

Weaver - Direct

1 THE WITNESS: So help me God. Thank you.

2 THE COURTROOM DEPUTY: Will you state and spell your
3 name for the record.

4 THE WITNESS: It is Fawn Weaver, F, as in Frank,
5 A-W-N, last name Weaver.

6 FAWN WEAVER,
7 having been first duly sworn, was examined and testified as
8 follows:

9 DIRECT EXAMINATION

10 BY MR. COLLINS:

11 Q Ms. Weaver, you've heard some of this cash flow
12 testimony?

13 A Yes. It's very interesting.

14 Q Do you have any thoughts in terms of -- and you're the
15 CEO --

16 A Yeah.

17 Q -- of the company, correct?

18 A Yes. I have quite a few thoughts. If you put the
19 document back up that's under question that you can't find the
20 email for, but once -- I have a device. I'm happy to forward
21 the email in.

22 While he's finding that, I will share what it is, because
23 Mr. Larin absolutely has it because that is a part of a folder
24 that still exists to this day of Google Docs. I just simply
25 went in and pulled it down. Not that one. The actual cash

Weaver - Direct

1 flow.

2 That was sent as a template by Mr. Flores, asking, is
3 this how you want this to be done? And the actual cash flow
4 is what came after that. That is the document you're trying
5 to get into evidence. Can you put that one up?

6 While he's doing this, Your Honor, I understand that you
7 do not do these kind of hearings.

8 THE COURT: Hold on a minute.

9 Mr. Collins.

10 MR. COLLINS: Yeah.

11 THE COURT: Hold on a minute.

12 Ms. Weaver, please don't speak to me directly.

13 THE WITNESS: I'm sorry.

14 THE COURT: Okay?

15 THE WITNESS: Yeah, yeah.

16 THE COURT: Mr. Collins, ask questions.

17 Ms. Weaver, answer questions.

18 THE WITNESS: Got it.

19 THE COURT: Let's stay to that, all right?

20 THE WITNESS: Okay. So this particular document was
21 the actual forecast. That was what actually went in. You
22 have the actuals to the left, and you have the forecast to the
23 right.

24 BY MR. COLLINS:

25 Q And have you seen this document before?

Weaver - Direct

1 A Absolutely. We all have. It's a part of the folder that
2 was created in every single week. Our interim CFO, Carlos
3 Flores, and our other team member would enter this in every
4 single week. I wasn't involved in the preparation of it, but
5 I most certainly saw it every single week, as did Mr. Larin.

6 Q And this is a business record of the company?

7 A And it still remains in the same Google Doc that is
8 shared by all of us to this day, Riveron, Uncle Nearest.

9 MR. COLLINS: I would move to have this into
10 evidence, Your Honor.

11 MS. LIGGINS: Your Honor, I still don't believe she's
12 laid the proper foundation for the admittance of this exhibit.
13 She has actually testified that she did not prepare it, that
14 she has an email that somebody else sent to her that is not --

15 THE WITNESS: No, no. That --

16 THE COURT: Hold on a minute. Ms. Weaver, listen,
17 when you're asked a question, answer it. Other than that,
18 nothing, okay?

19 THE WITNESS: Yes, sir.

20 THE COURT: Now go ahead.

21 MS. LIGGINS: Thank you, Your Honor. She has
22 testified that she did not prepare this document. She's
23 testifying about an email that is not in evidence. So I do
24 not think the foundation has been properly laid. I think the
25 same objection that I had before continues.

Weaver - Direct

1 MR. COLLINS: I think she has the ability to testify
2 as to this document as a legitimate business record. She's
3 the CEO of the company. This is a cash flow forecast that the
4 company prepared. I think the foundation is there. I think
5 even the foundation for her to testify to how this process
6 between exhibit, the exhibit to the Larin --

7 THE COURT: I understand your objection, and a lot of
8 good points. It's a little unconventional how we proceeded in
9 this hearing. The Court's going to admit this and give it the
10 weight that the Court thinks it deserves. But your objection
11 is overruled and I'm going to admit it. But let's move on.

12 MR. COLLINS: Thank you, Your Honor.

13 THE COURT: We've talked about this one a lot. Now I
14 imagine there are more important points you want to get to,
15 Mr. Collins.

16 BY MR. COLLINS:

17 Q And so let's talk about what might happen to this company
18 and where you see the company moving if the receivership were
19 terminated.

20 A Absolutely. Well, if I can go back to Mr. Severini's
21 testimony, until the beginning of January, we were never told
22 that there was a cash flow challenge at all. We were told the
23 exact opposite. Every cash flow forecast that has been
24 provided to me until the receiver stopped providing them
25 showed that we were cash flow positive. It's the same

Weaver - Direct

1 communication he has shared with everyone.

2 And it wasn't until December 10th, when it was the last
3 cash flow report I received, and after that I was advised that
4 unless I sign an NDA and agree not to file those cash flow
5 reports with the Court, it is the only way I would be able to
6 see cash flow reports.

7 So I sit here having only seen cash flow reports during
8 the entire receivership, sans the first portion of it where
9 the cash flow report was incorrect, and I contacted both Mark
10 and Tim because it was showing a loss of a million dollars.
11 It was incorrect because --

12 Q And you're talking about Mark Ruday and Tim Stone?

13 A Mark Ruday and Tim Stone. It was incorrect because --
14 and I think they're fantastic. However, they were running a
15 52-week run rate. That included an enormous amount of legacy
16 payments between the departure of our CFO in October and that
17 period of time.

18 For Mr. Severini, we began paying past-due payments of
19 payroll that we didn't know was outstanding while also keeping
20 up with the current payroll. And so if you're looking at all
21 of these additional payments that were being made during that
22 period of time, they had already been cut out by the time the
23 receivership came in. I had personally cut 40 percent of
24 expenses by the time he had come in, 40 percent that had been
25 realized. An additional 20 percent had already been cut by

Weaver - Direct

1 the time we got to October.

2 Q Let me ask you a question. In January, from all of 2025,
3 has Farm Credit provided any funding in terms of availability
4 on the credit line?

5 A No.

6 Q So everything that has happened in this company, at least
7 before '25 but certainly all of '25, that eight months, or six
8 or seven, eight months, was all done through company operating
9 cash flow?

10 A Absolutely, and because, as the testimony that you've
11 heard today, Uncle Nearest was continuing to grow. We were
12 continuing to outpace the market. We always have. We ran
13 into a very challenging time that I, as a CEO, was trying to
14 maneuver some uncharted waters for me, to say the least,
15 continuing to lead this company forward, continuing to grow
16 this company in a background that is challenging, but still
17 making sure that in the market we're growing, because if in
18 the market Uncle Nearest is beating the market when everyone
19 else is down or mostly everyone else is down, that makes our
20 company highly valuable. It makes us highly valuable to
21 refinance. It makes us highly valuable in order to sell.

22 At the time that the receivership began, the reason why
23 there were no lawsuits by any of our creditors, including our
24 payroll company, is we had made arrangements with every single
25 one, including TDG, and we were on time for all of them, as

Weaver - Direct

1 Mr. Severini has in his.

2 So, yes, it was a juggle, yes, it was tough, but I was
3 managing that, and our team was still continuing to grow the
4 brand and to grow the company. We cut the fat. We cut no
5 muscle. The receiver came in. He began insisting on things
6 that would cut muscle, slowing down the process.

7 So when we're talking about a material change, what has
8 happened from the time that the receivership began to what is
9 happening now, when it began, we were figuring out how to take
10 care of a lot of legacy payments, how to get Farm Credit
11 refinanced. That's what we were figuring out, but we were
12 doing it while still growing. The more we grow in a market
13 that is down, the more options we have. By putting the
14 receiver in, we lost every option.

15 Q And during 2025, did you make any payments? Did the
16 company make any payments to Farm Credit?

17 A Of course.

18 Q How much, about, approximately?

19 A In 2025, 7.5 million.

20 Q So \$7.5 million was paid down on the Farm Credit debt?

21 A Correct. In the period of time that -- their prior
22 testimony was that we were in default from January 2024 until
23 the time they filed. We spent, we paid Farm Credit \$16
24 million during that period of time.

25 Q Okay. And in terms of -- you know, we've seen the

Weaver - Direct

1 Nielsen data and the things dropping. How do you see the
2 company moving forward, if the receivership were terminated,
3 in terms of reversing that trend?

4 A It will be liquidated. He would have taken a very
5 healthy company that had a --

6 Q That's not my question. My question is if the
7 receivership is terminated.

8 A If it is terminated, if it is terminated today, say, for
9 instance, if it is terminated today and I walk out onto the
10 front of the courtroom steps and I simply put up a social
11 media post -- and the irony of this conversation about media
12 is I haven't said a single thing in the media since this began
13 because I never wanted to influence anything that was said in
14 the media.

15 But what I will say is that the Uncle Nearest consumer
16 still believes in me. The majority of Uncle Nearest
17 investors -- who ironically every single one of our largest
18 investors are actually connected to Danny Romano. That's how
19 we found him. They call him on a very regular basis to check
20 in. And the conversation has never been that Fawn makes the
21 company less valuable. It has always been, if she is not out
22 there and building this company, none of us are going to get
23 our money back.

24 Q Now, in terms of vendors, let's say the receivership were
25 terminated. Do you believe that the vendors that were working

Weaver - Direct

1 with you prior to the receivership would also work with you
2 after the receivership?

3 A Without question. If you take Advanced Spirits, for
4 instance, that just wrote a demand letter, that goes away.
5 MarcyPen's convertible note, that was based on the sale of my
6 own personal shares. They only triggered that because of the
7 receivership. That wasn't set to convert until 2030.

8 So you have a series of things that are showing as owed.
9 In their own financial report that they filed, it shows 17
10 million that's due to UN affiliates. Who are those
11 affiliates?

12 So we have all these numbers that if the receivership
13 isn't in place, the 10 million that we started off with, we
14 still get back to that 10 million or very close to it. But if
15 you're looking at all of the people that are now triggering
16 because I am no longer leading this company and a receiver who
17 told all of them that we were cash flow positive until the
18 first week of January, yes, they are absolutely upset and they
19 are absolutely triggering right now.

20 Q In terms of your role as CEO, what would you recommend as
21 the outcome of this hearing and why would that help benefit
22 the company?

23 A I would recommend as the outcome of this hearing -- I
24 can't say what the Court should do, could do. The only thing
25 I know for sure is, as quickly as that Nielsen trend went

Weaver - Direct

1 down, because the receivership began -- it wasn't the lawsuit.
2 The things that the bank claimed, there's a trial for that or
3 there's a hearing for that. We will do the counterclaims, all
4 of that.

5 But as consumers of Uncle Nearest, as they looked at it
6 and I was still in control, it is why the sales went up when
7 that happened, because they looked at it as Uncle Nearest is
8 under attack. Fawn Weaver is under attack. We've got to
9 support.

10 That support comes back. It has gone nowhere. The only
11 reason that Mr. Young gets the calls from investors is because
12 I stepped back from having those communications with them, not
13 wanting to interfere, because he believed that he could get
14 the loan refinanced.

15 Now that I understand that he's not going to get it
16 refinanced, that he ran a four-week process -- everyone's
17 interest was due on December 19th. He ran a four-week
18 process. It takes months to sell a brand in a healthy market.
19 Four weeks in this market, you're indicating to every
20 potential buyer this is a fire sale. And if I'm a PE company
21 or I'm a VC company and I know the value of Uncle Nearest, I
22 am going to absolutely cram down the value of it, offer
23 something incredibly low, flip it to another PE company
24 immediately, who flips it to another one immediately, who then
25 flips it to a big guy to kill it, because, outside of Tito's,

Weaver - Direct

1 Uncle Nearest is the first independent spirit brand to succeed
2 nationwide, hard stop.

3 Q Okay. In terms of your marketing and your efforts during
4 the receivership, have you slowed down at all in terms of
5 being out in the public and trying to still build a brand?

6 A The only slowdown has happened this year, because even
7 though they spoke about the fact that I travel the most, what
8 they left out is that I cost the least as well. And the
9 reason I cost the least is because I am a highly sought-after
10 speaker. At least I was before they put this cloud over me,
11 trying to paint fraud and misappropriation, which their own
12 records show is not true. When you do that, you lose speaking
13 engagements.

14 The reason why I had so many speaking engagements,
15 besides the fact that I only pay myself \$90,000 a year from
16 Uncle Nearest, but the reason I had so many is because we
17 timed them with going into markets for me to do GSMS, general
18 sales meetings, for me to do bottle signings, for me to -- so
19 they see me all over the country. But Uncle Nearest wasn't
20 paying for that. Whoever brought me in to speak was paying
21 for that.

22 MR. COLLINS: Your Honor, I know we're running out of
23 time, so I don't want to go long.

24 BY MR. COLLINS:

25 Q Are there any other things about the hearing today that

Weaver - Direct

1 cause you concern that the Court ought to know?

2 A I'm greatly concerned. We absolutely -- you have an
3 unbelievable amount of affidavits that were filed on
4 Wednesday, and if I were given the time, I could go one by one
5 and dispute every single one with evidence. But in an
6 environment where everything is crammed into one day, it's
7 absolutely impossible.

8 I wish I could. I sort of think that I have superpowers
9 in that regard, but it's just not reasonable. They labeled
10 their exhibits today when they got here, so there's no way to
11 prepare, to go back and say, okay, this exhibit, this -- so we
12 look like we're fumbling. But that was intentional. They
13 literally data-dumped with so many lies, and we can't -- we
14 don't have the ability or the time to dispute.

15 Mr. Larin going back and forth on his own document,
16 saying that he wasn't familiar with that cash flow, it's in
17 his folder. He created the folder. The folder exists to this
18 day. And the only way that you can put the things that they
19 put in the affidavits is that you are absolutely trying to
20 paint a picture that you cannot paint with the truth.

21 Through December 10th, the last cash flow report I
22 received from the receiver, every cash flow report is
23 positive, and it doesn't flip negative until potentially the
24 second week in February. And I told them then that they were
25 under-forecasting, and I knew they were under-forecasting

Weaver - Direct

1 because they're listening to Scott with Thoroughbred. And
2 Scott is fantastic, his team is fantastic, but they've never
3 worked with a brand our size.

4 They also have never worked with a brand whose consumer
5 base is the culture. For everyone who isn't a part of the
6 culture, the best way to describe the culture is everybody who
7 dances on two and four. So it's not just Black, it's, you
8 know, certain parts, certain Latinos. But that particular
9 consumer base where they keep going back to, bourbon is down,
10 bourbon is down, yes, bourbon is down, but the Uncle Nearest
11 consumer is not the bourbon consumer. The Uncle Nearest
12 consumer is the Uncle Nearest consumer.

13 If I had control -- now, I don't care about that.
14 Listen, we had the third-party investigation that was going
15 before the receiver came in.

16 MS. LIGGINS: Your Honor, what is the question?

17 MR. COLLINS: We're trying to -- I'm trying to speed
18 this up, Your Honor.

19 THE COURT: I'm going to give her a little bit of
20 latitude. So to the extent that that's an objection --

21 MS. LIGGINS: It is an objection.

22 THE COURT: -- which I assume it is --

23 MS. LIGGINS: Yes, Your Honor.

24 THE COURT: -- it's overruled. But let's -- yeah.

25 BY MR. COLLINS:

Weaver - Direct

1 Q So finish up.

2 A I don't even remember. Sorry.

3 But this is what I will say, and this is what I know for
4 sure, is there is not a single person in this room who has
5 built a brand the size of Uncle Nearest, that has worked with
6 the CPG brand in the spirits industry the size of Uncle
7 Nearest, an independent.

8 What we have done across this country has never been done
9 before. And to say that the larger spirit conglomerates would
10 love to get their hands on Uncle Nearest at a discount is an
11 understatement. So if Mr. Young is getting calls from people
12 saying that my involvement is harming the brand, that is
13 because I haven't gone away, and the Uncle Nearest consumer is
14 waiting to buy again the moment that they know that I am
15 leading the company.

16 So if I had an outcome -- and I don't even know what the
17 legal is, and you and I haven't spoken about this. But if I
18 had an outcome that I felt would be most beneficial to
19 allowing the company to grow, it is to put the company back in
20 my hands. If they want to prove fraud or misappropriation, by
21 all means, please do. You have access to every record that
22 exists. By all means, please do. But until you can actually
23 charge me with something or actually claim something against
24 me, do not kill my company in the process that I built with
25 every penny I have.

Weaver - Cross

1 Q You're not disputing that Advanced Spirits has a debt,
2 right?

3 A Well, let's be clear about -- no, no. You can't ask me a
4 question and -- let's be clear about what that debt is related
5 to.

6 THE COURT: Hold on, hold on, hold on, hold on. Ask
7 a question, answer the question. I don't want any arguing,
8 okay?

9 MS. LIGGINS: Yes, Your Honor.

10 THE COURT: You don't have to agree with the
11 question.

12 THE WITNESS: Yes.

13 THE COURT: But you answer the question.

14 THE WITNESS: Yes.

15 THE COURT: No back-and-forth.

16 BY MS. LIGGINS:

17 Q Do you dispute that Advanced Spirits has a debt?

18 A I can say that Advanced Spirits' debt is directly related
19 to the \$21 million in barrels you have said are missing. So
20 if the debt is due, the \$21 million in barrels that you-all
21 said were missing have somehow been found.

22 Q Do you dispute that MarcyPen has a debt?

23 A MarcyPen has a debt but only because the receivership
24 triggered it. MarcyPen had no intention of taking on debt.
25 And since you asked the question, let's talk about what that

1 MarcyPen debt is.

2 MarcyPen wanted to buy shares into the company. They had
3 no desire to do a convertible note, none whatsoever. I asked
4 them to do a convertible note because the shares that were
5 being sold were my personal shares. And I was putting 100
6 percent of the \$20 million, which you so wonderfully tracked
7 in your subordinated credit agreement, that every single penny
8 that I am now being said to have misappropriated is in the
9 document that you filed, showing that 100 percent of that
10 money went to Uncle Nearest.

11 But who was the owner of those shares? Me, Grant Sidney.
12 That 21 million was never meant to, was never meant to convert
13 into a loan. And if it hadn't been for the receivership, it
14 would not. And I guarantee if I make a phone call to them and
15 say, would you still like interest in the company instead of
16 the loan, we'll be able to work that out, like every other
17 vendor, every other relationship. The only relationship that
18 we had a challenge with, leading up to this, was Farm Credit,
19 the only one.

20 Q To the tune of \$100 million?

21 A To the tune of \$100 million. There's no question about
22 that.

23 Q Okay.

24 A But you're bringing in other vendors, and none of them --
25 or creditors -- had an issue. We had -- every single one was

1 willing to work with us, every single one.

2 Q Everybody was working with you with their debt except for
3 MCA, except for Farm Credit?

4 A Correct.

5 Q Okay. And MarcyPen gave Uncle Nearest, what did you say,
6 \$20 million?

7 A It wasn't a gift.

8 Q A loan?

9 A I sold my shares, and it was done as a loan at my
10 request.

11 Q Okay.

12 A And it was only for tax purposes. It was never to be
13 treated -- they never intended it to be a loan. It was
14 because I was putting all 20 million back into Uncle Nearest.
15 I would have been taxed \$9.5 million, which the company would
16 have had to have covered this year. That didn't make any
17 sense for me to sell my shares, to put it into the company,
18 for the company to then have to pay a \$9.5 million capital
19 tax.

20 So I asked MarcyPen, instead of buying the shares, can we
21 do it as a convertible note, but what you're converting are my
22 personal shares? That is what is in the document that you
23 have; that if you don't have it, Mr. Young most certainly has
24 it, because he received it on the very first day that his
25 receivership began, and I walked him through what it was on

1 the very first day.

2 Q Okay. So they, MarcyPen, structured the \$20 million as a
3 loan to Uncle Nearest to prevent you from having tax
4 liability?

5 A To prevent Uncle Nearest from having to pay the tax
6 liability, because 100 percent of that 20 million was going
7 into the company. If I had sold it as they had requested, it
8 makes sense if that money is coming to me. But the money
9 wasn't coming to me. The money was being invested in Uncle
10 Nearest.

11 Q Okay. So then you moved the \$20 million. Is that why
12 you moved the \$20 million from Uncle Nearest to Grant Sidney,
13 because it was for your shares?

14 A No. Let's be very clear. Let's be very, very clear.
15 You have, you-all -- well --

16 Q When you say you, who are you talking about?

17 A Farm Credit.

18 Q Okay.

19 A That's who you represent, Farm Credit. But it was
20 specifically McGuire Woods. It was specifically your firm
21 that was quite aggressive during this window of time where
22 this money was being received, very aggressive. So along with
23 my board and financial advisors, we made the decision to make
24 sure that \$20 million coming in could not be snatched by you.

25 Q Okay. So that's why you moved it into a Grant Sidney

1 account, because Farm Credit was being so aggressive about
2 wanting to collect its debt, so you moved it to an account so
3 FCMA couldn't get to it?

4 A No. Actually, that's not what happened. The reason --
5 it wasn't FCMA. I mean, you would have still had to file
6 things to get to it. It is that we were in the middle of
7 negotiating a forbearance agreement with you, and you were
8 telling us, you personally were telling us that we needed to
9 come up with \$40 million in two weeks or you were going to put
10 our company into receivership, a company that was otherwise
11 healthy in terms of the brand and the growth. And we were
12 trying to figure that out, but we needed to also make sure we
13 were able to operate our business, and that meant I needed to
14 bring in outside resources.

15 So, yes, we brought it into an account that was set up
16 solely for the transaction, has never been used before. And
17 you-all have these bank statements. It had never been used
18 before. It's never been used after. So the transfer was used
19 as a pass-through and a pass-through only.

20 The reason it came into Grant Sidney is they were my
21 shares, and I needed to make sure that we could continue
22 operating the company when you-all were clearly trying to harm
23 the company. Whether or not you think that's what you were
24 trying to do, that is effectively what was happening. And it
25 was my job, as a CEO and the person who built this company, to

1 do anything and everything I could to make sure that my
2 company did not die over some past dealings with former
3 employees.

4 Q Got it. And so I heard you say that you are focused on
5 returning the investors back all their money?

6 A You heard me say that just now?

7 Q When you were testifying with Mr. Collins.

8 A That wasn't -- that's not what I said.

9 Q That's not your focus?

10 A That is not what I said.

11 Q Is that your focus?

12 A My focus is making sure that every creditor is paid off,
13 that every shareholder is made whole, and that Uncle Nearest
14 continues to grow, yes. But was that a part of testimony
15 today? No.

16 Q And what's your plan to pay FCMA?

17 A The same plan that we were working on when you rejected
18 the offer to pay off the debt, the same thing, because the
19 process that the receiver is running now, you will make less
20 money than you would have if you had accepted the offer from
21 our investor to begin with.

22 Q And you did testify that if you went to the courthouse
23 steps, all the other debt would go away, right?

24 A No, that's not what I testified. But I appreciate
25 your -- what I said is that if I went to the courthouse steps

Weaver - Cross

1 and said Uncle Nearest is back in my hands, every store with
2 Uncle Nearest across this country would sell out, the same
3 thing that happened when you filed the lawsuit. The moment
4 that happened, I went on social media and I said, I can't
5 really tell you-all what's going on right now because I'm
6 under a gag order. However, I need you to go across the
7 country and clear the shelves.

8 And, as Mr. Romano and any other distributor that will
9 attest to, I did one single post and every bottle of Uncle
10 Nearest across the country cleared out. However, you wouldn't
11 let us dump our barrels in order to replace the Uncle Nearest
12 in the market, so Uncle Nearest just began going out of stock
13 around the market because you believed that your barrels at a
14 liquidated price would make you more money than allowing Uncle
15 Nearest to make between 6,000 and \$8,000 a month on our
16 finished goods going out across the country.

17 So, yes, to answer your question. Do I believe that I
18 turn this company around and the valuation of this company
19 around if it is back in my hands? And, yes, if I did a single
20 post on the courthouse steps that said that? Yes, without
21 question. Those negative numbers that you see in the Nielsen
22 would turn black within 30 days. I am positive of that.

23 Q But it won't make the debt go away, will it, Ms. --

24 A It will not make the debt go away, but --

25 Q Wait. Wait. Let me finish.

1 A I thought that was a question.

2 Q It won't make the debt go away because you do a social
3 media post, correct?

4 A Well, what it will do is it will build the valuation of
5 the company back so that when we're talking about what can
6 investors invest in, they're investing in a company that is
7 going against the entire market, that is growing against all
8 odds. We are able to tell investors this is the brand that
9 will still be here centuries from now. We're able to tell
10 investors this is the brand that can beat every other brand in
11 the market if it has what it needs. We can go out and we can
12 do that, and then you can be paid off. Yes, that does all
13 correlate.

14 Q How many investors do you have today?

15 A 212.

16 Q Do you have an accurate cap table?

17 A We do not. And you know why?

18 Q Yes.

19 A But would you like me to share why?

20 Q I would.

21 A Feel free to ask the question so I can answer it.

22 Q Oh, thank you.

23 THE COURT: Hold on a minute. That's going to stop
24 or this hearing is over with, okay? No back-and-forth.

25 Do you understand me?

Weaver - Cross

1 THE WITNESS: Oh, absolutely.

2 THE COURT: Do you understand me?

3 MS. LIGGINS: Yes, Your Honor.

4 THE COURT: All right. Let's be professional, and if
5 we can't be professional, this hearing is over.

6 THE WITNESS: Yes, sir.

7 BY MS. LIGGINS:

8 Q Why don't you have an accurate cap table?

9 A We do not have an accurate cap table because our former
10 CFO was selling shares on the market in the secondary, and
11 there are a lot of shareholders that purchased shares, many of
12 the shares belonging to me, in which he used forged stock
13 trade certificates in order to sell shares.

14 So do we have an accurate cap table based on what we knew
15 had come into the company? Absolutely. Do we have an
16 accurate cap table based on the secondary shares that were
17 sold? We do not. But we also were the reason for the
18 third-party investigation in which our board hired Duane
19 Morris, a top law firm, who then hired Kroll in order to do a
20 third-party investigation not just into our CFO but into our
21 CFO, the entire finance team, and into myself and into my
22 husband.

23 This was not a report that we were going to get; that we
24 were going to deliver to the board. It was going to be
25 delivered directly to the board. And if there was any

1 wrongdoing from my husband and I, based on what those
2 third-party results were, that would have been in there. But
3 that ended when the receiver came in, so they never, they
4 never finished. However, had they, we might have a more
5 accurate cap table, because that's what they were working on
6 as a part of their forensic investigation.

7 Q Understood. You heard some testimony probably earlier
8 about Chapter 11?

9 A What about it? Yes.

10 Q Have you considered -- did you consider filing Chapter 11
11 before the receivership was in place?

12 A I did not consider it because every single person who
13 recommended it, every single one said my cap table would be
14 wiped out. So the company would continue, but the cap table
15 would be wiped out, which means that every person who believed
16 in me, every person who invested in me would go to zero. I
17 wasn't willing to let that happen.

18 Q You also said you had been working on raising, you know,
19 capital, looking at other deals. You were doing that before
20 the receivership too, though, weren't you?

21 A What are you referring to? I haven't looked at raising
22 capital since this began because I can't -- I don't have
23 financials. We've asked for them over and over, and we've
24 either been met with silence or we've been told no.

25 Q Did you try to refinance before the receivership?

Weaver - Cross

1 A We didn't try to refinance. We had investors that were
2 willing to take the debt out, and those investors were turned
3 over to the receiver when that began. And they were all
4 interested in taking out the debt, and then they realized that
5 a fire sale was being run, so they participated in a fire
6 sale, as I would have if I were the investor.

7 MS. LIGGINS: Okay. No further questions, Your
8 Honor.

9 THE COURT: Thank you.

10 Do you have any questions?

11 MR. CAMPBELL: No questions, Your Honor.

12 THE COURT: All right. Thank you, Mr. Collins.

13 MR. COLLINS: Thank you, Your Honor.

14 THE COURT: Thank you, ma'am.

15 THE WITNESS: Thank you.

16 THE COURT: All right. Is that it, Mr. Collins?

17 MR. COLLINS: If we want to go to the motion to
18 clarify, I guess that's their motion.

19 THE COURT: He said he didn't want to pursue that,
20 just to proceed on the pleadings, so --

21 MR. COLLINS: We may be able to --

22 THE COURT: You can step down.

23 MR. COLLINS: I'm trying to think of the best way to
24 make this super short.

25 THE COURT: Well, I tell you what we're going to do.

1 If that's all of our proof, then the Court is going to take
2 that under submission. An order is going to be forthcoming.
3 I'm going to give you a little bit of direction on what I
4 would like from both sides before I decide this issue. And so
5 does that sound fair?

6 MR. COLLINS: That sounds good, Your Honor. I
7 appreciate all -- I know the timing of this was crazy, but I'm
8 glad we were able to work through it and get it done.

9 THE COURT: So I will put down an order that will
10 give you a timeline, and I will make some requests in that
11 order of what I will need from you-all. And it might include
12 if you want to submit some additional proof by affidavit for
13 the Court's consideration. The Court will consider it. So
14 that order will be forthcoming.

15 Until any further order of the Court, all existing orders
16 stay in place, so we're still proceeding as we did when we
17 came in here. I'll make a decision as quickly as possible.
18 I'll get that order down with some further directions quickly.
19 I'm going to put you on a quick timeline because I imagine you
20 want a quick answer to this, and then I'll turn an order, a
21 final order around with a final decision as quickly as I can.

22 Does that answer your question, Mr. Collins?

23 MR. COLLINS: Very good, Your Honor. Thank you.

24 THE COURT: But before you leave here today -- now,
25 and I'm not -- this statement is not intended to forecast a