main
3 points. I may not have said all I wanted to say,
4 you know, or I may have more to say about them.
5 But I think as far as the main topics, we have
6 addressed those that I can -- that I can think of
7 right now.

8 Q. And as you were thinking, was there any
9 specific think that came to your mind as we sit
10 here now?

11 A. Well, the -- the two things that I
12 thought about was the cancelling of the engineer
13 reports which we talked about yesterday.

14 Q. Right.

15 A. And we talked about the fact that after
16 they cancelled them and had paid the additional

17 living expenses and told them that we.

18 MR. SCRUGGS:

19 Let her finish.

20 MR. WEBB:

21 I am.

22 THE WITNESS:

23 Okay. And then we turned around and
24 without doing an investigation, you know, denied
25 the policy and quit the amount of L E.

94

1 MR. WEBB:

2 Q. Those were things that we talked about
3 already?

4 A. Yes. That we talked about.

5 Q. My question really is additional things.
6 And I think that you've testified that to the
7 extent that you can think of here, you really
8 can't think of any other subject matter?

9 A. Well, I was just saying there's
10 obviously more to that scenario than what we
11 talked about and apparently that you want me to
12 talk about so I'll stop on that topic right there.
13 And I probably have a lot more to say about
14 mediation, but you probably don't want to talk
15 about that either.

16 MR. WEBB:

17 Pardon me. I'm going to object and move
18 to strike that as non-responsive.

19 Q. My question so you is whether there were
20 other areas of your concern that we haven't
21 touched upon here?

22 A. I may have other areas. I can't think

23 of them at this moment.

24 Q. Okay. And let me go back -- yesterday
25 you mentioned something about a file that Mark

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1 Drain was involved in paying when Ms. King was an
2 Beale?

3 A. An Beale.

4 Q. That payment occurred, did it not,
5 before you actually looked at the report with a
6 sticky note, didn't it?

7 A. I don't know when that happened.

8 Q. Okay. Do you recall did Mark Drain was
9 in any way punished or disciplined or called on
10 the carpet about making that payment by anyone?

11 A. I don't recall that he was.

12 Q. Okay. With respect to Mr. Drain, I
13 understand and I don't -- I understand that you
14 had a very close relationship with Mr. Drain?

15 A. Yes.

16 Q. Over a period of time?

17 A. Yes.

18 Q. A of period of time that began in the
19 fall of 2005?

20 A. Correct.

21 Q. And continued until approximately May of
22 2006?

23 A. Correct.

24 Q. Okay. And as I recall you and Mr. Drain
25 would do words of the day?

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1 A. Right.

2 Q. Words of the day. And isn't it true

3 that Mark Drain ended the relationship that you
4 had went back to Texas and as a result of that you
5 told him that his words of the day were choices
6 and consequences?

7 A. No.

8 Q. Okay.

9 A. I didn't refer to his words of the day
10 as choices and consequences.

11 Q. Okay. I want to show you a dock --

12 A. I enjoyed his words ever the day.

13 Q. I want to show you an e-mail marked
14 Exhibit 12.

15 A. And Mark Drain didn't end the
16 relationship either.

17 Q. Do you recognize that e-mail?

18 A. I recall the e-mail.

19 Q. Did you send it?

20 A. Yes.

21 Q. What date was it sent?

22 A. May 13th.

23 Q. What does it say?

24 MR. SCRUGGS:

25 Of 2006.

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1 THE WITNESS:

2 I'm sorry. 2006.

3 MR. WEBB:

4 Q. That's fine.

5 A. It starts off with him giving me --
6 we're talking about comas and periods and
7 parenthesis and quotations.

8 Q. What does your e-mail to him say?

15 sister until you met with Mr. Scruggs and lawyers
16 with the Scruggs Katrina group?

17 A. That's correct.

18 Q. And none of the positions that you've
19 taken in context of testimony that you've given
20 occurred at any time before you met with the law
21 enforcement, attorney general, U.S. attorney's
22 office in April of 2006, correct?

23 A. Correct.

24 Q. Okay. And in fact, none of it occurred
25 before you communicated with Mr. Drain on the 13th
99

1 of May for whatever reason you admitted that he
2 might have considering choices and consequences,
3 correct?

4 A. Are you implying that I did this because
5 of Mark Drain?

6 Q. My question to you what: you had not --
7 you had not taken a position or didn't have any
8 kind of a PEUF knee about State Farm's position
9 relative to claims handling until after these
10 events occurred, correct?

11 A. No. I had met with Dick Scruggs in
12 February of 2006.

13 Q. So it all occurred after your meeting
14 with Mr. Scruggs?

15 A. It all occurred? What all occurred.

16 Q. Didn't the data dump occur about two
17 weeks after your e-mail to Mr. Drain, Exhibit 12?

18 A. Yes.

19 Q. Okay.

20 MR. WEBB:

21 Let me go off the record.

22 VIDEO TECHNICIAN:

23 We're going off the record. The time is
24 12:19

25 (Off the record.)

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1 VIDEO TECHNICIAN:

2 We're back on record at 12:29.

3 MR. WEBB:

4 I understood that we had 11 minutes left
5 in our time, but we're going to reserve that time
6 for our purposes we'll recess subject to a court's
7 ruling on objections instructions to the witness
8 in the event we're allowed to compact and ask
9 questions related to those things.

10 MR. HAWLEY:

11 Mr. Webb, can I ask you one question
12 about the nature of the objections, are you
13 intending to pursue the identity of the mystery
14 lawyer and mystery firm at all because if you are
15 because I may want to say a few things that I
16 did put on the Renfroe record. If not, I'll leave
17 it alone.

18 MR. WEBB:

19 I don't intend to pursue it.

20 MR. SCRUGGS:

21 So you're through with your direct
22 examination.

23 MR. WEBB:

24 Right. I'm recessing this deposition
25 pending ruling from the court on the objections

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1 made and reserving my 11 minutes left on

2 exami nati on.

3 MR. WYATT:

4 But y' all are tendering the witness.

5 MR. WEBB:

6 Yes, subject to that

7 EXAMI NATI ON

8 MR. SCRUGGS:

9 Q. Just a few brief questions.

10 A. Okay.

11 Q. Richard Scruggs on behalf of the
12 McIntoshes. Ms. Rigsby, do you know Senator Lott?

13 A. I do.

14 Q. Do you know that Senator Lott's only law
15 firm that he worked for before he worked to
16 congress with Ms. Banahan's law firm?

17 A. I didn't know that.

18 Q. Do you know Mr. Banahan?

19 A. I do now.

20 Q. And he's sitting here today representing
21 State Farm?

22 A. Yes.

23 Q. Who is Mr. Taber? You were questioned
24 about a Mr. It be a better a minute ago. Who is
25 that?

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1 A. He is a State Farm team manager.

2 Q. Does he have a law degree?

3 A. And he also SR-S has a law degree.

4 Q. Was he present at the McIntosh
5 medi ati on?

6 A. He was present at the McFarland.

7 Q. I'm sorry. The McFarland medi ati on?

8 A. Correct.

9 Q. And you were present at that mediation?

10 A. Correct.

11 Q. And that's one of those that you

12 represented State Farm along with Mr. Taber and

13 another person at that mediation?

14 A. Correct.

15 Q. Tell me about that episode.

16 A. Well, we had -- prior to mediation, of

17 course, we inspected the McFarland property,

18 gathered our data, had a meeting, the three of us,

19 it be a better, Todd Zastrow who is another State

20 Farm adjuster. We discussed what the

21 circumstances were and felt like -- they felt like

22 nothing would be offered, which, fine. You know,

23 I said, okay.

24 We went to mediation. And of course, I

25 continued to play my role as State Farm and how

1 they wanted me to play it, but when Dr. McFarland

2 comes in, he comes in mounds of information,

3 documentation of things that had happened to and

4 around his property. He had data just page after

5 page of data. Of course, all we were relying on

6 were the Haag Engineering report and another

7 report called weather data.

8 So he comes in. He present his case

9 which is mediation is a forum for each side to

10 present their case. You go with an open mind.

11 You tell the policyholder we're going to have an

12 open mind, we're going to listen to the case

13 again. This is your opportunity Webb W-B excuse

14 me. I'd like to interpose an objection on
15 responsiveness and also relevancy under the rules
16 of discovery because I don't see how this relates
17 to the McIntosh claim.

18 MR. SCRUGGS:

19 Well, but all respect, you've raised the
20 McFarland Saturdays TR0, Taber issue yourself and
21 the mediation issue yourself, and I'm just
22 elaborating on that record that you opened the
23 door on.

24 MR. WEBB:

25 Well, I know you're elaborating on the
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1 witness is elaborating --

2 MR. SCRUGGS:

3 No. I think the witness is allowed.
4 I'm going to ask the question. You can object.

5 MR. WEBB:

6 What was the question.

7 MR. SCRUGGS:

8 About the episode involving
9 Dr. McFarland's mediation.

10 MR. WEBB:

11 I asked specifically a question about a
12 specific conversation between this witness and
13 Mr. Zastrow.

14 MR. SCRUGGS:

15 And Dr. McFarland and going to that
16 property and inspecting that property and being
17 involved in mediation and I'm asking the same
18 question.

19 MR. WEBB:

20 And to the extent you refer to an
21 episode, I object to the form 6 the question
22 because episode is a little vague, but SOUBT to
23 that, have at it.

24 MR. SCRUGGS:

25 Thank you.

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1 THE WITNESS:

2 So. We were at mediation.

3 Dr. McFarland present his case. Wally en.

4 Q. Let me stop you if I might. Whether or
5 not came with Dr. McFarland?

6 A. His wife and his daughter, both named
7 Rosemary.

8 Q. His wife and daughter?

9 A. Correct.

10 Q. How old a gentleman is Dr. McFarland?

11 A. I don't know his exact age, but I would
12 say in his 80s.

13 Q. And his wife?

14 A. Same.

15 Q. Do you know what H-PD to her?

16 A. I do. I do know that she passed after
17 our -- since mediation. That was the last file I
18 saw her, uh-huh, yes.

19 Q. She passed away?

20 A. In her FEMA trailer, yes.

21 Q. On the slab that you inspected with
22 Mr. Zastrow?

23 A. On the slab I inspected.

24 Q. Now, Mr. Taber was present at that
25 mediation?

1 A. He was.

2 Q. And who else besides you were present at
3 the McFarland medi ati on?

4 A. Todd Zastrow and then the mediator.

5 Q. And the mediator was a Triple A mediator
6 that the insurance commissioner had encouraged
7 people to go before; is that correct?

8 A. Correct.

9 Q. And you had roll played this out before
10 the medi ati on?

11 A. Correct.

12 Q. And it was scripted. I think that was
13 your term?

14 A. Yes.

15 Q. And you said Mr. Taber was a lawyer?

16 A. Correct.

17 Q. Was that disclosed to the McIntoshes?

18 A. No.

19 Q. I mean the McFarlands?

20 A. No.

21 Q. Or the mediator?

22 A. No.

23 Q. And the decision was made before you
24 went to the medi ati on that regardless of what
25 evi dence was presented at the McFarland medi ati on,
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1 perhaps, others, but that one that nothing would
2 be offered?

3 A. That's correct.

4 MR. WEBB:

5 Excuse me. Objection to leading the

6 witness. Your employee, in fact.

7 MR. SCRUGGS:

8 Well, at the time she was your employee.

9 MR. WEBB:

10 I disagree with that move to strike it.

11 She was not my employee. Never has Benedict Dick.

12 Q. Ms. Rigsby, did you have a State Farm
13 business card?

14 A. I did.

15 Q. Did you wear a State Farm uniform?

16 A. I did.

17 Q. Were you under direction and control of
18 State Farm during that mediation?

19 A. I was.

20 MR. WEBB:

21 Object SKWROEBGS to leading.

22 THE WITNESS:

23 I was.

24 MR. SCRUGGS:

25 Q. And were you instructed not to advise
108

1 the policyholder that you were employed

2 technically by Renfroe and not State Farm?

3 MR. WEBB:

4 Objection to leading.

5 A. I had been advised that prior to the
6 mediation at the beginning of the storm.

7 MR. SCRUGGS:

8 Q. What was Dr. and Ms. McFarland and their
9 daughter's reaction?

10 A. Well, they came there with high hopes.

11 I mean, he came in. He was charged, motivated.

12 MR. WEBB:

13 Please excuse me. I have to object to
14 this because now the witness is testifying about
15 what's in somebody else's mind. The question is
16 argumentative as well.

17 MR. SCRUGGS:

18 Q. Go ahead and answer it, please.

19 A. I observed him to be optimistic. I
20 think we had given -- I know I had spoken with
21 him. Given him hope that he was going to be able
22 to come to this meeting, present his evidence and
23 possibly go home with some type of settlement. He
24 had no idea that when he was walking in that room,
25 his fate had been sealed. He had no chance. He
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1 drove an hour and a half with his wife who was ill
2 to Hattiesburg thinking that they were going to
3 come do some resolution with State Farm.

4 MR. WEBB:

5 Statement objection. Move to strike.

6 THE WITNESS:

7 And we knew driving to Hattiesburg that
8 he was not.

9 MR. WEBB:

10 Same objection move to strike.

11 MR. SCRUGGS:

12 Q. We also mentioned Mike Myers, Mr. Webb
13 did. Do you recall who Mike Myers is or
14 Mr. Myers?

15 A. He's a State Farm agent.

16 Q. Over in the Bay St. Louis area?

17 A. I believe so.

18 Q. And there was a question about back
19 dating flood policies that came up and was discuss
20 in your office as you testified to Mr. Webb's
21 question?

22 A. Correct.

23 Q. And was he one of the once that was
24 involved in the at least the discussions of
25 perhaps back dating flood policies that would be
110
1 passed onto the federal government?

2 A. Yes.

3 MR. WEBB:

4 Excuse me. I object to that. She
5 didn't testify that Mr. Myers was involved in some
6 discussion.

7 MR. SCRUGGS:

8 I think she did, but I'll ask her.

9 Q. Was Mr. Myers, Mike Myers, the State
10 Farm agent in the Bay St. Louis area one of the
11 people that was involved in the discussions in
12 your State Farm office while you were there with
13 State Farm?

14 MR. WEBB:

15 Am I objection. Objection to the form.

16 A. He was the subject of the discussion,
17 yes.

18 MR. SCRUGGS:

19 Q. And that came up there another agent, I
20 thought you said of State Farm?

21 A. Another agent had gotten very upset and
22 I think her name is that Lisa ^ ck sp who
23 actually has an office down the road from him and

24 she was upset because he did that. And she's left
25 with no coverage and no way to rebuild yet he back
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1 dated his policy orient in a check or somehow did
2 something with underwriting to get flood policy
3 when he didn't have it. She was very upset and
4 tried to report it to as many people as she could
5 and I guess that's how the cat servicers learned
6 about it.

7 Q. Mr. Webb asked you about exhibit I think
8 14 and 15, exhibits 14 and 15, which are the
9 October 12th, '05 report from Forensic and the
10 October 20th report from Forensic. Do you recall
11 that?

12 A. I do.

13 Q. And the conclusion right above Mr. Could
14 San's name who is the president of Forensic at the
15 last page of the report -- do you see that?

16 MR. WEBB:

17 Which exhibit number?

18 MR. SCRUGGS:

19 14 and 15.

20 MR. WEBB:

21 We're talking about both of them.

22 MR. SCRUGGS:

23 Same thing. Both of them.

24 A. Yes, I see that.

25 Q. And Mr. Webb asked you if -- words to
112

1 the affect that it was a -- they reserved the
2 right in that paragraph that I'm referring to
3 right above Mr. KOS San's name to change their
4 report as new information came in?

5 A. Correct.
6 Q. Is that essentially sum up what it says?
7 A. Yes.
8 Q. And what Mr. Webb asked you about?
9 A. Correct.

10 MR. SCRUGGS:

11 Will you mark this, please
12 (Exhibit 16 was marked.)

13 MR. SCRUGGS:

14 Q. Ms. Rigsby, I'm going to ask you to read
15 Exhibit 16 to your testimony. If you'll read it
16 out loud. It's not long.

17 A. Okay.

18 MR. WEBB:

19 Can she identify it?

20 MR. SCRUGGS:

21 I asked her to read it out loud and then
22 I'll ask questions about it.

23 MR. WEBB:

24 Can she identify it first?

25 MR. SCRUGGS:

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1 This is my time, Dan.

2 A. All right. Exhibit 16, Nellie, had a
3 good conversation with Jack this morning regarding
4 one of many's report that had claimed wind damage
5 versus water despite much of the evidence
6 indicating water was the cause. Apparently State
7 Farm had raised an issue concerning our findings.
8 We are using our without along with the updated
9 weather data that we received later to justify our
10 changing the report findings. I suggested that

11 approach and jack was fine with it. Hopefully
12 there are not tomorrow more of these types of
13 reports lurking out there. I recall many produced
14 about 10. Hopefully some of those had a more
15 support able conclusion. Randy.

16 Q. And who is Randy?

17 A. It says Randy down and Randy -- I -- it
18 says Randy down and it gives his Forensic e-mail
19 address.

20 Q. And he's a Forensic employee according
21 to that e-mail?

22 A. Yes.

23 Q. Who is jack?

24 A. The subject is jack.

25 Q. Was Mr. Kelly referred to as jack? 114

1 A. Yes, yes. So that would be John Kelly.

2 Q. John Kelly?

3 A. Yeah.

4 Q. Who wrote the October 20 Exhibit 14 or
5 15, I think it was Exhibit 15 report?

6 A. Yeah. Exhibit 15, John Kelly.

7 Q. John Kelly. Now, the date of Exhibit 14
8 is October 12th.

9 A. Uh-huh, correct.

10 Q. Of 2005?

11 A. Correct.

12 Q. So it's the date of the report is it
13 not?

14 A. Correct. It's the date of the report.

15 Q. And it refers to an inspection that was
16 conducted prior to that date?

- 17 A. Correct.
- 18 Q. And and the report which is Exhibit 15
19 is dated October 20, 2005?
- 20 A. Correct.
- 21 Q. This is the one that's signed by Jack or
22 John Kelly?
- 23 A. Yes.
- 24 Q. All right. Where the conclusion of the
25 cause of the loss changes significantly?
- 115

1 MR. WEBB:

2 Objection to the form. Leading.

3 MR. SCRUGGS:

- 4 Q. Is that --
- 5 A. Yes, the conclusion changes.
- 6 Q. The conclusion changes. Mr. Webb showed
7 you what is I think Exhibit 7 a roster?
- 8 A. Uh-huh, yes.
- 9 Q. Right?
- 10 A. Right. Got it.
- 11 Q. Would you look over at Page 10 of that
12 roster?
- 13 A. Yes.
- 14 Q. In about a short ways down the list,
15 there are -- it begins Forensic analysis and
16 engineering?
- 17 A. Yes.
- 18 Q. Do you see that from the left hand
19 column?
- 20 A. Yes.
- 21 Q. Is that F A E C?
- 22 A. Yes.

23 Q. And is the address the second entry, the
24 address, 2558 south shore drive, Biloxi?

25 A. Yes.

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1 Q. Is that the McIntosh home?

2 A. It is.

3 Q. And if you go back to the front page of
4 Exhibit 7 in the last two columns on the right,
5 one says inspection date, right?

6 A. One says inspection date.

7 Q. And the next one says report received?

8 A. Correct.

9 Q. All right. Go back to Page 10 again for
10 South Shore drive for the McIntosh residence.
11 What's the date that it was inspected, according
12 to the State Farm document?

13 A. October 24th, 2005.

14 Q. Does that comport with exhibits 14 or
15 15?

16 A. No. 14 states that it was field I
17 believe specified on October 7th. Exhibit 15
18 states it was field inspected on October 18th.
19 Actually this is showing that it was field
20 inspected after both the reports had been
21 completed.

22 Q. So that would indicate that State Farm's
23 roster, their confidential State Farm insurance
24 confidential proprietary information Exhibit 7 is
25 inaccurate?

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1 A. Correct.

2 Q. On the date the McIntosh residence was

3 inspected?

4 A. Correct.

5 Q. Now in the next column it says date the
6 report was received.

7 A. January 5th, 2006.

8 Q. When were those reports actually
9 received?

10 A. State Farm is supposed to stamp each
11 incoming piece of mail with a received stamp, and
12 I don't see the receive stamp on these. So we
13 don't know the exact date it was received, but we
14 know it was received at the end of October or
15 first of November because that's when I saw them.

16 Q. Of 2005?

17 A. Of 2005.

18 Q. Well before State Farm's Exhibit 7 shows
19 they were received?

20 A. Correct.

21 Q. Was exhibit 14, which is the October 12,
22 2005 report from Forensic, is the first page of
23 that the one that had Ms. King's sticky note on
24 it?

25 A. Yes, it did.

118

1 Q. And that's the one she put in this file
2 drawer that she had under lock and key?

3 A. She put it at her desk, and it's
4 possible that she actually put it in the file
5 drawer. It went in that file drawer, yes.

6 MR. WEBB:

7 Objection. Move to strike.

8 MR. SCRUGGS:

9 Q. Do you recall while you were working out
10 of the State Farm catastrophe office in
11 Mississippi sometime in the early part of 2006 a
12 grand jury subpoena for documents being served on
13 State Farm?

14 A. Yes.

15 Q. Were documents in that office?

16 A. Yes, they were.

17 Q. Subsequent to the serving of the grand
18 jury subpoena, were documents from that office
19 shredded?

20 A. Yes. They were -- what was odd about
21 that is we had been in Gulfport for months and
22 never once saw the shredder truck. And of course
23 we do shred documents we don't need for privacy
24 issues. But we had been over in Gulfport for
25 months and never needed a shredder truck and then
119

1 when we got to this location in Biloxi and the
2 subpoenas were coming out, awful a sudden we
3 started seeing shredder trucks often. I had been
4 on cat for years and I don't know that I ever seen
5 a shredder truck. I knew we shredded but I don't
6 know why we would need one so often all of a
7 sudden.

8 Q. The shredder talk was what size?

9 A. It was a very large truck. It wasn't an
10 18-wheeler, but it was a large truck.

11 Q. And the shredding apparatus was inside
12 that truck?

13 A. I believe it was, yes.

14 Q. And there were bins in the office.

15 A. Bins in the office and they would go get
16 the bins and wheel them down to the truck. They
17 would shred it there.

18 Q. Mr. Webb asked you about Mark Drain.

19 A. Yes.

20 Q. Is Mr. Drain single?

21 A. No, he's not.

22 Q. Was he during the time you knew him?

23 A. No, he was not.

24 Q. You were?

25 A. I was, yes.

120

1 Q. What was his relationship to you in
2 terms of professional relationship?

3 A. He was a -- or is a State Farm team
4 manager. And the team managers are over the
5 independents, so he would be considered one of my
6 many supervisors.

7 Q. Is has he made efforts to contact you
8 since this may 13 e-mail where you broke it off,
9 so to speak, broke off the relationship?

10 A. Yes, he has.

11 MR. SCRUGGS:

12 I think that's all.

13 MR. WEBB:

14 Go off the record.

15 VIDEO TECHNICIAN:

16 We're going off the record. The time is
17 12:53

18 (Off the record.)

19 VIDEO TECHNICIAN:

20 We're back on the record. The time is

21 12: 58.

22 MR. WEBB:

23 Q. Ms. Rigsby, just a couple of things.

24 Mr. Scruggs asked you some questions about an

25 e-mail that is Exhibit 16, correct?

121

1 A. Correct.

2 Q. And this e-mail to your knowledge

3 doesn't reference or have any particular

4 application to the McIntosh claim, does it?

5 A. Well, it talks about that changing that

6 last disclaimer and saying that she only put it in

7 -- Orman did you only put it in 10 reports, so I

8 guess this would be one of the 10.

9 Q. Okay. So -- but this specific e-mail

10 does not reference the McIntosh file?

11 A. It does not reference the McIntosh file.

12 Q. You talked about shredding and the

13 shredded truck.

14 A. Right.

15 Q. And was the shredded truck that came up

16 to I believe it was the Biloxi office when you got

17 over there?

18 A. Correct.

19 Q. Do you have any idea or knowledge about

20 the capacity for storage inside the Biloxi office

21 versus the Gulfport office?

22 A. I do not.

23 Q. You don't know whether there was a need

24 from a capacity standpoint to actually shred

25 personal confidential information from insureds

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1 more so than Gulfport, do you?

2 A. No. What struck me as mostly odd about
3 the shred der truck is that the grand jury had
4 subpoenaed documents. That's what struck me as
5 odd.

6 Q. Okay. Can you tell me whether it's one
7 document or 1,000 or 10, any document that you
8 know of or claim to have been shredded that in any
9 way relates to the McIntosh claim?

10 A. Do I know of any documents were shredded
11 relating to the McIntosh claim.

12 Q. Yes, ma'am.

13 A. Is your question.

14 Q. By specifically telling us what those
15 documents or?

16 A. I don't know if any of the McIntosh
17 claim had been shredded.

18 Q. Can you identify one document, even one
19 document that you know specifically that was
20 shredded related to any of the other claims in any
21 of the cases Scruggs Katrina Group represents?

22 A. That he represents? I don't know. I
23 know of documents that I went to look for while I
24 was working for State Farm that were no longer
25 there, but as far as his clients, I don't know.

123

1 Q. Okay. When you say you don't know, does
2 that mean you can't name one document specifically
3 that you would assert was shredded that relates to
4 any of the clients Mr. Scruggs that you're aware
5 of represents?

6 A. The only -- the only document that I
7 believe was shredded that I know of and I know we

8 have two copies here, but I think when we went
9 back in this file, the McIntosh file, the original
10 report was gone. I don't know if it was shredded
11 or not. Other than that, no.

12 Q. Okay. Other than your belief that you
13 don't know to be true?

14 A. It was gone. It may not have been
15 shredded.

16 Q. And your testimony under oath is you
17 didn't take it, right?

18 A. I took a copy of it. I made a copy and
19 put it back.

20 Q. But you didn't put it in the wind file
21 that it needed to go into did you?

22 A. I gave it to Lecky King.

23 Q. But you didn't put it in the homeowners
24 file?

25 A. I did not.

124

1 Q. And that's where it was designated by
2 the sticky note to go to?

3 A. Put in the wind file. Do not pay. Do
4 not discuss. So, yes, she wanted it in the wind
5 file.

6 MR. WEBB:

7 Subject to our reservations, that's all
8 I have.

9 VIDEO TECHNICIAN:

10 This concludes the deposition. The time
11 is 1:02.

12

13

kerri 5012007. txt

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