

RECEIVED
SUPREME COURT
STATE OF WASHINGTON
2013 MAR 20 P 12:50
BY RONALD B. CARPENTER
CLERK

SUPREME COURT OF THE STATE OF WASHINGTON

Bar No. 32347
Supreme Ct. Case No. 201,049-1

In re

FREDRIC SANAI

Lawyer (WSBA No. 32347)

REQUEST FOR JUDICIAL NOTICE

Cyrus Sanai, CSBA 150387
433 N. Camden Drive #600
Beverly Hills, CA 90210
Telephone: (310) 717-9840
Facsimile: (310) 899-0585
Counsel pro hac vice

Joshua Dabling, WSBA #44792
313 NE 185th St
Shoreline, WA 98155
local counsel

1. IDENTITY OF MOVING PARTY

Fredric Sanai, Appellant and Respondent (“Fredric” or “Sanai”), requests the relief designated in Part 2.

2. STATEMENT OF RELIEF SOUGHT

Fredric requests judicial notice of the filing by Viveca Sanai in a pro se capacity of the Motion to Recall Mandate and her declaration in support of said motion, and the Exhibit attached thereto, all of which are attached hereto as an Appendix.

3. FACTS SUPPORTING THE MOTION

The simultaneous filing of the Motion and supporting declaration with exhibits is a matter of this Court’s docket. It therefore cannot be reasonably questioned.

4. ARGUMENT AND ANALYSIS

RE 201(d) states that a court “shall” take judicial notice of a fact where the court is supplied the necessary information.

Fredric notes that the scope of judicial notice permitted as to the Motion and declaration of Viveca Sanai are that the document was filed, that it requests certain relief, and that it has certain attachments. As for the Exhibits, to the extent that the documents attached are exhibits from this case the Court must take judicial notice of those exhibits for their same evidentiary value as in this proceeding. If the document is a partial or

complete copy of a document which is from a different proceeding in this Court's docket, the Court must take judicial notice that the document was indeed filed in that docket.

The relevance of the Appendix to this proceeding will be addressed during oral argument.

Respectfully Submitted This 19th day of March, 2014.


Cyrus Sanai, counsel to Fredric Sanai
pro hac vice

APPENDIX TO REQUEST FOR JUDICIAL NOTICE

S. Court No. 73751-7

SUPREME COURT OF THE STATE OF WASHINGTON

In Re the Marriage of:

VIVECA SANAI, Appellant,

and

SASSAN SANAI, Respondent.

MOTION TO RECALL MANDATE

Viveca Sanai, in pro per
6927 196th St SW # 106
Lynnwood, WA 98036
Telephone (425) 774-7400

TABLE OF CONTENTS

I. IDENTITY OF PETITIONER.	1
II. STATEMENT OF RELIEF SOUGHT.	1
III. STATEMENT OF FACTS.	1
A. INTRODUCTION	1
B. A NOTE CONCERNING THE RECORD	3
C. FACTS	3
IV. ARGUMENT AND AUTHORITY.	12
A. RECALL OF THE MANDATE IS AUTHORIZED WHEN THE COURT ASSUMES JURISDICTION AND MAKES A DECISION WHERE THE OPPOSING SIDE HAS COMMITTED FRAUD ON THE COURT.	12
B. THE SANCTIONS IMPOSED AND THE DENIAL OF VIVECA'S MOTION CONCERNING SUPERSEDEAS WERE THE PRODUCE OF SASSAN AND SULLIVAN'S FRAUD CONCERNING THE SASSAN'S INCOME FROM HIS MEDICAL PRACTICE.	13
C. FREDRIC'S DISQUALIFICATION AROSE FROM FRAUD ON THE COURT	14
D. DISQUALIFICATION OF FREDRIC AND THE ERRONEOUS DENIAL OF THE SUPERSEDEAS PETITION REQUIRE REVERSAL.	16
V. CONCLUSION.	19

DECLARATION OF VIVECA SANAI

EXHIBITS

- EXHIBIT A** Declaration of Sassan Sanai Submitted to Snohomish County Superior Court
- EXHIBIT B** Application and Financial Statement of Sassan Sanai dba Internal Medicine & Cardiology to US Bank
- EXHIBIT C** Portions of Testimony of Philip Maxeiner

- EXHIBIT D** Business Record Demonstrating Internal Medicine & Cardiology's Ownership of Firearms Claimed by Mary McCullough
- EXHIBIT E** Selected Excerpts of Transcript of Oral Decision of Superior Court
- EXHIBIT F** Cover Page and Page 7 of Respondent Sassan Sanai's Answer to Motion for Supersedeas Pursuant to RAP 8.1(H) dated July 3, 2003 at 7
- EXHIBIT G** Response to a Motion to Disqualify William Sullivan as counsel to Sassan Sanai filed on September 16, 2003

TABLE OF AUTHORITIES

CASES

<i>Hazel-Atlas Co. v. Hartford Co.</i> , 322 US 238, 64 S. Ct. 997, 88. L. Ed. 1250	12
<i>McCuin v. Tex. Power & Light Co.</i> , 714 F.2d 1255 (5th Cir.1983)	16
<i>Potashnick v. Port City Constr. Co.</i> , 609 F.2d 1101 (5th Cir.1980).....	16
<i>PUD) v. Int'l Ins. Co.</i> , 124 Wash.2d 789 (1994)	16
<i>Richardson-Merrell, Inc. v. Koller</i> , 472 U.S. 424, 438, 105 S.Ct. 2757, 86 L.Ed.2d 340	17
<i>Seals v. Seals</i> , 22 Wn. App. 652 (1979).....	14
<i>United States v. Gonzalez Lopez</i> , 548 U.S. 140, 126 S.Ct. 2557, 165 L.Ed.2d 490 (2006).....	16

RULES

CR 60	8
CR 60(b)(3)	6
RAP 2	1, 12
RAP 6.2(b)	8
RAP 8.1(b)(2)	6
RAP 8.1(c)(2).....	7
RAP 12.9(b)	1, 12
RAP 17.....	8
RPC 3.7	2, 15

I. IDENTITY OF PETITIONER.

Viveca Sanai requests the relief set forth in Section II below.

II. STATEMENT OF RELIEF SOUGHT.

This motion requests this Court to recall its order dismissing the appeal in question and denying Viveca Sanai's motions in this docket pursuant to RAP 2 and RAP 12.9(b) based on the fraud on the appellate court committed by Sassan Sanai and his counsel, William Sullivan.

III. STATEMENT OF FACTS.

A. INTRODUCTION

This is a divorce case in which fundamental fraud on the Court occurred. The fundamental fraud consisted of repeated representations by Sassan Sanai and his counsel, William Sullivan, that Sassan had no income from his medical practice and that Viveca Sanai's efforts to delay the sale of the house were vexatious and intransigent, when in fact Sassan did have such income, and had repeatedly told Viveca, through her children, that he did not want the house sold but was instead being extorted by his attorney, William Sullivan. *See* Viveca Sanai Decl. and Exhibits hereto.

The full scope of the fraud was not exposed until hearings in the disciplinary matter of *In Re Fredric Sanai*, Docket no. 201,049-1. During the hearing, Philip Maxeiner, the accountant who provided the testimony concerning Sassan's income from his medical practice conducted through his medical corporation, Internal Medicine and Cardiology, Inc., testified that he had never considered, and had no knowledge of, a bank account opened in the name of "Internal Medicine & Cardiology" as a sole

proprietorship of Sassan Sanai, or that this sole proprietorship had more than \$200,000 in taxable income. He further testified that contrary to Sassan's representation under oath that the medical corporation was in the process of being shut down, the medical corporation's tax returns showed a rebound in income to Sassan immediately in the years after entry of the divorce judgment. This rebound was never disclosed by Maxeiner, even though he was at that time acting as a "special master", with powers outside the legal scope of such appointment, on behalf of the Court.

There were in addition two other very specific frauds.

First, Sassan encouraged Viveca's efforts to halt the sale of the house. Viveca Dec. He maintained that he could not reveal this because he was being extorted by his counsel, William Sullivan. Viveca Dec. Sassan's encouragement of Viveca, and his statements made about the extortion, were captured on audio tape by an Oregon sheriff.

Second, Sullivan obtained the disqualification for Fredric Sanai and the dismissal of this petition and the underlying appeal on the grounds that Fredric was a "potential witness" without ever explaining why this barred Fredric from acting as Viveca's counsel under the relevant Rule, RPC 3.7. Sassan and Sullivan's contention that RPC 3.7 applies to any representation outside a trial was specifically disavowed by Sassan and Sullivan when a motion to disqualify Sullivan under RPC 3.7 was asserted in federal court. In the response, Sassan's other attorney, on behalf of Sullivan, demolished the precise grounds for asserting that Fredric could be disqualified from representing Viveca. Exh. F. Thus the sole legal argument for disqualifying

Fredric that was ever upheld was disavowed by Sassan; this is fraud on the Court. No other ground for disqualification is even conceivable.

B. A NOTE CONCERNING THE RECORD

As this is a motion that relates to a prior proceeding before this Court in which this Court assumed jurisdiction, references to matters in the original appellate appendix, designate "App." remain. However, all of the evidence concerning the fraud arose after the Court disposed of the petition and accompanying motions. Therefore the facts which are not in the appellate record are attached as Exhibits to the declaration of Viveca Sanai.

C. FACTS

This is a divorce case. After many years of abuse from Respondent Sassan Sanai, Viveca Sanai fled her family home in November of 2000. [See generally App. 8-18.] Separation proceedings soon ensued, which were converted to divorce proceedings. During the proceedings Sassan repeatedly represented that his medical practice, Internal Medicine & Cardiology Inc., earned him no income and that he was in the process of shutting it down. For example, in a declaration furnished to the trial court on Sassan wrote as follows:

I am presently working a very limited part-time schedule and for all practical purposes am in the process of winding down and closing my practice....

My earnings from my practice for the past four years can be summarized as

1997 \$31,424.00

1998- \$27,245.00

1999- \$0.00

2000- \$0.00 (W-2 earnings)

[V. Sanai Dec. ¶3; Declaration of Sassan Sanai Submitted to Snohomish County Sup. Ct. Dated January 15 2001 attached as Exh. A]

While it was true that Internal Medicine & Cardiology, Inc., Sassan's medical corporation, was not accruing any income at that time, the reason was due to Sassan's collection of his medical accounts receivables as a sole proprietorship operating under the same name, Internal Medicine & Cardiology. After Viveca initiated the separation proceedings, Sassan opened a bank account with an overdraft credit line in the name of Internal Medicine & Cardiology with a U.S. Bank branch in Bellevue, Washington.

[V. Sanai Dec. ¶4.]

Sassan made this application with a US Bank branch in King County to open an account on behalf a sole proprietorship, claiming that the sole proprietorship—that is to say Sassan—had taxable earning of \$265,000 in 2000. [Exh B.] This is \$265,000 more in taxable income than Sassan revealed in his declaration submitted to the Court the previous month. US Bank already had accounts for the parties at the date of separation with minor amounts in them. [Sanai Dec. ¶4; *see also* App 25-52.] During the divorce trial in December of 2001, Maxeiner testified before Snohomish Superior Court Judge Joseph Thibodeau, that Sassan's medical practice had zero value and no material earnings; that Sassan had not drawn a salary since 1996 and that the "value of the medical practice is zero. [*In Re Sanai* TR Vol. XI at 2048-2049, true and correct copies of which are attached hereto as Exhibit C ; *In Re Marriage of Sanai* TR at 281:8-283:9; 285:13-286:15.] Maxeiner did not reveal the existence of the sole proprietorship or

the bank account opened by Sassan Sanai dba Internal Medicine & Cardiology, Inc. [Exh. C Vol XI at 2040:11-2042:1.]

At the divorce trial Viveca stipulated that Sassan's secretary, could be awarded two pistols; she withdrew the stipulation when she discovered that the documents provided by Sassan at the trial demonstrated that Sassan had in fact purchased them. [V. Sanai Dec. ¶5; Exh D.] Believing Maxeiner to be more honest than Sassan, she agreed that Maxeiner could take over certain accounts in place of Sassan and supervise the sale of real property as a "special master", that is, an advisor to the parties and the Court. The trial court in its oral decision explicitly acknowledged this role as Viveca envisioned it:

And I'm going to appoint Mr. Maxeiner to monitor both sales. That all the money is to be placed in an escrow account. I don't know the tax consequences that he testified to as it relates to the clinic and all those things that may have to be paid. So my goal is to place all the money in an escrow account, have him pay the debts, which everybody agrees should be paid.

[Exh. E at 14:6-11.]

Even though Viveca's trial attorney, Robert Prince, explicitly requested that Maxeiner be limited to the powers of a "special master", the Court expanded the powers of Maxeiner in its final order, and then further expanded it during the course of events. [App. 25-52.] This appears to be because the trial court did not understand that the term "special master" meant an advisor or monitor; there was never any intention to give Maxeiner independent authority. The final order was to dispose of all of the property before the trial court. It also awarded Viveca no spousal

maintenance based on its finding, which after Maxeiner's testimony at trial she did not dispute, that neither Sassan nor Viveca had any prospect of making significant earnings. The trial court also found that Sassan had made numerous illegal distributions from an ERISA plan held in Morgan Stanley accounts, the assets of which the Court split evenly between Sassan and Viveca. [*Id.*]

Sassan's second attorney, William Sullivan, a pro-tem judge and commissioner on the Snohomish County Superior Court, submitted a financial declaration dated July 17, 2002 of Sassan showing \$501 in monthly net income and \$23,470 in monthly expenses; however, there were no vehicle expenses. [App. 223-231.] In fact, two months prior to issuing the financial declaration Sassan purchased in his own name a new Lexus RX300 luxury SUV; his declaration of no monthly vehicle expenses was perjury. [App. 272-275.]

Viveca sought a stay of the trial court's decree under RAP 8.1(b)(2), in particular the appointment of Sassan's accountant as "special master" (in fact a receiver) to sell the property and distribute the proceeds.

On July 13, 2002, Viveca discovered one of the wiretap tapes made by Sassan, which appears to have been recorded in 1993. [App. 176-190]. Viveca also discovered that though Sassan had filed a financial statement claiming to be bankrupt, he had just purchased a \$40,000 luxury SUV. [App. 223-231; 272-275]. Viveca filed a motion for a new trial based on new evidence pursuant to CR 60(b)(3). [App. 167-212.] She did NOT raise the issue of Sassan's simultaneous operation of the Internal Medicine &

Cardiology sole proprietorship with, and its diversion of income from, Internal Medicine & Cardiology, Inc., as she did not know about it. In the meantime Sassan filed a Motion to Disqualify Fredric Sanai as Viveca's counsel.

While these matters were ongoing, Sassan was in communication with Viveca through two of her children, Cyrus and Daria. [V. Sanai Decl. ¶11.] In these communications Sassan told them that he in fact opposed the sale of the real estate by Maxeiner, and that he was being extorted into agreement by his attorney, Sullivan. He further confirmed, again, that he had "income", unlike Viveca. One of these conversations was taped by an Oregon sheriff deputy in Oregon (which, like federal law, allows for one party consent of telephone calls), which conversation included Sassan's accusation of extortion against Sullivan, and the transcript was admitted in *In Re Sanai*. [See Exh. H.]

On motion for reconsideration, the trial court agreed that there was sufficient value in Viveca's interest in the house to allow a stay of the order to sell it without bond pursuant to RAP 8.1(c)(2). [App. 335.1-335.2]. The trial court ordered me to lift the lis pendens she had placed on the properties by October 7, 2002 and disqualified Fredric from acting as her counsel. Viveca's motions regarding the confidential medical information were refused, and I was hit for \$1,500.00 in attorneys fees. Finally, the trial court denied the CR 60(b)(3) motion on the grounds that as this tape did not demonstrate Sassan had hidden any assets, it did not constitute new evidence. [App. 335.1-335.2] The trial court did not address the issue of

fraud. On October 23, 2002, Viveca, through her post judgment counsel Fredric, filed a notice of appeal of the order disqualifying Fredric and the other related orders issued at that time (using the trial court's terminology that the motion was for a "new trial" rather than to vacate a judgment and grant a new trial) and the other orders. [App. 462-464.] She also challenged certain of these orders by motion before the appellate court. [App. 476-510; 519-571; 602-662.]

On November 4, 2002, Commissioner Craighead ruled that though the parties believed that the RAP 17 motion procedure was the appropriate procedure for the Court of Appeals to review the challenged post-judgment procedural orders, the relevant orders of the trial court had to be addressed by discretionary review or appeal; she did not say which was appropriate. [App. 437-438]. Commissioner Craighead also ruled that "The third order [challenged] disqualifies Fredric Sanai from representing Appellant **in the trial court.**" [*Id.*, emphasis added.] Accordingly, Fredric continued to represent Viveca in the Court of Appeals and Supreme Court levels, but not at the trial court level.

The trial court revised its order requiring her to lift the lis pendens on December 20, 2002 to provide that it would strike the lis pendens after the challenges before the Court of Appeal "affirmed" its ruling. [App. 502-506.]

Viveca complied with Commissioner Craighead's November 4, 2002 order by filing RAP 6.2(b) motions for the Court of Appeals to determine whether the relevant orders were appealable or reviewable by discretionary

review only, and if the latter, to request the Court to grant discretionary review. [App. 439-475; 476-510; 519-571; 602-634.] Commissioner Craighead referred these motions to a three-judge panel.

On March 11, 2003, the Court of Appeals dismissed all of Viveca's post judgment appeals, including the appeals of the orders to pay attorneys fees and the denial of the motion for a new trial, on the grounds that none of the orders appealed were appealable under RAP 2.2(a), and none merited discretionary review under RAP 2.3. [App. 595-597.] On March 10, 2003 the trial court reversed its supersedeas order regarding the house [App. 598-601.]

Viveca filed a Motion for Discretionary Review of the Court of Appeals March 11, 2003 orders. Rather than ruling on them, the Commissioner *sua sponte* requested briefing on the question of whether Fredric was disqualified from acting at this level. Briefing was submitted, and the Commissioner issues his ruling of June 10, 2003. Viveca filed a pro per basis a motion for supersedeas to halt the sale of one of the two pieces of real estate by Maxeiner at an undervalue. In Sassan's opposition to the motion for supersedeas, Sassan represented, through William Sullivan, that

Thus it is absolutely clear that unless the sale of the vacant lot proceeds, not only will the interest and penalties on the taxes continue to mount ,thereby further **depleting the parties assets, and their sole financial resources for the future, since neither party has any earnings, but ultimately the property will be lost to foreclosure, against since neither party has the ability to pay.** These were also the facts that confronted Judge Thibodeau at the time he issued his order directing the sale of the vacant lot. These are also the facts that confronted the Court Commissioner of the Court of Appeals.

did, Fredric's appellate and post-judgment and pre-trial representation could not be prohibited.

After this Court's ruling, Sassan was forced to defend against a motion to disqualify Sullivan from acting as Sassan's counsel in federal court litigation. Through insurance paid counsel, Sassan admitted that disqualification of an attorney as a witness may only occur in respect of trial proceedings and not in respect of proceedings outside of trial:

Plaintiffs' motion to disqualify Mr. Sullivan in this action states that it is based upon RPC 3.7 and that since they have sued him and his firm, he will necessarily be a witness and therefore may not continue as co-counsel for Dr. Sanai and Mary McCullough. The problem with their position is that they have apparently not read the rule carefully. It does not contain an outright prohibition preventing an attorney from representing a client in an action in which the attorney may become a witness. On the contrary, it states that "A lawyer shall not act as advocate at a trial in which the lawyer in the same law firm is likely to be a necessary witness...." By its very terms, the rule applies only to representation which occurs "at a trial" and does not apply to pretrial proceedings.

[Exhibit G hereto.]

As this Court is aware, the issue of Sassan's fraud is front and center in the pending disciplinary proceedings. It was not until Maxeiner could be deposed without interference from Sullivan that the truth of Sassan's subsequent income from the medical corporation could be learned. Presenting this motion at the time that this Court is considering these proceedings is the only practicable way to demonstrate the fraud at a moment when this Court has jurisdiction over these issues.

Because this Court affirmed the Court of Appeal's ruling of non-

appealability, Viveca was able to argue the issue before the Court of Appeal in Appeal Docket 61105-4. In this appeal, Sassan argued the same fraudulent legal theory that he presented to Commissioner Crooks, and the Court of Appeal, by necessity, was required to affirm it. This Court refused to grant a for review of that decision in petition docket number 83575-6 by a decision entered on January 6, 2010. A motion for reconsideration will be filed in that proceeding if it appears appropriate; however, as this is the first proceeding in which Sassan, through Sullivan, made direct fraudulent representations to this Court, it is the lead document.

IV. ARGUMENT AND AUTHORITY.

A. RECALL OF THE MANDATE IS AUTHORIZED WHEN THE COURT ASSUMES JURISDICTION AND MAKES A DECISION WHERE THE OPPOSING SIDE HAS COMMITTED FRAUD ON THE COURT.

RAP 12.9(b) authorizes an appellate court to recall the mandate and reconsider its decision on motion of an interested party where the other side has committed fraud on the appellate court. RAP 2 allows the Court, in the interests of accomplishing substantive justice, of modifying the Rules.

While this Court has not had occasion to consider the limits of its authority for fraud committed against it, the United States Supreme Court, in *Hazel-Atlas Co. v. Hartford Co.*, 322 US 238, 64 S. Ct. 997, 88 L. Ed. 1250 (1944) addressed whether the Court of Appeal could undo a fraudulently obtained appellate ruling twelve years later and order the trial court to reopen the case. The Supreme Court, overruling the Court of Appeal, held that the Court of Appeal “had the duty and the power to vacate

its judgment and to give the District Court appropriate directions” *Id.* at 249-250. This Court’s erroneous rulings are only a decade ago, and complete restitution of Viveca’s rights is still possible.

B. THE SANCTIONS IMPOSED AND THE DENIAL OF VIVECA’S MOTION CONCERNING SUPERSEDEAS WERE THE PRODUCE OF SASSAN AND SULLIVAN’S FRAUD CONCERNING THE SASSAN’S INCOME FROM HIS MEDICAL PRACTICE.

Sassan had two methods of recording income from his practice of medicine. The first method was to cash checks and deposit payments through the bank account of Internal Medicine & Cardiology, Inc. These accounts were used by accountant Maxeiner to create the financial statements and tax statements of Internal Medicine & Cardiology, Inc. The second method was to deposit cash and checks in various accounts opened in the name of “Internal Medicine & Cardiology” as a sole proprietorship. These accounts were not initially disclosed to Maxeiner, though it is likely he was on notice of the existence of such accounts. Nonetheless, as Maxeiner testified, investigating such accounts was not within the scope of his engagement.

Nonetheless, while Maxeiner was acting as special master, he did learn that Sassan’s representations concerning the medical corporation were fraudulent, since as soon as Sassan was free of the divorce appeal he began to recognize income in the medical corporation. Sassan’s declared income in the medical corporation returned to the five and six figure levels that he had made in the 1990’s. See Testimony of Philip Maxeiner in *In re Fredric Sanai* at Exh. H.

Hiding assets and income in a divorce constitutes fraud on the Court, as each spouse has a fiduciary obligation to disclose assets and income to the other. *Seals v. Seals*, 22 Wn. App. 652, 657 (1979).

Sassan's diversion of his medical practice income through various bank accounts constituted fraud. The representations concerning such fraud were made directly to this Court in Sullivan's response to Viveca's motion for supersedeas. This constituted fraud on the appellate court, justifying recall of the mandate and reversal of this Court's order imposing sanctions and denying the motion for discretionary review.

C. FREDRIC'S DISQUALIFICATION AROSE FROM FRAUD ON THE COURT

The Commissioner appears to have not even reviewed the relevant documents when he made the statement that "in the present motion for discretionary review by this court, Fredric characterizes the trial courts decision as "nonsense" and beyond the court's authority to make at the time under RAP 7.2. He makes no substantive argument, nor does he cite relevant authority."

Fredric's argument, lifted from the motion for discretionary review, was as follows:

Accordingly, the courts label disqualification an extreme remedy that should rarely if ever be used. "[A]ttorney disqualification is an extreme remedy, and the trial court should be slow to use its authority to employ such a sanction on any basis...." *Estate of Barovic*, 88 Wn. App. 823, 827, 946 P.2d 1202 (1997).

As a further check on arbitrary conduct, a trial court itself must articulate "the conduct the court will rely on to

revoke, and the specific reason, preferably in writing, why the conduct may justify revocation" of the right to appear before the trial court. *Hallmann v. Sturm Ruger & Co.*, 31 Wn. App. 50, 55, 639 P.2d 805 (1982). The trial court in this case never articulated what specific conduct of Fredric justified disqualification, nor was it able to articulate any basis in the RPC or Washington State precedent justifying the decision. The trial court's complete inability to come up with a reason grounded in the law for disqualifying Fredric suggests this is "probable error", which certainly affected both the status quo and Viveca's freedom to employ counsel of her choice.

Motion for Discretionary Review at 16-17.

The argument was that no valid citation as any violation of the RPC or reasoned analysis was made by Judge Thibodeau in his disqualification order, which is required under *Hallmann v. Sturm Ruger*.

The Commissioner and this Court perceived that an off hand comment that Fredric might be a potential witness could disqualify him from acting as appellate counsel. This proposition, which was advanced by Sullivan was a fraud, as Sassan and Sullivan knew it to be false. As they pointed out later when the argument was asserted at them:

RPC 3.7...does not contain an outright prohibition preventing an attorney from representing a client in an action in which the attorney may become a witness. On the contrary, it states that "A lawyer shall not act as advocate at a trial in which the lawyer in the same law firm is likely to be a necessary witness...." By its very terms, the rule applies only to representation which occurs "at a trial" and does not apply to pretrial proceedings.

[Response to Motion to Disqualify Counsel at 4-5, Exhibit G hereto.]

Judge Thibodeau never cited RPC 3.7, and never explained how that rule gave him authority to disqualify Fredric. Commissioner Crooks never cited RPC 3.7, and the Court of Appeal's 2009 decision likewise does not

cite the rule, let alone discuss its language or meaning. An attorney may only be disqualified if he has material evidence that cannot be obtained elsewhere that will require his testimony at trial. (*PUD*) v. *Int'l Ins. Co.*, 124 Wash.2d 789, 812 (1994). No such showing was ever attempted or even articulated. The mere assertion that Fredric was a potential witness gave Judge Thibodeau neither power nor authority to disqualify Fredric from acting as Viveca's appellate counsel. Judge Thibodeau's ruling was "nonsense" because it did not connect the asserted issue with the language of the rule. The assertion of these grounds was fraudulent because Fredric was not in fact a witness AT TRIAL, and Sassan and his attorneys knew that this could not be a ground for disqualifying Fredric.

D. DISQUALIFICATION OF FREDRIC AND THE ERRONEOUS DENIAL OF THE SUPERSEDEAS PETITION REQUIRE REVERSAL.

Erroneous denial of a party's right to counsel of their choice is structural error that mandates reversal of all court rulings without consideration of prejudice. The right to counsel of one's choice is a fundamental constitutional right, whether under the Sixth Amendment or under the Fifth and Fourteenth Amendments. *United States v. Gonzalez Lopez*, 548 U.S. 140, 126 S.Ct. 2557, 165 L.Ed.2d 490 (2006); *McCuin v. Tex. Power & Light Co.*, 714 F.2d 1255, 1262 (5th Cir.1983) (*citing Potashnick v. Port City Constr. Co.*, 609 F.2d 1101, 1118 (5th Cir.1980); and *Powell v. Alabama*, 287 U.S. 45, 53 S.Ct. 55, 77 L.Ed. 158 (1932)). Deprivation of this right is a structural error requiring automatic reversal in cases both criminal, *United States v. Gonzalez Lopez, supra*; and civil, *Richardson-*

Merrell, Inc. v. Koller, 472 U.S. 424, 438, 105 S.Ct. 2757, 86 L.Ed.2d 340 as there is no way that a court can determine what results different counsel might have obtained.

The only conceivable barriers to consideration of this issue lies in this Court's ruling in this docket and its subsequent January 6, 2010 denial of a petition for review raising the same arguments in docket no. 83575-6.

The denial of the subsequent petition for review is of no consequence because denials of a discretionary petition for review mean nothing. As for this docket, Commissioner's Crooks' order has no law of the case effect because there was no "determination of the applicable law" by this Court, and because application of the rule would be "clearly erroneous", as demonstrated by Sassan's recanting of his legal position when it threatened his attorney Sullivan, and because it validated a fraud on the Court:

Where there has been a determination of the applicable law in a prior appeal, the law of the case doctrine ordinarily precludes redeciding the same legal issues in a subsequent appeal.

It is also the rule that questions determined on appeal, or which might have been determined had they been presented, will not again be considered on a subsequent appeal if there is no substantial change in the evidence at a second determination of the cause. The Supreme Court is bound by its decision on the first appeal until such time as it might be authoritatively overruled.

(Citations omitted.) *Adamson v. Traylor*, 66 Wn.2d 338, 339, 402 P.2d 499 (1965); *Greene v. Rothschild*, 68 Wn.2d 1, 7, 402 P.2d 356, 414 P.2d 1013 (1965).

The court has held that the law of the case doctrine is discretionary, not mandatory. *Greene*, at 6, 8. This rule has been codified as RAP 2.5(c)(2).

Prior Appellate Court Decision. The appellate court may at the instance of a party review the propriety of an earlier decision of the appellate court in the same case and, where justice would best be served, decide the case on the basis of the appellate court's opinion of the law at the time of the later review.

See First Small Business Co. v. Intercapital Corp., 108 Wn.2d 324, 332-33, 738 P.2d 263 (1987). Reconsideration of an identical legal issue in a subsequent appeal of the same case will be granted where the holding of the prior appeal is clearly erroneous and the application of the doctrine would result in manifest injustice.

Under the doctrine of "law of the case," as applied in this jurisdiction, the parties, the trial court, and this court are bound by the holdings of the court on a prior appeal until such time as they are "authoritatively overruled." Such a holding should be overruled if it lays down or tacitly applies a rule of law which is clearly erroneous, and if to apply the doctrine would work a manifest injustice to one party, whereas no corresponding injustice would result to the other party if the erroneous decision should be set aside.

(Citations omitted.) *Greene*, at 10.

Folsom v. County of Spokane, 111 Wn.2d 256, 263-264 (1988).

Here there has been a substantial change in the evidence on appeal, there was no "holding of the prior appeal", the ruling was clearly erroneous as it was subsequently ridiculed by the litigant who made it, and application of the doctrine would continue to validate an obvious fraud.

V. CONCLUSION.

For the forgoing reasons, this Court vacate its order affirming the Commissioner's ruling in this docket, grant the motion for discretionary review and order briefing and oral argument on the appropriate remedy.

Dated this 14th day of March, 2013 Viveca Sanai
Viveca Sanai, pro se

S. Court No. 73751-7

SUPREME COURT OF THE STATE OF WASHINGTON

In Re the Marriage of:

VIVECA SANAI, Appellant,

and

SASSAN SANAI, Respondent.

**DECLARATION OF VIVECA SANAI IN SUPPORT OF MOTIONS TO RECALL
MANDATE**

Viveca Sanai, in pro per
6927 196th St SW # 106
Lynnwood, WA 98036
Telephone (435) 774-7400

DECLARATION OF VIVECA SANAI

1. I am the original petitioner in this action appellant in the instant action. If called to testify I could and would appear.
2. This declaration is filed in support of my motions to recall the mandate in Docket number 73751-7.
3. During the divorce proceedings in the underlying litigation Sassan repeatedly represented that his medical practice, Internal Medicine & Cardiology Inc., earned him no income and that he was in the process of shutting it down. A true and correct copy of one such declaration submitted to the Snohomish County Superior Court dated January 15 2001 is attached hereto as Exhibit A, which is also before this Court as EX 584(b) Subexh. Q at 3 ¶3 in the pending disciplinary proceedings of *In Re Fredric Sanai*, Docket no. 201,049-1 (*In Re Fredric Sanai*.)
4. After I initiated the separation proceedings, Sassan opened a bank account with an overdraft credit line in the name of Internal Medicine & Cardiology with a U.S. Bank branch in Bellevue, Washington. Sassan made an application with a US Bank branch in King County to open an account on behalf a sole proprietorship, claiming that the sole proprietorship—that is to say Sassan—had taxable earning of \$265,000 in 2000. A true and original copy of this document was obtained by Fredric Sanai and filed in multiple courts. Though I was subsequently ordered to destroy my copies by Judge Zilly, none of the files were ever sealed. Thus when the order expired upon Judge Zilly closing the federal litigation, I was able to obtain copies again from the public files. In addition, copies of this document are available at EX 601 and 601(b) in *In Re Fredric Sanai*, which is the source of the copy submitted as

Exhibit B hereto. This is \$265,000 more in taxable income than Sassan revealed in his declaration submitted to the Court the previous month. US Bank already had accounts for the parties at the date of separation with minor amounts in them.

5. In December of 2001 Maxeiner testified at the divorce trial, held before Snohomish Superior Court Judge Joseph Thibodeau, that Sassan's medical practice had zero value and no material earnings; that Sassan had not drawn a salary since 1996 and that the "value of the medical practice is zero." *In Re Fredric Sanai* TR Vol. XI at 2048-2049, true and correct copies of the relevant portions of such transcript which are attached hereto as Exhibit C ; *In Re Marriage of Sanai* TR at 281:8-283:9; 285:13-286:15. Maxeiner did not reveal the existence of the sole proprietorship or the bank accounts in the proprietorship's name. *In Re Fredric Sanai* TR Vol XI at 2040:11-2042:1
6. At the divorce trial I stipulated that Sassan's secretary, could be awarded two pistols; she withdrew the stipulation when I discovered that the documents provided by Sassan at the trial demonstrated that Sassan had in fact purchased them; copies of the handwritten pages of the Internal Medicine & Cardiology Inc. accounts prepared by Mary McCullough, which are Exhibits 620, 621, 622 in *In Re Fredric Sanai*, are attached hereto as Exhibit D.
7. Believing Maxeiner to be more honest than Sassan, I agreed that Maxeiner could take over certain accounts in place of Sassan and supervise the sale of real property as a "special master", that is, as an **advisor** to the parties and the Court. The trial court in its oral decision explicitly acknowledged this role as I envisioned it:

And I'm going to appoint Mr. Maxeiner to monitor both sales. That all the money is to be placed in an escrow account. I don't know

the tax consequences that he testified to as it relates to the clinic and all those things that may have to be paid. So my goal is to place all the money in an escrow account, have him pay the debts, which everybody agrees should be paid.

See Exh E, which is a true and correct copy of two pages of the oral decision of the Judge Thibodeau, which can be found in *In re Fredric Sanai* Ex 600 at 14:6-11.

8. Even though my trial attorney, Robert Prince, explicitly requested that Maxeiner be limited to the powers of a “special master”, the Court expanded the powers of Maxeiner in its final order, and then further expanded it during the course of events. This appears to be because the trial court did not understand that the term “special master” meant an advisor or monitor; there was never any intention to give Maxeiner independent authority. The final order was to dispose of all of the property before the trial court. It also awarded me no spousal maintenance based on its finding that neither Sassan nor I had any prospect of making significant earnings. App. 25-52. The trial court also found that Sassan had made numerous illegal distributions from an ERISA plan held in Morgan Stanley accounts, the assets of which the Court split evenly between Sassan and me. *Id.* at 5:8-6:10.
9. Sassan’s second attorney, William Sullivan, a pro-tem judge and commissioner on the Snohomish County Superior Court, submitted a financial declaration dated July 17, 2002 of Sassan showing \$501 in monthly net income and \$23,470 in monthly expenses; however, there were no vehicle expenses. App. 223-231. In fact, two months prior to issuing the financial declaration Sassan purchased in his own name a new Lexus RX300 luxury SUV. App. 272-275.
10. Exhibit F is a true and correct copy of selected pages from Respondent Sassan Sanai’s Answer to Motion for Supersedeas Pursuant to RAP 8.1(H) dated July 3, 2003 at 7.
11. Attached as Exhibit G is a response to a motion to disqualify William Sullivan as

counsel to Sassan Sanai filed on September 16, 2003 that was made on the same basis as the motion made to disqualify Fredric Sanai in the federal case. It should be noted that Sullivan and Gibbs subsequently did consent to disqualification in that case, but on grounds of conflict of interest created by Sassan's perjury.

12. While these matters were ongoing, Sassan was in communication with me through two of my children, Cyrus and Daria. In these communications Sassan told them that he in fact opposed the sale of the real estate by Maxeiner, and that he was being extorted into agreement by his attorney, Sullivan. He further confirmed, again, that he had "income", unlike Viveca. Exhibit H is a true and correct copy of the declaration of Daria Sanai setting forth her conversations with Sassan Sanai, some of which were recorded. I am in possession of copies of the audio tapes, and can confirm that the transcript of Daria is accurate. This declaration was submitted in support of a declaration to disqualify William Sullivan as Sassan's lawyer in the Court of Appeal in Appeal 536117 on April 18, 2004. This constitutes a portion of Exhibit 599 in *In Re Fredric Sanai*.

Executed as of this March 14, 2013 at Lynnwood, Washington


Viveca Sanai

EXHIBIT A

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF SNOHOMISH

In re the Marriage of:

IVECA SANAI,

Petitioner,

and

SASSAN SANAI,

Respondent

Case No.: 01-3-00054-5

RESPONSIVE DECLARATION
OF DR. SASSAN SANAI

Comes now, Sassan Sanai, and declares under penalty of perjury, under the laws of the State of Washington, that the following is true and correct to the best of his knowledge.

1. I am the Respondent herein.

2. Background. Petitioner and myself were married on October 20, 1960. We separated in November of 2000 when the Petitioner moved out of the family home. We have six children of our relationship. One of our children is deceased. None of our children are dependant upon us financially and all of them are of age.

3. Reconciliation. I am extremely interested in reconciling with my wife and am prepared/willing to undergo any necessary marital counseling to accomplish such a goal.

4. Wife's Situation. Petitioner is 58 years of age and is in good health but for a mild asthma condition. She has been a homemaker during our marriage.

RESPONSIVE DECLARATION OF DR. SASSAN SANAI - 1

Sanai, Sassan/Petitioner/Responsive Dec. Doc.

BREWE LAYMAN

Attorney at Law
A Professional Services Corporation

333 CORAL BUILDING
3525 COLBY AVENUE
P.O. BOX 468

EVERETT, WASHINGTON 98206-0468
Telephone (425) 252-5167
Facsimile (425) 252-0075

Petitioner inherited a large sum of money from her father. To the best of my knowledge she is presently controlling Erickson stock and a bank account at Svenska Handels Banken in Sweden whose value is \$650,000.00 +/-.

5. **Husband's Situation.** I am 66 years of age and in poor health. Attached hereto as Exhibit "A" is a letter from Dr. Robert K. Mito regarding multiple medical problems including diabetes mellitus, hyperlipidemias, coronary artery disease, and anemia.

I am a cardiologist by profession and have been in private practice in the Edmonds area for nearly 38 years. I am presently working a very limited part-time schedule and for all practical purposes am in the process of winding down and closing my practice. I am presently residing at the Residence Inn at a cost of \$2,920.00 per month.

My earnings from my practice for the past four years can be summarized as follows:

1997- \$31,424.00

1998- \$27,245.00

1999- \$0.00

2000- \$0.00 (W-2 earnings)

In addition to my practice, I have earnings from two other sources as follows:

A. Social Security - \$1,299.00 a month

B. Morgan Stanley Profit Sharing Payment - \$4,823.78 (gross) a month based on year 2000 distribution of \$57,885.38. See Exhibit "B" from my C.P.A.

RESPONSIVE DECLARATION OF DR. SASSAN SANAI - 2

BREWE LAYMAN
Attorney at Law
A Professional Service Corporation

333 COBALT BUILDING
3525 COLBY AVENUE
P.O. BOX 458
EVERETT, WASHINGTON 98206-0458
Telephone (425) 252-5187
Facsimile (425) 252-0044

2 6. Family Home. I have no objection to my wife residing in the family home
3 pending sale. If a reconciliation is not imminent I am requesting that the court order the home to
4 be sold without delay. The home (8,000 sq. feet/waterfront) is probably worth in excess of two
5 (2) million dollars. It is owned free and clear and is the principal asset in our estate. Once sold
6 we can both acquire very nice (free and clear) residences of \$300,000.00 - \$500,000.00. With the
7 spring/summer selling season approaching and interest rates declining, now is the time to market
8 the property.

9 7. Morgan Stanley Account. I have a profit sharing account at Morgan Stanley
10 upon which my wife and myself have drawn as my income from my medical practice has
11 declined.

12 What follows is a summary of the withdrawals from my Morgan Stanley account before
13 taxes:

14 1996- \$102,000.00
15 1997- \$163,000.00
16 1998- \$141,500.00
17 1999- \$112,953.69
18 2000- \$57,885.38

19 Distributions from Morgan Stanley are taxed. The Morgan Stanley account presently has
20 a balance of approximately \$800,000.00.

21 8. Domestic Violence. I have no objection to restrictions on my contacting my wife
22 if that is what she desires. I categorically deny the statements/suggestions that I have engaged in

23 RESPONSIVE DECLARATION OF DR. SASSAN SANAI - 3

24 Z:\Sassan\Sanai\Filing\Responsive Dec.doc

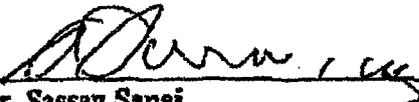
25 BREWE LAYMAN
26 Attorneys at Law
A Professional Services Corporation

27 328 CORAL BUILDING
28 3525 COLBY AVENUE
29 P O BOX 488
30 EVERETT, WASHINGTON 98206-0488
31 Telephone (425) 252-5167
32 Facsimile (425) 252-0056

is of domestic violence or emotional abuse arising to such a level as to be characterized as domestic violence. I have never struck my wife nor in any manner physically assaulted her. I decline to give credence to her declaration or the declarations of my children regarding allegations of emotional abuse/domestic violence except to state that such allegations are false and irrelevant to these proceedings.

9. Conclusions. My wife has sufficient resources to pay her attorney \$2,500.00 and meet her needs from her dividend/interest income. I would ask that her request for financial relief be denied. I have no objection to mutual restraining orders. I would ask that we be required to list our home for sale immediately with a license/qualified real estate broker.

Dated this 15th day of January, 2001



Dr. Sassan Sanai
Respondent

RESPONSIVE DECLARATION OF DR. SASSAN SANAI - 4

Z:\Sassan Sanai\1st\1st\1st\Responsive Dec...doc

BREWE LAYMAN
Attorneys at Law
A Professional Services Corporation

333 CORAL BUILDING
3525 COLBY AVENUE
P.O. BOX 488
EVERETT, WASHINGTON 98206-0488
Telephone (425) 252-5167
Facsimile (425) 252-0055

EXHIBIT B

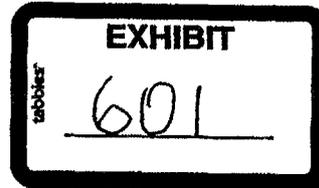
U.S. Bancorp
Legal Department/BC-MN-H21P
800 Nicollet Mall
Minneapolis, MN 55402-4302

REDACTED

Jessica Haukos
Legal Records Coordinator
Direct: 612-303-7867
Fax: 612-303-7887

August 20, 2003

Fredric Sanai
660 Second Street No. 7
Lake Oswego, OR 97034



Re:Subpoena-Sanai
Our file number:2003-04818

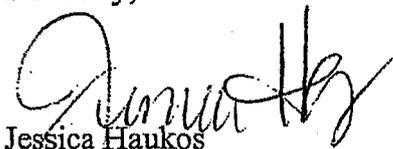
Dear Mr. Sanai:

Enclosed please find the following documents relative to the subpoena served upon US Bank National Association:

- Copy of account statements for account number 3725, 3626, and 3741, and 1691 in the name of Internal Medicine and Cardiology and Dr. S Sanai.
- Copy of application and agreement for Internal Medicine #66400109086730998.

If you have any questions, please give me a call at the number listed above.

Sincerely,


Jessica Haukos
Corporate Legal Department
Legal Records Coordinator

Enclosures

FROM : S SANPI MD

FAX NO. :

US BANK BEL MAIN

002



Office Code
JGA04

U.S. BANK COMBINED APPLICATION AGREEMENT

U.S. BANK ADVANTAGE LINE OF CREDIT AND U.S. BANK EXPRESS LINE AND U.S. BANK VISA BUSINESS CARD ONLY

U.S. Bank Advantage Line of Credit and U.S. Bank Express Line and U.S. Bank Visa Business Card (Agree 2001 offer 223CA2) For complete application and information see 1-800-826-4439

U.S. Bank Advantage Line and U.S. Bank Express Line Only (same as above)

U.S. Bank Visa Business Card Only (For complete application and information see 612-826-6266 (Agree 2001 offer 8822CA1) If the applicant is approved for the U.S. Bank Advantage Line of Credit, the customer will be required to close any other U.S. Bank Business Lines of Credit.

U.S. Bank Simple Entry (For complete application (See U.S. Bank Simple)

INTERNAL MEDICINE
66400109086730998

REDACTED

BUSINESS INFORMATION

Business Name: Internal Medicine & Cardiology (Sole name of entity)

Business Street Address (Not P.O. Box): 1207 N. 200th #210 City: Seattle State: WA ZIP Code: 98193

Home Address - Street: Same City: _____ State: _____ ZIP Code: _____

Business Phone: 206-546-3105 Business Fax: 206-546-3211

Type of Organization: Sole Proprietorship Partnership Corporation Nonprofit Limited Liability Company (LLC) Other (describe)

Industry Category: Manufacturer Wholesaler Retail Services Other (describe) Physician

Year of Business: Medical Year Under Current Ownership: 32 years. Year business started (month/year): 1969

Gross Annual Sales (As Reported for Tax Purposes): \$ 265,000.00 Approximate Net Worth: \$ 150,000.00 Was the most recent fiscal year end profitable? Yes No

Current Business Checking Balance: \$ 3,000.00 Current Business Savings Balance: _____ Primary Institution: U.S. Bank

For Business Card Only - Billing Contact: Individual cardholder's home Individual cardholder's company address One central bill for all company accounts at company address (three or more cardholders only)

For Lending Only (see terms on reverse side): Potential Equipment Needs: Office equipment (e.g., copier/fax) Manufacturing Other equipment Agricultural Computer Medical Construction Other _____

Projected cost of equipment: _____ Estimated acquisition date: _____

AUTHORIZED OFFICER INFORMATION

Name of Authorized Officer (Print Full Name): Sassan Sarai, M.D.

President/Owner Vice President Treasurer Director/Partner Partner Member/Manager (LLC) _____ % of ownership

Number of Years as Owner: 32 yr Social Security Number: _____ Date of Birth: 7-17-34 Home Phone: _____

Home Address: 8711 Talbot Rd City: Edmonds State: WA ZIP Code: 98026

Monthly mortgage payments: _____ Annual income: \$ 265,000.00 Total personal assets: \$ 2,000,000.00 Total personal liabilities: \$ 30,000.00

Current checking account: U.S. Bank Personal checking account balance: \$ 2,000.00 Primary business checking account balance: \$ 100.00

If business is sole proprietorship and you wish to be personally responsible for such as CA, ID, WA, or PA, check one of the following: Yes Guaranteed Unintentional (includes single, divorced or widowed)

Business Fax: 206-546-3211 Signature: SASSAN SARAI

CHECKING ACCOUNT INFORMATION FOR U.S. BANK ADVANTAGE EXPRESS LINE

U.S. Bank business checking accounts are insured by U.S. Bank Depositor's Compensation Fund.

691 | Your U.S. Bank business checking account is insured by U.S. Bank Depositor's Compensation Fund.

FROM : Sanai

FAX NO. : 503 636 7779

Aug. 23 2003 04:44PM P2
701 297 4478 P.03/07

AUG-11-2003 10:45

USB FARGO RECORDS

US BANK BEL MAIN

@003

01/20/01 10:47

0000

Feb. 16 2001 03:27PM P3

FAX NO. :

FROM : S SANAI MD

<input type="checkbox"/> I do not want to receive any further notices from this company. If you wish to receive notices from this company, please contact the company at the address below.	
<p><i>[Faded text]</i></p>	
<p><i>[Signature]</i></p>	<p>Sassan Sanai M.D.</p>
<p><i>[Signature]</i></p>	<p>24501</p>
<p><i>[Signature]</i></p>	<p>24501</p>

B

FROM : Sanai

FAX NO. : 503 636 7779

Aug. 23 2003 04:44PM P1
701 297 4470 P.02/07

AUG-11-2003 10:44

USB FARGO RECORDS

US BANK BEL MAIN

02/20/01 10:48

REDACTED

US BANK BEL MAIN

Feb. 16 2001 03:26PM P2

FROM : S SANAI MD



Office Code
JGA04

U.S. BANK COMBINED APPLICATION AGREEMENT

U.S. BANK ADVANTAGE LINE AND/OR U.S. BANK VISA BUSINESS CARD (CHECK ONE)

<input type="checkbox"/> U.S. Bank Advantage Line of Credit and U.S. Bank Visa Business Line and U.S. Bank Visa Business Card (Agmt 2001 after 02/20/02)	<input type="checkbox"/> U.S. Bank Visa Business Card Only (Agmt 2001 after 02/20/02)
<input checked="" type="checkbox"/> U.S. Bank Advantage Line and U.S. Bank Visa Business Line Only (Agmt as above)	<input type="checkbox"/> U.S. Bank Visa Business Card Only (Agmt 2001 after 02/20/02)
If you are applying for the U.S. Bank Advantage Line of Credit, the customer will be required to close any other U.S. Bank Business Line of Credit.	

INTERNAL MEDICINE
6640010908670998

EXHIBIT
6018

BUSINESS INFORMATION

Business Name: Internal Medicine & Cardiology Phone: 91-0865771

Address: 1207 N. 200th #210 City: Seattle State: WA ZIP: 98193

Phone: 206-546-3105 Fax: 206-546-3211

Type of Business: Sole Proprietorship Partnership Corporation Non-Profit Limited Liability Company (LLC) Other (describe)

Industry: Physician

Year Started: 1969

Annual Sales: \$ 265,000.00 Assets: \$ 150,000.00

Current Business Checking Balance: \$ 3,000.00 U.S. Bank

For Multiple Card Only - Initial Order:
 Individual cardholder's name
 Individual cardholder's company address
 Can apply for all company accounts at company address (Valid for more cardholders only)

For Lending Only (see terms and restrictions):
 Office equipment (e.g., copier/printer)
 Computer
 Medical
 Agricultural
 Other (describe)

AUTHORIZED OFFICE HOLDING INFORMATION

Name of Applicant: Jassan Sanai, M.D.

Address: 8711 Talbot Rd City: Edmonds State: WA ZIP: 98026

Phone: 206-546-3105 Fax: 206-546-3211

U.S. Bank Business Checking Account: \$ 2,000.00

U.S. Bank Business Savings Account: \$ 1,000.00

U.S. Bank Business Line of Credit: \$ 2,000,000.00

U.S. Bank Business Card: \$ 30,000.00

CHECKING ACCOUNT INFORMATION FOR U.S. BANK BUSINESS CHECKING ACCOUNT

U.S. Bank Business Checking Account: \$ 2,000.00

U.S. Bank Business Savings Account: \$ 1,000.00

U.S. Bank Business Line of Credit: \$ 2,000,000.00

U.S. Bank Business Card: \$ 30,000.00

RBC APPROVAL FORM U.S. BANK ADVANTAGE LINE

Banker: JANICE ALVERSON
Banker Phone: 425 450 5911
Banker Fax: 425 450 5801

Banker ID: JOA04
Banker Mail Code: WW074
Branch Number: 3341

Approved By: ANTHONY CAMPBELL
Fax Number: 888-358-4639

RBC Reference #: 95770

DATE OF APPROVAL: February 22, 2001

Borrowers Legal Name: SASSAN SANAI DBA INTERNAL MEDECINE AND
CARDIOLOGY
Location (address/city/state/zip): 1207 N 200TH SUITE 210 SEATTLE, WA 98133
Business Phone Number: 206 546 3105

Amount:	\$20000	Initial Rate (WSP plus):	7.25
Opening Fee:	\$125	Rate Code:	HF
Annual Fee:	\$175		

The Approved Advantage Line will replace the following CLIWAPS or Shaw account number below.
Shaw Account Number: NA

This Approval form is a confirmation of the terms for the new Advantage Line. If this loan is paying off an existing U.S. Bank loan, the principal portion only will be paid off. The customer will be billed for the accrued interest owing on the existing loan.
Please allow 3-5 business days for the processing to take place. Customers cannot access their account until they receive a welcome letter (7-10 days) from U.S. Bank with the Shaw number, terms, and instructions.
Bankers may call the Response Line at 1-800-315-9088 option 2 for questions regarding procedures for the Advantage Line Product.
Customers should call the Access Line at 1-800-673-3555 or 651-244-7720 for advances, payments, and questions.

DO NOT FAX BACK APPROVAL FORM. LOAN INFORMATION WILL BE SENT ONE BUSINESS DAY AFTER APPROVAL DATE TO THE NEW LOAN DEPARTMENT FOR BOOKING TO THE SHAW SYSTEM.

RBC PRE-APPROVAL CERTIFICATE FOR VISA BUSINESS CARD

CERTIFICATE EXPIRES 90 DAYS FROM DATE OF APPROVAL ABOVE

VISA BUSINESS CARD: Maximum Approval Amount: \$1000
Maximum Individual Limit: \$4000

Required Documentation:

- 1) RBC Pre-Approval Certificate
- 2) U.S. Bank Visa Business Card Application or World Perks Visa Business Card Application
(Applications must be complete and signed)

Instructions:

Fax required documents to (701) 461-4085 or Mail station FARGO170.
Fargo Business Card will process application and Fax back the final response to banker using the response section at the bottom of this form. (Maximum limit for World Perks is \$20,000)

Banker Priority Response - Visa Business Card	
Date Approved: _____	<input type="checkbox"/> Application is incomplete (see circled areas) Complete and fax to (701) 461-4085 or Mail Station FARGO170
Cards Approved: _____	
Approved Amount: _____	

RBC U.S. Bank Advantage Line Application Cover Sheet

Banker's Name Tanice Alverson Date 2-20-01
 Banker's Phone (425) 450-5911 Banker's Fax (425) 450-5801 Cost Center 1044
 Workforce ID/Officer Code IGAO4 Branch # 3341 Mail Station NW074
 Applicant's Name Internal medicine & Cardiology
 Tracking Code (if sourced from lead list or direct mail) _____ Promotion _____
 US Bank Advantage Line Request Amount \$ _____
 Total Existing BECC Debt \$ _____ Related Business Obligor # _____
 Explicit Loan Purpose/Comments operating line

Check all that apply:

- New Loan Request for New Customer Transfer Existing Line to U.S. Bank Advantage Line Account to Payoff # _____ Increase to Existing US Bank Advantage Line (See tax return requirements below.)

Yes No Existing AFS Loan/Line of Credit? Yes No Existing U.S. Bank Advantage Line?
 If yes, Obligor # _____ If yes, Show Account # _____

Document Checklist

Attachments required in addition to the completed cover sheet:

- Completed application signed and dated by all guarantors
- If paying off existing line of credit, fax either signed and dated U.S. Bank Simple Business Line of Credit Cancellation/Payoff Authorization form (085-3024) or signed and dated U.S. Bank Combined Application Agreement (Addendum) (087-8020) form with the cancellation payoff authorization portion of the form completed.

For U.S. Bank Advantage Lines > \$50,000 and for line increase requests, obtain the following:

- | | |
|--|--|
| <u>For sole proprietor:</u> | <u>For each guarantor/owner:</u> |
| <input type="checkbox"/> Most recent Fed Income Tax Form 1040 (pages 1 & 2) | <input type="checkbox"/> Most Recent Fed Income Tax Form 1040 (pages 1 & 2) |
| <input type="checkbox"/> Most Recent Federal Income Tax Schedule C | |
| <u>For corporation:</u> | <u>For a partnership or limited liability:</u> |
| <input type="checkbox"/> Fed Income Tax Form 1120 or 1120S (pgs 1-4) for most recent FYE | <input type="checkbox"/> Fed Income Tax Form 1065 (pgs 1-4) for most recent FYE |
| <input type="checkbox"/> S Corp - Fed Income Tax Schedule K1 for most recent FYE | <input type="checkbox"/> Fed Income Tax Schedule K1 for most recent FYE (for each quarter) |

Tax returns must be signed and dated by all guarantors.

Fax all U.S. Bank Advantage Line Applications to 888-858-4639.

AUG-11-2003 10:46

USB FARGO RECORDS

Advantage Line Log Sheet

Customer Name Internal Medicine + Cardiology Credit Desk # 95770

Date of Application 7/5/01 INTERNAL MEDICINE
66400109086730998

D & T of Receipt 7/22/01 1300 AL Pull Crg

Delivery Type: MAIL PFL FAX
Gross Annual Sales \$265,000
* Sales lower than \$175000 enter \$0,000 for average calculated

Application Type: Mail Camp/PFL Banker (Reg App) Banker (JT App) Yrs under current ownership 32/15

CREDIT DESK INPUT 2/22 1206 AL 657
24 Month Avg DDA Balance \$ 4195.53 DDA Balance \$ 4195.53
DIRECT DEBT? YES NO AL

Business Report Hit No-Hit Beacon Score
Date DDA opened 1/1/78

CREDIT DESK SCORE 229
Does CDA Match Address from application? YES NO

Address	Verified By: <u>DB TRX</u>	<u>HOGAN</u>	<u>CS RPT</u>	<u>FAST DATA</u>
Years in Business	<u>15</u>	<u>HOGAN</u>	<u>Years</u>	<u>Years</u>
Business Verified By:	<u>DB TRX</u>	<u>HOGAN</u>	<u>CS RPT</u>	<u>FAST DATA</u>

New Advantage Line \$ _____
Total Non-Revolving \$ _____
Total Direct Debt \$ _____
Total Existing Revolver \$ _____
Direct Debt Account # _____

Date	Time	Initial
<u>7/22</u>	<u>116</u>	<u>AL</u>
<u>7/22</u>	<u>130</u>	<u>AL</u>

APPROVED ADVL / BOARD
20,000 5400 1
Total Term (8 Hour Clock)

Individual Line Size 24000
Interest Rate WSJP 7.25 % = 15.95 %
Rate Code HF

DOES LING HAVE ACPAYMENT? YES NO

- Avg 7 Month Negative Balance (NDBA)
- Current Year Profitable? (RLOS)
- Bankruptcy (BKRP)
- Liens or Judgments (LECR)
- At least 1 yr no owner (STRW)
- Executive Debt Hold (DED)
- No Personal Cr Bur (DBLR)
- Prohibited SKI Code (ESIC)
- Shrs under \$50M (HLS)
- Bankruptcy under 650 (DEAC)
- Unable to Verify Business (VERI)
- Unable to Verify Address (ADDR)
- Quoted 1 YR (the last six months) (DSIX)
- Out of Trade Area (TERM)
- Direct Debt > 25% (including ADVL) (TERA)
- Invest real estate/rental prop (TERM)
- Agriculture/Non-Profit (TERM)

NDBA	DBLR	ESIC	HLS	DEAC	VERI	ADDR	DSIX	TERM	TERA	TERM	TERM
------	------	------	-----	------	------	------	------	------	------	------	------

P.O. Box 64799
Saint Paul, Minnesota 55164

TRC 2

Uni-Statement
Account Number:
statement Period:
Jan. 27, 2001
Through
Aug. 24, 2001
03300 0929
Page 0001 of 0001

SASSAN SANAI MD
1207 N 200TH ST STE 210
SEATTLE WA 98133-3213

REDACTED

News For You

Off to school? U.S. Bank has accounts for students and parents. Stop by your U.S. Bank, visit usbank.com/studentbanking or call 1-800-444-1244.

Your Resources For Help

Anytime, Anywhere Access
Need to transfer funds, or looking for information about your U.S. Bank accounts? Wherever you are, you can count on us 24 hours a day to assist you. Contact us at:

www.usbank.com
1-800-US BANKS (1-800-872-2657)

For TDD assistance call 1-800-685-5065
or write to us at U.S. Bank, P.O. Box 64991, St. Paul, MN 55164-9505

Interest Checking

Summary for Account Number	341		
Balance on Jan. 26		\$.00
Deposits			60,000.01
Other withdrawals		-	59,650.00
Fees and adjustments		-	58.00
	New Balance on Aug. 24	\$	292.01
Interest earned during statement period (19 days)		\$.02
Annual percentage yield earned during statement period (19 days)			0.40%
Interest paid this year		\$.03
Deposits			
Aug. 6 DEPOSIT		\$	30,000.00
Aug. 16 DEPOSIT			30,000.00
Aug. 24 INTEREST PAID THIS PERIOD			.01
	Total Deposits	\$	60,000.01
Other Withdrawals			
Aug. 6 DEDUCTION		\$-	150.00
Aug. 6 DEDUCTION		-	29,500.00
Aug. 9 RETURNED ITEM	FROM A PREVIOUS DEPOSIT	-	30,000.00
	Total Other Withdrawals	\$-	59,650.00
Fees and Adjustments			
Aug. 9 RTND DEPOSITED ITEM FEE		\$-	15.00
Aug. 10 OVERDRAFT CHARGE		-	28.00
Aug. 13 CONTINUOUS OVERDRAFT FEE		-	5.00
Aug. 14 CONTINUOUS OVERDRAFT FEE		-	5.00
Aug. 15 CONTINUOUS OVERDRAFT FEE		-	5.00
	Total Fees and Adjustments	\$-	58.00

P.O. Box 64799
Saint Paul, Minnesota 55164

TRC

Uni-Statement
Account Number:

Statement Period:
Aug. 25, 2001
Through
Sep. 27, 2001
03000 0929
Page 0001 of 0001

SASSAN SANAI MD
1207 N 200TH ST STE 210
SEATTLE WA 98133-3213

REDACTED

News For You

Visa Buxx is a prepaid, reloadable card that parents put money on and teens can use anywhere Visa is accepted-it's perfect for back to school! See the enclosed insert or visit www.usbank.com/buxxcard to learn more.

Your Resources For Help

Anytime, Anywhere Access
Need to transfer funds, or looking for information about your U.S. Bank accounts? Wherever you are, you can count on us 24 hours a day to assist you. Contact us at:

www.usbank.com
1-800-US BANKS (1-800-872-2657)

For TDD assistance call 1-800-685-5065
or write to us at U.S. Bank, P.O. Box 64991, St. Paul, MN 55164-9505

Interest Checking

Summary for Account Number

Balance on Aug. 24	\$	292.01
Deposits		.06
New Balance on Sep. 27	\$	292.07
Interest earned during statement period (34 days)	\$.06
Annual percentage yield earned during statement period (34 days)		0.22%
Interest paid this year.	\$.09
Deposits		
Sep. 27 INTEREST PAID THIS PERIOD	\$.06
Total Deposits	\$.06

EXHIBIT C

SANAI HEARING - VOLUME 11 - 5/31/11

1 HEARING OFFICER BELES: I'll tell you
2 what; let's address that then when we're done.

3 MR. CYRUS SANAI: Okay. But one other
4 point is even if I do, even if something is submitted and
5 not put in part of the record, I have to retain a copy
6 under any circumstances for purposes of making the proof.

7 HEARING OFFICER BELES: Let's address
8 that at the conclusion of this witness's testimony. I
9 understand what you're saying. Counsel, do you want to
10 sit a little closer?

11 MR. SKINNER: I can, Your Honor.

12 HEARING OFFICER BELES: If you could
13 pull up your chair so you could hear the testimony.
14 Mr. Sanai, do you want to call a witness?

15 MR. CYRUS SANAI: I call Philip
16 Maxeiner.

17 HEARING OFFICER BELES: Mr. Maxeiner,
18 if you would stand over there behind that little table and
19 raise your right hand, I'll swear you in.

20 WHEREUPON,

21 PHILIP MAXEINER,
22 Called as a witness herein, being first duly sworn to tell
23 the whole truth, was examined and testified as follows:

24 HEARING OFFICER BELES: Mr. Sanai, you
25 may proceed.

SANAI HEARING - VOLUME 11 - 5/31/11

1 Q. I'm going to show you a document which I don't
2 think has yet been admitted.

3 MR. FREDRIC SANAI: Yes.

4 MR. CYRUS SANAI: Which I'm going to
5 propose as 620. May I approach?

6 HEARING OFFICER BELES: Yes, you may.

7 Q. (By Mr. Cyrus Sanai) This was shown to the other
8 side during the testimony of Mr. Sullivan but I don't
9 think I ended up admitting it. Do you recognize that
10 page?

11 MR. BUSBY: May I have a copy, please?

12 MR. CYRUS SANAI: Just a moment.

13 MR. BUSBY: Thank you.

14 Q. (By Mr. Cyrus Sanai) Does this look familiar to
15 you?

16 HEARING OFFICER BELES: I think the
17 question is does 620 look familiar to you, Mr. Maxeiner.

18 THE WITNESS: Yes, this would be a
19 very typical check register page that Mary would keep
20 track of during the month.

21 MR. CYRUS SANAI: Thank you. I
22 propose Exhibit 620 be entered into evidence.

23 HEARING OFFICER BELES: I take it you
24 have an ongoing objection. I don't want to suggest it to
25 you, counsel.

SANAI HEARING - VOLUME 11 - 5/31/11

1 MR. BUSBY: Yes. Understanding what
2 the response will be, yes, I do.

3 HEARING OFFICER BELES: Primarily that
4 this was not listed as one of the documents?

5 MR. BUSBY: Yes, that's correct.

6 HEARING OFFICER BELES: I'm curious.
7 Why weren't these documents listed in your --

8 MR. CYRUS SANAI: This document was
9 not listed because of the -- honestly, I cannot remember.

10 HEARING OFFICER BELES: I'll tell you
11 what, counsel, I am giving you what I consider to be wide
12 latitude, and I know you don't consider it that way, but
13 I'm going to permit this document to be admitted and you
14 may question.

15 MR. CYRUS SANAI: And I would respond
16 by saying actually I do not dispute that I have gotten in
17 general wide latitude.

18 HEARING OFFICER BELES: All right.

19 MR. CYRUS SANAI: There's some
20 specific areas where it's been pinched a bit. Okay, thank
21 you very much.

22 (Exhibit 620 admitted in evidence.)

23 Q. (By Mr. Cyrus Sanai) And in your role as special
24 master do you recall there was some disputes about the
25 ownership of some pistols?

SANAI HEARING - VOLUME 11 - 5/31/11

1 A. Pardon me?

2 Q. Pistols, handguns.

3 A. Oh, yes, there was.

4 Q. Yes.

5 A. The disappearing handguns.

6 Q. The disappearing handguns. And these were
7 handguns that Mary McCullough maintained were her
8 property, right?

9 A. Yes.

10 Q. And, in fact, Mary McCullough testified about
11 these handguns. Were you present during that testimony?

12 A. I don't believe so.

13 Q. Okay, then I'm not going to show it to you. But
14 I do have some documents that Mary did provide that you
15 may or may not recognize, but which you may have seen, so
16 I'm going to provide them as documents.

17 HEARING OFFICER BELES: Counsel, I
18 have not been given a 620.

19 MR. CYRUS SANAI: I'm sorry.

20 HEARING OFFICER BELES: I have not
21 been given a 620.

22 MS. EIDE: And do you have an original
23 for the clerk, Mr. Sanai?

24 MR. CYRUS SANAI: Yes. I'm going to
25 call this document 621. If you will take a look, it is a

1 receipt for a Mauser P08 9mm.

2 MR. BUSBY: I think the identification
3 needs to be done by a witness rather than counsel.

4 Q. (By Mr. Cyrus Sanai) Could you take a look at
5 these documents and tell me if you recognize them?

6 A. I have never seen these before.

7 Q. Well, can you read -- would you like a copy?

8 HEARING OFFICER BELES: They haven't
9 been admitted. I don't.

10 Q. (By Mr. Cyrus Sanai) Can you read -- if you will
11 refer back to Document 620, which is the check registry of
12 Mary McCullough.

13 A. Yes.

14 Q. Do you see a notation for an office protection
15 gun?

16 A. Office protection gun, Adventure Sports, written
17 in December of some unidentified year.

18 Q. Right. And the amount was?

19 A. \$554.99.

20 Q. You said, I'm sorry, 554. Is that 554 or 551?

21 A. Oh, well, almost a four. Maybe that could
22 match. Well, of course, it's a different -- there's a
23 receipt that you have presented me dated November the 8th,
24 '96.

25 Q. Correct.

1 A. For 551, a month earlier.

2 Q. Um-hum.

3 A. 551.99. So that could be 551.99 written a month
4 later.

5 Q. Okay.

6 A. Possibly.

7 Q. Okay. But it indicates that there was a pistol
8 purchased as the office protection gun for 551.99, okay?

9 A. Correct.

10 Q. From the time period that you were a special
11 master for the period in which -- when were you -- what
12 time were you a special master in the Sanai divorce
13 litigation?

14 A. Judge Thibodeau appointed me. I will have to
15 guess, like 2004, 2003. I don't recall the exact date.

16 Q. And you finished your duties when?

17 A. Upon the sale of the personal residence.

18 Q. Which occurred in?

19 A. That was 2007, if I recall.

20 Q. All right. During that time period did you ever
21 find any reason to believe that the information you
22 provided regarding Sassan Sanai's medical practice was
23 incorrect?

24 A. No.

25 Q. So, you believe that the characterization that

1 you provided to the court in 2001 that the medical
2 practice had no value was true?

3 A. Well, I don't recall what that questioning was
4 in the depositions so I can't answer that question.

5 Q. Okay. Please go to pages -- take a look
6 starting at page approximately 271 on Exhibit 618 and
7 you'll see there's a discussion about your, a discussion
8 about and questions about valuation of businesses.

9 A. Yes.

10 Q. And if you go along to page 273 you'll see page,
11 starting on line 19 there's a discussion about an exhibit
12 which was a financial statement for the month of
13 September 2001. Do you see that?

14 A. Yes, line 19 and following, or actually line 11,
15 yes.

16 Q. And you'll see continuing on where it's
17 page 274-275 regarding the corporation, its assets and its
18 economic, its economic performance. Do you see your
19 discussion there?

20 A. On 274?

21 Q. Yes.

22 A. Yes, here it is.

23 Q. And so from this information onward you'll
24 continue to see, for example, at 281 you talk about the
25 dropoff in accounts receivable and the reduction in his,

1 in Sassan Sanai's income after his heart attack, correct?

2 A. That's correct.

3 Q. And on page 282 you refer to the contracted
4 wage, the amount, you refer to the tax return for his
5 contracted wage, which I believe you previously testified
6 was \$31,000. And then if you take a look at page 283,
7 which also looks at you discussing the various figures
8 about the amount of money that Sassan Sanai has been
9 taking in.

10 HEARING OFFICER BELES: Counsel, are
11 those questions?

12 Q. (By Mr. Cyrus Sanai) I'm asking if he sees these
13 objects.

14 A. I'm following with you on each page.

15 Q. Then you get to 285. The upshot is, what is
16 your opinion as to the question on line 13, which is what
17 is the opinion of the value of the doctor's medical
18 practice today?

19 A. Yes, page 285, line 15.

20 Q. Right. And you specifically refer, it says, if
21 you look at lines 15 through 17, "We would look towards,
22 again, as I have described, what would the earnings be
23 over the last years," correct?

24 A. That's correct.

25 Q. In fact, in something like a medical practice

SANAI HEARING - VOLUME 11 - 5/31/11

1 the dominant question in doing a valuation is the past
2 earnings; would that be correct, a fair characterization?

3 A. That would be a fair approach.

4 Q. Okay, thank you. And as we have discussed from
5 the earlier exhibit, which was Sassan Sanai's draws from
6 the corporation that had been going on a precipitously
7 downward slope according to the figures you provided, and
8 bottoming out at around \$30,000 or so in the years 1998,
9 1999, 2000, correct?

10 A. That's correct.

11 Q. Now, in making those calculations, in making
12 those calculations, however, if Sassan had been operating
13 Internal Medicine, a portion of Internal Medicine &
14 Cardiology as a sole proprietorship and taking patient
15 receivables, et cetera, you would have no way of knowing
16 that, correct?

17 A. That would be true.

18 Q. Okay, thank you. So, but after 2002, 2003,
19 2004, Dr. Sanai's income as far as you're able to see
20 increases dramatically from \$30,000, doesn't it?

21 A. Let's look. Oh, earnings from the corporation,
22 that schedule stops at 2000 and I don't recall subsequent
23 years.

24 Q. You don't recall 2006?

25 A. 2006, I do not.

SANAI HEARING - VOLUME 11 - 5/31/11

1 Q. You don't recall 2007?

2 A. I do not.

3 Q. Now, during 2006-2007 you were, of course, a
4 special master for the court, correct?

5 A. A special master.

6 Q. And would you have informed the court if you had
7 discovered that the characterizations you had made had
8 turned out to be false?

9 A. To be false?

10 Q. Yes.

11 A. There was no false information, Mr. Sanai.

12 Q. No, I'm sorry, fair enough. Let me rephrase the
13 question. If it were the case that in say 2006 Sassan
14 Sanai had earned \$80,000 or 2009 he had earned \$120,000 or
15 2007 he had earned \$120,000, is that something you would
16 have informed the court about?

17 A. The court, Judge Thibodeau --

18 Q. Yes.

19 A. -- never asked for the earnings reports of your
20 father. Therefore, I never gave the court any
21 information.

22 Q. But the fact is, according to the documents that
23 were just provided to me, in 2006 Sassan Sanai had
24 miscellaneous income of \$76,687 and in 2007 there's a W-2
25 for over \$100,000; isn't that right?

SANAI HEARING - VOLUME 11 - 5/31/11

1 A. I don't recall.

2 Q. Let me show you the documents. This is a
3 document I just pulled and photocopied.

4 MR. CYRUS SANAI: May I approach?

5 HEARING OFFICER BELES: Yes, you may.

6 MR. CYRUS SANAI: 2006 miscellaneous.

7 MS. EIDE: Do you have a copy for
8 counsel and the originals, please.

9 MR. CYRUS SANAI: Well, the originals
10 are there (indicating).

11 MS. EIDE: Well, I mean an original in
12 the sense that our clerk can have one.

13 HEARING OFFICER BELES: Do you have a
14 copy for the clerk?

15 MR. CYRUS SANAI: This is 2006.

16 HEARING OFFICER BELES: Have you
17 marked this with a number?

18 MR. CYRUS SANAI: No, I haven't. I
19 propose it as Exhibit 621.

20 MS. EIDE: No, we have used that.

21 MR. CYRUS SANAI: 622?

22 HEARING OFFICER BELES: That's
23 correct.

24 Q. (By Mr. Cyrus Sanai) And I have, which I'm going
25 to present as 623, from the documents you provided me,

SANAI HEARING - VOLUME 11 - 5/31/11

1 Federal State Tax Planner document, it says prepared by
2 Philip S. Maxeiner, Exhibit 623, \$86,000 for 2006 Federal
3 Income Tax and \$120,000 for 2007 income tax.

4 MR. CYRUS SANAI: Do you recognize
5 Document 623?

6 MR. BUSBY: Could I have a copy of
7 Exhibit 623?

8 MR. CYRUS SANAI: Sure.

9 THE WITNESS: I do recognize this
10 software program.

11 Q. (By Mr. Cyrus Sanai) So, notwithstanding the
12 fact that Sassan Sanai, that his -- one second -- the sums
13 of earnings of Sassan Sanai are inconsistent with the
14 trend of his earnings that was shown in the historical
15 earnings profile that was entered into evidence earlier
16 on, correct?

17 MR. BUSBY: Objection; argumentative.

18 MR. CYRUS SANAI: Sorry. What's the
19 objection?

20 HEARING OFFICER BELES: Overruled.

21 MR. SKINNER: Objection, lacks
22 foundation.

23 HEARING OFFICER BELES: They are
24 coming at you from all angles. I would like to hear a
25 little foundation.

SANAI HEARING - VOLUME 11 - 5/31/11

1 Q. (By Mr. Cyrus Sanai) You earlier acknowledged
2 the existence of a document you provided to the attorneys
3 in the divorce showing a precipitous decline in Sassan
4 Sanai's earnings from the medical corporation down to
5 \$31,000 in 2001 or 2000, correct?

6 A. That's correct.

7 Q. Yet now, 2006-2007, there are earnings of
8 \$86,000 for 2006 and \$120,000 for 2007, correct?

9 A. Partially. Note the date in the upper
10 right-hand corner: Date, July the 3rd. I used this tax
11 program to play the what-if game; if my clients would earn
12 this amount of money, how much tax would they pay.

13 Q. Okay.

14 A. So that I can warn them of their tax obligation.
15 So the \$101,000 was, at whatever point I would have been
16 talking with your father, Well, if we earned this amount
17 of money what tax would we have to pay, looking in terms
18 of estimated tax payments. So, my Federal Tax Planner
19 software is for projection only.

20 Q. Okay. Nonetheless, on that date your projection
21 was for \$123,000, correct?

22 A. If, again, on July the 3rd, if his practice
23 continued or had some kind of an increase.

24 Q. All right.

25 A. Not an absolute.

SANAI HEARING - VOLUME 11 - 5/31/11

1 Q. Understood. I'm going to present you with
2 Exhibit 624, which is again a document I pulled from
3 there, which is the W-2 tax statement for 2007. That's
4 what it's identified as. I'll propose it as Document 624.
5 Could you please tell me what it is?

6 A. 2007 W-2 form.

7 HEARING OFFICER BELES: Hold on just
8 for a moment. You need to get a copy to opposing counsel.
9 Now, 621 has not been admitted. 622 and 623 have not been
10 offered.

11 MR. CYRUS SANAI: I thought I offered
12 them. I apologize. I offer them as in evidence.

13 MR. BUSBY: Same objections.

14 HEARING OFFICER BELES: They are
15 admitted, 622 and 623 are admitted.

16 (Exhibits 622 and 623 admitted in
17 evidence.)

18 Q. (By Mr. Cyrus Sanai) All right. Can you
19 identify Document 624?

20 A. This is a 2007 W-2 form from the corporation to
21 your father.

22 Q. Now, this is something interesting.

23 MR. BUSBY: Objection to the
24 commentary.

25 HEARING OFFICER BELES: Proceed,

1 counsel.

2 Q. (By Mr. Cyrus Sanai) Item C, employer name,
3 address and zip code, could you tell me what that address
4 is?

5 A. Item C? Yes, I can.

6 Q. What is that address?

7 A. That's my address.

8 Q. Can you explain why your address is listed as
9 the employer's name, address and zip code?

10 A. Yes, I can. I have done that my entire practice
11 to have information that IRS may mail to me, that I could
12 be able to accept that. Clients are notorious for losing
13 information from the Internal Revenue until it's too late;
14 a convenience item.

15 Q. I understand, okay, but here there is a wage of
16 \$123,433.73 for 2007.

17 A. Correct.

18 Q. So, as it turned out, in 2007 Sassan Sanai did
19 earn \$123,000, at least according to the evidence you
20 provided to me, correct?

21 HEARING OFFICER BELES: Counsel, you
22 may have to repeat that question.

23 Q. (By Mr. Cyrus Sanai) According to the evidence
24 that was provided in that box over there (indicating), in
25 2007 Sassan Sanai earned from his medical practice

1 \$123,433.73, right?

2 A. That's correct.

3 Q. So, do you have any idea why after Sassan
4 Sanai's medical practice was going for years of
5 precipitous declines in income there was a sudden
6 increase, you had a sudden and sustained increase?

7 A. I cannot explain that.

8 Q. But all these figures that you provided were
9 matters that were obtained from Mary McCullough's
10 handwritten records of the documents, of the earnings,
11 correct?

12 A. Check register page by check register page
13 (indicating).

14 Q. So, based on the earnings from the corporation
15 that was provided in Exhibit 619, the last time Sassan
16 earned a similar amount of money was 1991, correct?

17 A. That's correct.

18 Q. So in the time period from after the divorce
19 trial Sassan's income somehow rebounded, according to the
20 figures in Mary McCullough's handwritten notes, to levels
21 that had previously been seen in 1994, 1992, 1991, right?

22 A. That's correct.

23 Q. Would you say that this differential in income
24 is from an accounting point of view a material change from
25 what was the case in 1997, 1998, 1999, and 2000?

SANAI HEARING - VOLUME 11 - 5/31/11

1 A. That would be a material change.

2 Q. Thank you. But you have no explanation about
3 why the value, how this occurred?

4 A. No, I do not.

5 Q. But the reality is it did occur?

6 A. Correct.

7 Q. And you didn't inform the court that there was a
8 substantial, a material change in Sassan Sanai's earnings
9 from the medical corporation, did you?

10 A. There was no need to.

11 Q. Now, would this material change have made a
12 difference in the valuation of the medical corporation?

13 MR. BUSBY: Object to form of the
14 question. At what time, the valuation at what time?

15 Q. (By Mr. Cyrus Sanai) Would your conclusion about
16 the valuation of the medical, the value of the medical
17 corporation made in your testimony have been altered if
18 you had, if you had knowledge that the income would be
19 increasing in subsequent years?

20 MR. SKINNER: Object to form; calls
21 for speculation.

22 HEARING OFFICER BELES: I'm still
23 unclear as to exactly the time frame.

24 Q. (By Mr. Cyrus Sanai) All right. Let me lay a
25 better foundation for the question. In your testimony in

SANAI HEARING - VOLUME 11 - 5/31/11

1 Exhibit 618 you state that the value of the medical
2 corporation is zero, correct?

3 A. That's correct.

4 Q. And, indeed, if we take a look at the earnings
5 for the medical corporation in what you had prepared in
6 2000 it was \$31,000, right?

7 A. That's correct.

8 Q. In 1999 it was zero, correct?

9 A. That's correct.

10 Q. And in 1998 it was \$27,252?

11 A. Yes.

12 Q. In 1997 it was \$31,000?

13 A. That's correct.

14 Q. So, on average that looks to be maybe \$20,000
15 for the previous, from 1997 to 2000 approximately, right?

16 A. Oh, a rough approximation.

17 Q. Okay, thank you. And the earnings from the
18 medical corporation are, of course, the most important
19 component in determining a value for the medical
20 corporation, right?

21 A. That is one of the factors.

22 Q. Is it the most important in your judgment?

23 A. Not necessarily.

24 Q. What would other factors be?

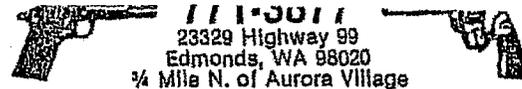
25 A. It would be the age, the location, the

EXHIBIT D

DATE	PAY TO THE ORDER OF	IN PAYMENT OF	Check No.	PERSONAL	OFFICE	Paid	Date of Deposit	Amount of Deposit	BALANCE
	AMOUNTS FORWARD						12/2	274913	50256
12/2	Marilyn Edmonds	GROSS 10250 7541 FWT 1200	196 94				12/3	70270	
12/2	Mary M ^o Cullough	GROSS 1100.00 55 1415 FWT 1200	196 95				12/4	30656	
12/2	Jackie Sharp	GROSS 23000 55 1775 FWT 1200	196 96				12/5	306493	
12/2	Debra Gamm	GROSS 31500 55 2639 FWT 1200	196 97				12/6	133190	
12/2	Northwest Hosp	Lab services	196 98				12/9	59459	
	Paycom	R/S	196 99				12/10	148430	
	Adventure Sports	Office Protection GUN	197 100				12/11	14996	
		H.S. Mutual part 99101 void	* 197	315228	31522	12	12/12	290793	
12/13	Linda Lamprecht		197 02				12/13	317049	
12/14	Marilyn Edmonds	reimbursement	197 03				12/16	39341	
12/16	Cash	Reimb to Dr. Medical Michigan	197 04				12		
12/16	Visa	Reimb to Dr. Medical Trip	197 05				12		
12/15	Scpa	Medical Dns.	197 06				12		
12/19	Quinton	Medical supplies	197 07				12		
12/12	Quinton	Hotter monitor Med. equip	197 08				12		
	Paycom	R/S	197 09				12		
	U.S Postmaster		197 10				12		
	Gregor Sanaei	Bonus	197 11				12		
	Dana Sanaei	Bonus	197 12				12		
	Costco	office supplies	197 13				12		
	SMH	Medical	197 14					1700579	
	Marilyn Edmonds	Reimble	197 15				12		
	Physicians Dns		197 16				12		
	Phys Dns		197 15				12		

EXHIBIT
620

000000



111-3011
 23329 Highway 99
 Edmonds, WA 98020
 1/4 Mile N. of Aurora Village

Date 11-8 1976

Name Mary McCullough

Address _____

SOLD BY		CASH	C.O.D.	CHARGE	ON ACCT.	ADSE. RETD.	PAID OUT
R		✓					
QUAN.		DESCRIPTION				AMOUNT	
1	1	Mauser P-08 9mm					
	2	# 11-008892				695.00	
	3					56.99	
	4					751.99	
	5	Dep. -				200.00	
	6	Bal Due				551.99	
	7						
	8						
	9						
	10						
	11						
	12					48	

Customer's Order No. _____ By _____

KEEP THIS SLIP FOR REFERENCE
 HONOLULU MARKING SYSTEMS INC. - DAYTON, OH 45401 20490-AH

REDACTED

EXHIBIT
 621

EXHIBIT
 30

EXHIBIT E

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF SNOHOMISH

In re the Marriage of:)
VIVECA SANAI,)
Petitioner,)
and) Cause No. 01-3-00054-5
SASSAN SANAI,)
Respondent.)

TRANSCRIPT OF PROCEEDINGS

COURT'S ORAL DECISION



November 30, 2001
Snohomish County Courthouse
Department 10
Everett, Washington

Dennis W. Erickson
Official Court Reporter
Wash CSR # E-R-I-C-KD-W 525BU

1 reconciliation, they could still think their dad is
2 pretty great, too. But if it doesn't change, the lines
3 have pretty well been drawn. Enough said.

4 In terms of looking to the future, then, it
5 appears to the Court that the lot should be sold, the
6 family home should be sold. And I'm going to appoint
7 Mr. Maxeiner to monitor both sales. That all the money
8 is to be placed in an escrow account. I don't know the
9 tax consequences that he testified to as it relates to
10 the clinic and all those things that may have to be
11 paid. So my goal is to place all the money in an
12 escrow account, have him pay the debts, which everybody
13 agrees should be paid. In addition, the \$3700, I
14 believe, that you paid to JAMBS, and pay that out of
15 those funds. Pay the tax consequences for both the
16 clinic and everything else, so that the net result of
17 those sums of money, including the profit sharing plan,
18 the \$200,000, will be a total pot to be shared
19 equally.

20 I do think, however, that each party should take
21 the credits as follows. There was some money withdrawn
22 in January of year 2001, and whatever sum each party
23 took out, that's as if it were a distribution. So if
24 the Doctor took out more, that credits against his
25 money. The wife took out less, she'll also receive

EXHIBIT F

No. 73751-7

SUPREME COURT OF THE STATE OF WASHINGTON

VIVECA SANAI, Appellant

vs.

SASSAN SANAI, Respondent

RESPONDENT SASSAN SANAI'S ANSWER TO MOTION FOR
SUPERSEDEAS PURSUANT TO RAP 8.1(H)

WILLIAM R. SULLIVAN
Attorney for Respondent, Sassan Sanai
Marsh Mundorf Pratt Sullivan & McKenzie
16504 9th Avenue S.E., Suite 203
Mill Creek, WA 98012
WSBA No. 8196

COPY

the declaration of Philip Maxeiner, the original liability due as of April 15, 2003 was \$30,772.05. Penalties and interest have accrued on that obligation also in the amount of \$8,322.82 as of July 1, 2003, increasing the total amount due to \$39,094.87. That obligation also continues to accrue penalties and interest at the rate of \$39.43 per day.

As may also be seen from the declaration of Craig Purfeerst herein, in the interim no one has paid the real estate taxes on the vacant lot, and they are now two years in arrears. Thus, it is absolutely clear that unless the sale of the vacant lot proceeds, not only will the interest and penalties on the taxes continue to mount, thereby further depleting the parties' assets, and their sole financial resources for the future, since neither party has any earnings, but ultimately the property will be lost to foreclosure, again since neither party has the ability to pay. These were also the facts that confronted Judge Thibodeau at the time he issued his order directing the sale of the vacant lot. These are also the facts that confronted the Court Commissioner of the Court of Appeals when she confirmed Judge Thibodeau's ruling. Finally, it was also these facts that confronted the three judge panel of the Court of Appeals when they affirmed their Court Commissioner's ruling.

Viveca Sanai is asking this court to not only reverse the rulings of Judge Thibodeau, Appellate Court Commissioner Craighead, and the Court of Appeals, but is also requesting that this court at this time substitute its judgment for theirs and allow Dorothy Tuscon to serve as the private surety herein. It should be noted that the financial information provided by Ms. Tuscon was inadequate that time, and has not been supplemented since. Instead, Viveca Sanai relies upon a supplemental declaration of

EXHIBIT G

1 in his amended complaint in this proceeding. Namely, that Mr. Sullivan had somehow acted
2 improperly and unlawfully by reporting Fredric to law enforcement authorities and the Washington
3 State Bar Association after Fredric wrote a letter to him that Mr. Sullivan believed was an attempt at
4 extortion. The Snohomish County Superior Court denied Fredric and Viveca's counter-motion to
5 disqualify Mr. Sullivan in the divorce action finding no merit to it. Viveca and Fredric Sanai filed a
6 motion in the Court of Appeals seeking to set aside the trial courts disqualification of Fredric. This
7 motion was also denied. (See declaration of William E. Gibbs filed in support of this opposition to
8 plaintiffs' motion to disqualify counsel.)
9
10

11 Having been unsuccessful in having Mr. Sullivan disqualified in the divorce action, and
12 recognizing that his familiarity with their misconduct in that action would work to the plaintiffs'
13 disadvantage in this action, they are now attempting to have him disqualified here by filing baseless
14 claims against him so they can attempt to use RPC 3.7 as a new ground for disqualification.⁶
15 However, this motion is premature.
16

17 ARGUMENT AND AUTHORITY

18 Plaintiffs' motion to disqualify Mr. Sullivan in this action states that it is based upon RPC 3.7
19 and that since they have sued him and his firm, he will necessarily be a witness and therefore may not
20 continue as co-counsel for Dr. Sanai and Mary McCullough. The problem with their position is that
21 they have apparently not read the rule carefully. It does not contain an outright prohibition preventing
22 an attorney from representing a client in an action in which the attorney may become a witness. On
23 the contrary, it states only that "A lawyer shall not act as advocate *at a trial* in which the lawyer or
24
25

26 ⁶The motion for disqualification against Mr. Sullivan in the divorce action was based upon Rules of Professional Conduct 3.1, 3.3(a), and 3.4., not RPC 3.7 which is the claimed basis here.

1 another lawyer in the same law firm is likely to be a necessary witness....” By its very terms, the rule
2 applies only to representation which occurs “at a trial” and does not apply to pretrial proceedings.
3 Trial in this matter is more than one year away and much can happen during the course of these
4 proceedings which would make it unnecessary for Mr. Sullivan to be a witness in this matter at trial.
5 Therefore this motion is premature and should be denied.
6

7 As noted by Fredric Sanai in his failed motion to disqualify Mr. Sullivan in the divorce case,
8 “Disqualification is an extreme remedy, and the trial court should be slow to use its authority to
9 employ such a sanction on any basis...” *In re Estate of Barovic*, 88 Wash.App. 823, 827, 946 P.2d
10 1202 (1997). The need for a “slow” approach to disqualification is readily apparent in this case for
11 the simple reason that it is doubtful that the claims against Mr. Sullivan will withstand Summary
12 Judgment. For example, Fredric has sued Mr. Sullivan claiming that Mr. Sullivan interfered with his
13 business expectancies and contractual relationship with his mother Viveca when the Snohomish
14 County Superior Court disqualified Fredric from acting as her counsel. Mr. Sullivan’s action in filing
15 this motion was a privileged one and obviously meritorious since the court agreed with his position.
16 In the end however, the motion did not interfere with the relationship, the court’s order did. It will
17 be truly interesting to see if Fredric Sanai can come up with any legal authority to support this unique
18 claim when this is challenged on Summary Judgment.
19
20
21

22 The same holds true for Fredric Sanai’s claims that Mr. Sullivan libeled him or slandered him
23 by reporting his actions to the Bar Association and the law enforcement agencies. RPC 8.3 required
24 Mr. Sullivan to report Fredric Sanai to the Bar Association. Given that Fredric Sanai’s conduct at a
25 minimum at least arguably constituted a criminal act, Mr. Sullivan’s reports to law enforcement
26

RESPONSE TO MOTION
TO DISQUALIFY COUNSEL

Page - 5-

BERGMAN & GIBBS, LLP
ATTORNEYS AT LAW
10655 NE 4TH STREET, SUITE 400
BELLEVUE, WASHINGTON 98004-5086
Telephone (425) 709-8800 • Fax (425) 746-4743

EXHIBIT 132 136

EXHIBIT H

DARIA SANAI hereby declares as follows:

1. The following facts are within my personal knowledge.
2. I am a co-plaintiff in the federal lawsuit brought by myself, Viveca Sanai, Cyrus Sanai, Fredric Sanai and Ingrid Sanai Buron against Sassan Sanai and Internal Medicine and Cardiology, Inc., et al.
3. In a personal meeting with me late last year, Sassan Sanai threatened to ruin Fredric Sanai's reputation by leveling charges that Fredric had shot someone and had assumed the identity of flamboyantly gay television personality Richard Simmons to steal traveler's checks from Sassan. Sassan also stated he would "kill" Fredric. Simultaneously, Sassan requested through my mother Viveca Sanai that I telephone him.
4. Shocked and concerned by what I heard, I contacted law enforcement. Because Fredric works in Yamhill County Oregon, that seemed the most appropriate law enforcement agency. After analyzing Sassan's threats, law enforcement personnel from the Yamhill County Sheriff's office decided to record Sassan's telephone calls with me to collect proof of Sassan's threats. From January to March 2004, Sassan and I held several phone calls. During these phone calls Sassan made, *inter alia*, the following statements:

- That the firearms in the possession of the community that Mary McCullough had claimed were hers were in fact owned and paid for by Sassan.
- "That son of a bitch Sullivan" is attempting to force Sassan to sell community property of Sassan and Viveca at a fire-sale price, and is "in cahoots" with Philip Maxeiner to deprive Sassan and Viveca Sanai of the fair value of their property.
- That Sassan had paid William Sullivan \$700,000 in legal fees to date, at least \$50,000 of which was in cash.
- That the litigation between Plaintiffs and Defendants was a 'contest of liars' and that Sullivan had assisted in the creation of false evidence and advised Sassan to lie to the courts.
- That Sullivan told Sassan that the biggest liar wins in court.
- That Mary McCullough was skimming money from the medical office, but Sassan did not care as she deserved the money.
- That Sassan had initiated wiretapping telephone conversation approximately 15 years ago, that it was "old news", that 'everyone' knew about it and that he had told Cyrus about it. Sassan admitted that the recording I happened to encounter him listening to was a wiretap tape and not some other tape of Viveca's voice.
- That Mary McCullough was pressuring Sassan for more money because of the amount of time and money Mary was spending having Viveca Sanai watched and followed.
- That Sassan had was making income from his medical practice, and that income was over a hundred thousand dollars.

5. Most, but not all, of the forgoing statements were tape recorded by the Yamhill County Sheriffs Department. I have prepared transcripts of those tapes. The contents of these transcripts differ in some slight respects from the transcript of the portions of the tapes played at Sassan Sanai's deposition. I believe this is because the court

reporter was listening to a third generation tape, while the tapes I used to prepare the documents are second generation tapes.

6. Sassan's conversation with me regarding the guns, which was tape-recorded, went as follows:

Sassan: Well I want to talk about the fact that I I want to make a proposal. She took those two guns -- there's gonna be a lawsuit. She'll lose for certain taking them out of the safe.

Daria: Mm-hmm.

Sassan: And if she returns those, because those are in Mary's name, well, I'll have to explain to you technically. **But in fact, you know I had paid for them, but they're in Mary's name, so legally there hers.**

Daria: Mm-hmm.....

Sassan: If she gets those out. And I'll ... she can have half the money to ... **because then I can change those names to my name and give her half the money.**

Daria: OK. So they're really yours. So it's like-

Sassan: Well yeah, technically ... but I mean legally they're Mary's ... Because she paid for them. And uh,they're in her name but I need to get those and change them to my name.

Daria: Okay.

Sassan: In which case half of them would be hers.

7. Sassan's conversation with me regarding Sullivan's efforts

to "firesale" the house went as follows:

Sassan: Anyway, what I went to do is I got an appraiser.

Daria: Oh good.

Sassan: That son of a bitch Sullivan. You know. He's the worst of all these lawyers. They want to firesale the house. Daria, this is the only thing we have got left.

Daria: It's because they want to get paid. That's why. They want to take their money out of the house.

Sassan: (inaudible) As far as I'm concerned. He has been paid seven hundred thousand dollars I've paid Sullivan.

Daria: Holy crap.

Sassan: Seven hundred thousand. And he got paid another sixty thousand from the insurance company.

Daria: Oh my god.

Sassan: So, we have been a good milk cow for him

Daria: Yeah, exactly.

Sassan: Under no circumstances ... Your mother can't be that mad. She can't hate money that much. It's her house too for Christ sakes. We should not give it away. So there's an offer for a million two hundred thousand -- which is peanuts.

Daria: That is ridiculous.

Sassan: And the guy tried forcing me to sell it.

Daria: No. No way.

Sassan: No listen. I said -- Sullivan started forcing me to sell it. I said "No way." And he says, "Well, we can go over your head and do this."

Daria: Oh my god, no he can't.

Sassan: Well, he can if your mother and I don't agree with each other. They can actually do that, Daria. But they can't go both over our heads.

Daria: But it's your property.

Sassan: I know. But if we both of us say we don't want to sell it at this price. She should come and say does not want to sell it at this price.

Daria: Well, to tell you the truth -- I don't know if you know this -- but she already has.

Sassan: She should.

Daria: She sent a letter to Maxeiner.

Sassan: Because if she says she wants to sell it at this price, I'm screwed.

Daria: Mm-hm

Sassan: You see. They're playing one against the other. They're playing her against me, against the kids.

Daria: Yeah, no. All they want is their cut.

Sassan: Exactly.

Daria: They don't care what happens to you or if you have enough money to retire on.

Sassan: I've never seen ... a bunch of disgusting people, these lawyers.

Daria: Oh, they're horrible.

Sassan: I mean they are you think used car salesmen are bad. They are absolutely ruthless.

....

Daria: The lawyers -- the lawyers don't care.

Sassan: Because they want to get rid of it.

Daria: Oh yeah

Sassan: Uh Prince, no, that includes Maxeiner. And Sullivan. They're all in cahoots together.

Daria: Oh absolutely they are.

Sassan: They just took that land that was worth six hundred thousand....

Daria: No, absolutely they are because they're looking out for themselves.....

Sassan: And I'm telling you, this is the case. So keep in contact with me.

Daria: I will you know.

Sassan: And we've got to fight tooth and nail for this.

Daria: For sure. For sure.

Sassan: The whole family. That's all we got left, Daria.

Daria: Cause the thing is, that, the thing with real estate is that it doesn't devalue. It only increases in value.

Sassan: It's gone up. There's a guy that already made an offer of a million two-hundred thousand. And that's just the first day.

Daria: You never take the first offer either

Sassan: Never. It's going to be on the market for six months. And what do I care?

Daria: Absolutely.

Sassan: All right.

Sassan: Let me tell you something.

Sassan: They are saying the taxes are due by February. Your mother and I can get together, without the goddamn lawyers

Daria: Uh huh.

Sassan: And go get a loan or something and pay off part of the taxes, so they don't take over the house. That's the excuse they're gonna use.

Daria: Well, I don't even think that is true. To tell you the truth. Your taxes have been filed, as far as I know.

Sassan: That's what they're telling me.

Daria: Well, they're gonna tell you, you know, lawyers are

...

Sassan: I don't believe a word they say. Daria. I do not believe -- I don't trust them any more than I trust a dog.

Daria: I know. Honestly.

Sassan: They're just another. They're shysters.

Daria: They are. They want their money they don't care. They're not a friend. They are not family.

Sassan: No, of course they're not family -- they're not a friend.

Daria: You know, they are just looking to get paid.

Sassan: Does your mother have -- you know the other thing is Daria.

Sassan: Now, I'll tell you this confidentially, okay. I don't want this to get back to the lawyers. Sullivan had told the real estate man to document to write down every time your mother had been to the house.....

Daria: mm-hm.

Sassan: I told the guy, "no way." She can go to the house as much as she wants to. I don't care. What do I care if she goes to the house ten times per day?

Daria: Right. Right.

Sassan: What does it do to me? It doesn't do anything to me. All I want to do is to make sure that we don't hemorrhage any more money.

Daria: Absolutely.

Sassan: And I told him not to do that -- and he said he wouldn't.

Daria: Well, you know.

Sassan: So she can come and go. I don't think she has to be scared.

Daria: So Sullivan is telling to sell everything -- and get rid of it and dump it.

Sassan: Sullivan is telling me to sell it at that price. Yes.

Daria: Ridiculous.

Sassan: Well I can see...hear his voice. That's what happened that's the disagreement we had with the lot. **And then I tried to call Cyrus to go to the lot and then Cyrus reported me to the judge rather than agree with me.** So, essentially, we lost the lot for it was sold for--two hundred thousand under.

Daria: So you could have divided that into three properties.

Sassan: Absolutely. You could've had a piece of it, I could've had a piece of it.

Daria: And you could have sold build three properties and make three times as much as money. Yeah, it's ridiculous.

In a separate recorded, telephone conversation Sassan also made the following statement:

Sassan: Yeah, on the fire sale and if she wants to screw me like she did on the land fine! **I'm working, I have an income!** But she is stupid. What's her idea of wanting to lose everything?

8. Sassan confesses that there was no basis for the moneys Mary McCullough took from the office:

Sassan: No she didn't get paid. I mean who knows...maybe some of it's made up. She's still going to get it.

Daria: Well ...

Sassan: I mean she makes the schedule.

Daria: Yeah.

Sassan: I don't know maybe there is some money that uh...I mean it's a question of ten, eight, ten, thousand dollars and the woman has worked there for 20 years. That's the way I look at it. She wants to skim off ten thousand dollars, let her.

I declare, under penalty of perjury under the laws of the state of Washington, that the foregoing is true and correct.

Signed at Seattle, Washington, on April 18, 04

2004.

Daria Sanai