

# Exhibit "A"

EXHIBIT R

## AFFIDAVIT

I, John Truslow, being duly sworn, state the following:

1. I am a Special Agent in the Federal Bureau of Investigation and have been such for almost sixteen (16) years. I am presently assigned to the Providence office doing white collar and corruption investigations. I have been doing white collar investigations throughout my entire career with the Federal Bureau of Investigation.

2. I am the case agent involving Cumberland Investment Corporation and Harold F. Chorney. I conducted the entire investigation involving CIC's and Mr. Chorney's dealings with Eastland Bank (formerly Woonsocket Institution for Savings) and I am thoroughly familiar with the records of its and his dealings with the bank. These records include those obtained by grand jury subpoena from Eastland Bank, John Cullen, the United States Trustee in Bankruptcy, various banks in the State of Rhode Island, suppliers and purchasers of coins and numerous other sources that dealt with Cumberland and Mr. Chorney during the years that are the subject matter of this indictment. Many of the sources for these records testified as witnesses during the trial of Mr. Chorney.

3. I have personally examined every record we obtained from all of the above sources, most particularly the large number of records of CIC that were obtained from the United States Trustee, which I personally examined at least three (3) separate times.

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4. I have reviewed defendant's Memorandum In Support of his Motion for a New Trial with the prosecutor and have personal knowledge of many of the matters the defendant raises in his memorandum. Many of the statements made in the defendant's memorandum are inaccurate, misleading, and a total distortion of the evidence produced at the defendant's trial. The following paragraphs are an itemization of why I believe the memorandum contains inaccurate and misleading statements, and distortions of the evidence.

5. At the end of January, 1993, the prosecutor, defense counsel, defendant, Postal Inspector Stephen Rothemich, and I traveled to Toronto, Canada, to obtain court sanctioned depositions of accountants who represented CIC and Wescap Enterprises, the Canadian firm that bought out CIC. It was during a recess at one of the depositions that the prosecutor informed Mr. Lutes that the government had a box of video tapes that were made at the time the assets of CIC were removed from its premises in Woonsocket. The prosecutor indicated he did not believe the video tapes were material or relevant and was therefore not going to view them. However, the prosecutor then told Mr. Lutes that he was free to view them if he wished to do so. Mr. Lutes response was to the effect that, if you are not going to look at them, I am not going to look at them. I myself heard Mr. Lutes' response. I remember the incident because I was very happy that I did not have to sit with Mr. Lutes and the defendant to view many hours of tapes that

the prosecutor and I deemed irrelevant. Mr. Lutes' contention in defendant's memorandum that he was unaware of the existence of the tapes is incorrect. Because the notice was done orally and informally, Mr. Lutes probably forgot that it was mentioned to him while we were in Canada.

6. I have looked at the transcript of the stenographic notes taken on August 17, 1990, at the time CIC's assets were removed from CIC premises. This is the first I learned of the existence of such stenographic records. We never requested nor did we receive copies of any still photographs taken at the time the CIC assets were removed. I saw a photo album of photographs taken during the August 17 asset removal process but did not obtain copies of them because the defense counsel did not want to view the videotapes of the same matter and the photos merely showed pictures of the assets (mostly in bulk or in boxes) that were removed. The pictures that I saw did not show a coin by coin itemization or inventory of the assets that were removed.

7. Defendant's memorandum talks about records that are missing, including CIC inventory records. Defendant and his counsel reviewed some sixteen (16) boxes of CIC records in the custody and control of the government located at the United States Attorney's office between October 16, 1992 and November 5, 1992. They failed to examine eighteen (18) boxes of CIC records prior to trial but did examine six (6) boxes on June 16, 1993, and eight (8)

boxes July 14, 1993, after trial. Four (4) boxes of CIC records were never examined by defendant and his counsel. There are at least half a dozen additional boxes of records obtained from other sources which were made available to the defendant and his counsel but were never examined by them. The inventory records in yellow-covered notebooks that is referred to in defendant's memorandum are in a box marked PW-31 which defendant and his counsel reviewed in the United States Attorney's office on July 14, 1993, after trial. There are eight (8) notebooks, covering United States coins, foreign stamps and United States stamp inventories, foreign coins, ancient coins inventory, United States banknote inventory and colonial coin inventory. They have been available to defendant in the United States Attorney's office since the CIC records were obtained from the United States Trustee.

8. In his memorandum defendant refers to an inventory of the possessory collateral held initially by Eastland Bank and then by FDIC. That inventory taken by FDIC was approximate 1,000 coins less than the number of coins held by the bank as collateral, to wit 7,820 coins, according to Sotheby's inventory taken October 3, 1989. That discrepancy is easily explainable.

Nine hundred fifty-three (953) possessory collateral coins that were held up until August 18, 1993, in Cranston had been moved earlier to Cranston from the collateral in Woonsocket by the bankruptcy examiners, Mike Weingarten and Per Baverstam, in order

to test the value of the collateral by having them examined and graded. When Fleet Bank took over many of the Eastland Bank branch offices, including the Cranston office, it insisted that all of the assets of CIC contained in one of the Cranston vaults be removed. All of the miscellaneous assets of CIC were moved on August 18, 1993, after the trial, to Woonsocket. Included in the assets moved to Woonsocket were the 953 silver dollars that were part of the possessory collateral. On August 18, 1993, these 953 collateral coins were returned to Woonsocket. The collateral coins that came from Cranston came in boxes. Each of those boxes had FDIC inventory numbers "C-118" and numbers "1 of 7" through "7 of 7". Four of the boxes had a yellow sticker with the words "Eastland Collateral" written on each label indicating that the coins in these boxes were part of the possessory collateral and one box was marked "Part of 50 coin sample Eastland Collateral."

9. On April 21, 1995, the possessory collateral now belonging to FDIC was removed from the bank premises in Woonsocket to FBI premises by myself and two other employees of the FBI, at my direction. I had the collateral removed for security purposes and in order to do a physical inventory of the collateral. The bank building had been sold and FDIC was being urged to remove everything of CIC from the bank premises, including the collateral. I believe the only way to secure the integrity of the collateral was to take possession of it.

10. I and an FBI employee personally inventoried the entire Eastland collateral consisting of 7,809 coins. After we completed the physical inventory, I summarized the results and compared those results with Sotheby's physical inventory, taken on October 3, 1989, and the inventory records supplied by the defendant to Eastland Bank dated December 28, 1988.

11. The first thing I did was compare the total number of coins that I inventoried with the total number of coins inventoried by Sotheby's in 1989. My total coins was 7,809. Sotheby's total number of coins was 7,820. Note should be taken that ten (10) of the coins inventoried by Sotheby's were later sold by the examiners, with permission of the bankruptcy court and the defendant sometime in early 1990. Therefore, Sotheby's coin total would be ten (10) less or 7,810. Next I compared the years and mint marks of my inventory with that of Sotheby's. Seven thousand eight hundred (7,800) of the coins I inventoried and Sotheby's inventory matched completely. Only twenty (20) of Sotheby's coins do not match up, but because of the sale of ten (10) coins since the Sotheby inventory, the difference is only ten (10) coins.

12. The next comparison I made was between Sotheby's inventory and the Chorney inventory records supplied to the bank. Sotheby had 7,820 coins and Chorney had 7,826 as totals. When comparing the years and mint marks, 7,794 Sotheby coins matched a like number of coins shown on defendant's inventory records of

December 28, 1988.

In addition I was able to match up the location of these particular coins by drawer and box number, that is, Sotheby's inventory reflects each box and drawer where the coins were located. These match up almost exactly with the box and drawer numbers on the inventory records of Chorney had given to the bank, as of December 28, 1988.

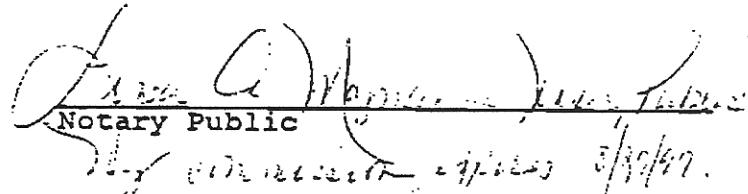
13. The next comparison I made was between my physical inventory and the CIC records given by the defendant to Eastland Bank. My total of coins came to 7,809. Chorney's total number of coins as of December 28, 1988, was 7,826 of which ten (10) were sold by the examiners in early 1990. When comparing the years and mint marks, the coins that I inventoried matched Chorney's list of December 28, 1988 for 7,778 coins contained on his inventory records.

14. Because there were several occasions on which parts of the collateral were either removed by the examiners or were inventoried by FDIC in Woonsocket, and not returned to the exact

box and/or drawer after the Sotheby inventory of October 3, 1989,  
I was not able to make a comparison of the collateral box and  
drawer locations when I took the physical inventory of the coins.

  
JOHN TRUSLOW  
Special Agent  
Federal Bureau of Investigation

Subscribed and sworn to before  
me this 7<sup>th</sup> day of November, 1995  
at Providence, Rhode Island.

  
Notary Public  
Rhode Island 02901 11/10/95.