

NORTH CAROLINA ) IN THE GENERAL COURT OF JUSTICE  
 ) SUPERIOR COURT DIVISION  
FORSYTH COUNTY ) File No.:96 CVS 1409

PHILIP A. R. STATON,  
Plaintiff,

vs.

JERRI RUSSELL BRAME; JERRI RUSSELL  
BRAME d/b/a "T&J VENTURES," "S&B  
INVESTMENTS," and "JRB INVESTMENTS,  
INC."; JRB INVESTMENTS, INC.; THOMAS  
BRAME, GLOBAL SPORT MANAGEMENT CO.,  
GLOBAL LAND MANAGEMENT, INC., and  
T&J VENTURES, INC.,  
Defendants,

vs.

INGEBORG STATON and  
MERCEDES MESA DE STATON,  
Intervenors,

vs.

PHILIP A. R. STATON and GAYLE  
RUSSELL STATON,  
Defendants and Third-Party  
Plaintiffs,

vs.

DARRELL WILSON,  
Third-Party Defendant.

(Caption continues ...)

VIDEO DEPOSITION OF MERCEDES MESA DE STATON,  
(Volume I, Pages 1 - 94)

Winston-Salem, North Carolina  
Sunday, January 26, 1997

Reported in Stenotype by  
Linda N. Russell, CSR, RPR  
Transcript produced by computer-aided transcription

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App.125

1 MR. FOX: I will do that.

2 BY MR. FOX:

3 Q. Do you recall selling stock you owned in the  
4 Panamco Company in 1993?

5 (MR. PAREDES CONFERS WITH INTERPRETER IN SPANISH)

6 A. Yes, I did sell stock that I had in Panamco.

7 Q. Do you recall approximately how much you got  
8 for that stock, how much you received for that  
9 stock, in money?

10 A. Yes. I receive 36 million, approximately.

11 Q. Has any portion of that sum been -- strike  
12 that.

13 Has any portion of that sum been lost in  
14 any way?

15 A. Yes. Yes, it has -- because I trusted in  
16 Mr. Philipe -- in Mr. Philip, and he gave that  
17 money to Mr. Tom and Miss Jerri. And I said to  
18 Philip, I did not want this money to be invested,  
19 my money, in investments in any place. But I  
20 wanted my money to be invested in money market  
21 accounts, in certificates, or bank accounts. And  
22 my money, it seems that it was invested or they  
23 made other investments, other investments that I  
24 did not know or they did not communicate to me.  
25 They did not inform me of the investments they were

1 making.

App. 126

2 Q. When did you first find out about the losses?

3 A. During the first months of 1996.

4 Q. Who first informed you about the losses?

5 A. The first person was Mrs. Jerri Brame who  
6 informed me of the losses, possible losses, and  
7 of -- and about the investments, some of them.

8 MR. FOX: Some of what?

9 THE INTERPRETER: Some of them.

10 Some of the investments.

11 BY MR. FOX:

12 Q. What investments did she say had been lost?

13 A. Apparently they had invested in companies and  
14 possibly, probably, in other businesses.

15 Q. Did she tell you what other businesses?

16 A. She did not tell me the names.

17 Q. How much did she say -- how much of your  
18 money did she say had been invested in this manner?

19 A. She did not tell me.

20 Q. Did you ask her at that time to tell you?

21 A. No, sir.

22 Q. At that time did you trust Mrs. Brame?

23 A. Probably yes, but then afterwards no.

24 Q. Did Mrs. Brame first inform you of the losses  
25 before or after the meeting here in North Carolina

App. 127

1 MR. FOX: -- whose mind and ability  
2 to speak has been ruined by three years of law  
3 school. But I'll try to make them even more  
4 concise.

5 COURT REPORTER: On examination  
6 record at 11:41.

7 BY MR. FOX:

8 Q. Mrs. Staton, when did you determine that  
9 Mrs. Brame was not being truthful to you?

10 A. In the year 1996.

11 Q. What did she say or do that caused you to  
12 conclude that?

13 A. Perhaps that she did not give me complete  
14 information of what she was doing.

15 Q. What do you now think she was doing that she  
16 didn't tell you about?

17 A. I am not very sure what she was doing, but  
18 she was doing something that was not correct.

19 Q. How did she find out she was doing something  
20 that was not correct?

21 (MR. PAREDES CONFERS WITH INTERPRETER IN SPANISH)

22 A. Perhaps because I was lacking information  
23 from her.

24 Q. Did you request information that she failed  
25 to give you?

App. 128

1 A. I did not ask for information, because I did  
2 not speak English to ask for the information.

3 Q. Do you recall having a meeting with  
4 Mrs. Brame and Mr. Hirsh in Mr. Hirsh's office in  
5 the early months of 1996?

6 A. Yes, sir.

7 Q. Do you recall about how long that meeting  
8 lasted?

9 A. Several hours.

10 Q. Was a translator present at that meeting?

11 A. Yes, sir.

12 Q. Were you able to understand through the  
13 translator everything that Mr. Hirsh and Mrs. Brame  
14 said?

15 (MR. PAREDES CONFERS WITH INTERPRETER IN SPANISH)

16 A. I was a little bit confused because of the  
17 translator.

18 Q. What do you recall being told at that meeting  
19 by Mr. Hirsh?

20 A. I cannot remember, because he spoke English.

21 Q. Did the translator tell you in Spanish what  
22 he had to say?

23 A. I said before that I was a bit confused  
24 because the translator didn't translate well.

25 Q. Okay. Did you have the impression that the

App. 129

1 (RECESS TAKEN)

2 VIDEOGRAPHER: We're going back on  
3 the record at 2:20 p.m.

4 BY MR. FOX:

5 Q. After you first had reason to be concerned  
6 about the loss of your money, did Charles Hirsh  
7 ever tell you that you, Mercedes, had not lost any  
8 money?9 A. Mr. Charles did not make any reference,  
10 because he did not speak to me in English.11 Q. What do you mean, he did not speak to you in  
12 English?13 A. He did not -- excuse me. He did not speak to  
14 me in Spanish.15 Q. On the occasion when the translator was  
16 there, did Mr. Hirsh say through her that you had  
17 not lost any money?

18 A. I don't remember.

19 Q. Since the sale of your stock in Panamco, who  
20 has maintained records of your affairs? Her  
21 business affairs.

22 (MR. PAREDES CONFERS WITH INTERPRETER IN SPANISH)

23 A. After receiving my money from Panam, Jerri  
24 Brame. I understand that Mr. Philip handled part  
25 of that, but I think -- but I think there was --

App. 130

1 the responsibility was among them, Philip and Tom  
2 Brame and Jerri Brame.

3 Q. Did Mr. Hirsh maintain any of those records?

4 A. I think that he could have them if Miss Brame  
5 send them to him, but I could not say it with  
6 certainty.

7 Q. Okay. Does she know whether any banks have  
8 any of those records?

9 A. I suppose that in some bank or a bank the  
10 account -- the records must be.

11 MR. PAREDES: Just an interruption  
12 in reference to the term "account".

13 MR. FOX: Let's just go off the  
14 record a minute.

15 VIDEOGRAPHER: We're going off the  
16 record at 2:26 p.m.

17 (RECESS TAKEN)

18 VIDEOGRAPHER: We're going back on  
19 the record at 2:30 p.m.

20 MR. FOX: I need to make a  
21 statement first and then ask a question in order to  
22 make my meaning more clear.

23 THE WITNESS: (Through the  
24 Interpreter) Yes, because this is not very  
25 comfortable for me.

App. 131

1 MR. FOX: Yes, I'll be glad to.

2 BY MR. FOX:

3 Q. Did Mrs. Brame ask you to pay any money in  
4 connection with the termination of Mr. Wilson's  
5 services as an employee of T & J Ventures?

6 A. He did not ask me, but I believe that she  
7 should have paid him if he finished his work.

8 Q. Do you believe she should have paid him with  
9 her money or with your money?

10 A. Mrs. Brame has my money, so I suppose that  
11 she paid with my money. Because I did not pay a  
12 person any money myself.

13 Q. How much of your money does she have?

14 A. She knows -- she knows how much she has of my  
15 money because I do not know it.

16 Q. Have you --

17 A. She has not told me how much she has.

18 Q. Have you asked her for an accounting of your  
19 money?

20 A. I have not asked her for an accountability of  
21 the money, but it's understood that one person  
22 is -- when one person is working and carrying the  
23 accounts, that person should give the information  
24 report, the accountant should account -- report the  
25 accountability.

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(Caption continues ...)

VIDEO DEPOSITION OF MERCEDES MESA DE STATON,  
(Volume II, Pages 95 - 205)

Winston-Salem, North Carolina  
Monday, January 27, 1997

Reported in Stenotype by  
Linda N. Russell, CSR, RPR  
Transcript produced by computer-aided transcription

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App. 133

1 everything. I know that some topics were kept out.

2 THE INTERPRETER: We're talking  
3 about checking accounts, you referred to checking  
4 accounts, and that's what I was explaining --  
5 translating.

6 MR. JAMES: And if we can and it  
7 would be necessary, I would request that, even if  
8 you think that the response is irrelevant, if you  
9 would do your best to try and give us the total  
10 response. But I realize, when we have a long  
11 statement, it's difficult to do that.

12 THE INTERPRETER: Right. Right.

13 MR. JAMES: Fortunately it is on  
14 videotape, so ... Hopefully.

15 BY MR. JAMES:

16 Q. Mrs. Staton, if you would do me a favor of  
17 looking at Exhibit 127, please. And I would like  
18 to first direct your attention to page 4, which is  
19 the last page of the -- excuse me. It's not the  
20 last page but it's the signature page. Page 4.  
21 Page 4.

22 Does that appear to be your signature  
23 above the typewritten nomenclature "Stockholder C,  
24 Individually".

25 MR. PAREDES: Stockholder, I think

App. 134

1 THE INTERPRETER: Repeat it.

2 BY MR. JAMES:

3 Q. Do you recall being referred to as  
4 "Stockholder C" in relation to the Panamco sale?

5 THE INTERPRETER: Repeat that,  
6 please.

7 BY MR. JAMES:

8 Q. Do you recall being referred to as  
9 "Stockholder C," ABC, in relation to the Panamco  
10 sale?

11 (MR. SITTON ENTERS ROOM)

12 A. Yes. I had stocks to sell at the sale of  
13 Panamco.

14 Q. And I've understood that. Does she -- do you  
15 recall -- do you recall being referred to as  
16 "Stockholder C"?

17 MR. HARWELL: Object to the form.  
18 I'm objecting because you didn't say by whom or by  
19 what or in what document.

20 MR. JAMES: We're looking at  
21 Exhibit 127, Mr. Harwell. 127 has her signature  
22 above "Stockholder C".

23 MR. HARWELL: I know that,  
24 Mr. James, but your question didn't articulate it  
25 in a way that I think is clear to the deponent.

App. 135

1 tape five of the videotape deposition of Mercedes  
2 Mesa De Staton. We're going on the record at  
3 3:44 p.m.

4 MR. JAMES: Mrs. Staton, I'm going  
5 to hand you a document through the court reporter.  
6 (EXHIBIT NUMBER 226 WAS MARKED FOR IDENTIFICATION)

7 BY MR. JAMES:

8 Q. Exhibit 226 is a removal of Philip Staton as  
9 trustee of your revocable trust -- of your  
10 revocable trust. My question is, do you remember  
11 signing the document on March 15th, 1996?

12 A. Yes, sir.

13 Q. Why did you revoke Philip Staton on  
14 March 15th, 1996?

15 A. Because I always trusted in him and I didn't  
16 want him to stay because I wanted to change my --

17 THE INTERPRETER: "Fiducia"?

18 MR. PAREDES: She said "testamento"  
19 which is "will".

20 THE WITNESS: (Through the  
21 Interpreter) Because I wanted to change my will.

22 BY MR. JAMES:

23 Q. Why did you not change your will and revoke  
24 Philip Staton earlier than March 15th?

25 A. Because I had not thought about it before.

App. 136

1 A. In that conversation?

2 Q. Yes, ma'am.

3 A. I always thought that he was responsible for  
4 my losses, but I don't remember if I said it in  
5 that conversation.

6 Q. The second thing I was going to ask you about  
7 the document: Do you recall saying in this  
8 conversation that Tom Brame has a bad influence on  
9 Philip Staton?

10 A. I don't remember having said it in this  
11 conversation, but I always thought that he had a  
12 bad influence for him. And Mr. Philip Staton knew  
13 it, because I said it on several occasions.

14 Q. You said it on several occasions to Philip  
15 Staton, did you not?

16 A. Yes. Philip Staton knew that I didn't like  
17 that man, Tom Brame.

18 Q. When you say that Tom Brame has a bad  
19 influence on Philip Staton, how did you mean --  
20 what did you mean by "a bad influence"?

21 A. Bad advice.

22 Q. And how long have you held that belief?

23 A. It was a person that never, Mr. Tom -- I  
24 never liked him, because in reality I always  
25 thought that he was a bad influence for Philip.

App. 137

1 And I could say that, since I met him, I had a bad  
2 impression about him, and I always thought that he  
3 could be a bad influence on Philip Staton.

4 Q. Mrs. Staton, did you ever trust Tom Brame?

5 A. I never trusted in that man.

6 Q. Did you know that Philip Staton trusted Tom  
7 Brame?

8 A. I cannot respond, because he only knows if he  
9 trusted in him, confided in him, or not. I didn't  
10 know it.

11 Q. Did Inge Staton ever tell you that she  
12 trusted Tom Brame?

13 A. Specifically the word "trust," trust Tom  
14 Brame, I cannot say yes or no.

15 Q. Mrs. Staton, you'll be happy to hear I have  
16 five minutes or less. So I just want to ask you to  
17 look at some documents and see if you recognize  
18 them. And I'll hand the first one to the reporter.

19 (EXHIBIT NUMBER 229 WAS MARKED FOR IDENTIFICATION)

20 BY MR. JAMES:

21 Q. Exhibit 229, my question is, have you ever  
22 seen this before?

23 A. Who signed this document?

24 Q. I believe it to be in Inge Staton's  
25 handwriting, but I don't want to misrepresent to

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BRAME d/b/a "T&J VENTURES," "S&B  
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Third-Party Defendant.

(Caption continues ...)

VIDEO DEPOSITION OF MERCEDES MESA DE STATON,  
(Volume III, Pages 206 - 263)

Winston-Salem, North Carolina  
Tuesday, January 28, 1997

Reported in Stenotype by  
Linda N. Russell, CSR, RPR  
Transcript produced by computer-aided transcription

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App. 139

1 Q. Do you remember, Mrs. Staton, if Mr. Philip  
2 Staton discussed this document with you before you  
3 signed it?

4 A. To be honest, there are several documents as  
5 they -- like the ones you show me yesterday that  
6 possibly were not shown to me or were not discussed  
7 with me, because I don't have any of these  
8 documents. I never had a file of documents that  
9 were sent to me, Mr. Philip Staton or Miss Jerri  
10 Brame or Mr. Tom Brame.

11 Q. Mrs. Staton, did Mr. Philip Staton keep your  
12 records for you?

13 THE INTERPRETER: "Records"?

14 MR. PAREDES: I think records --  
15 records is --

16 THE INTERPRETER: What's the word,  
17 because we do use that? How do we use records?

18 MR. PAREDES: "Activos".

19 THE WITNESS: I trusted always in  
20 Mr. Philip, and was confident.

21 BY MS. MYATT:

22 Q. Did you ever ask Mr. Philip Staton for your  
23 records?

24 A. I would ask Mr. Philip Staton how -- how were  
25 my -- well my -- what could I say, my -- my

App. 140

1 personal affairs in relationship to my accounts  
2 or -- and he would always respond: Everything is  
3 going well; don't worry. Since I trusted in him, I  
4 thought that everything was well.

5 Q. Mrs. Staton, did you ask him for your records  
6 before the sale of your Panamco stock?

7 A. I don't remember if I requested them, but  
8 since I trusted so much in him, I thought that he  
9 could have some or all of them for me.

10 Q. Did Mrs. Inge Staton also keep any of your  
11 financial records for you?

12 A. To be honest, we had no records.

13 Q. Mrs. Staton, if I could get you --

14 A. Or, excuse me, Mrs. Inge had no records --  
15 had no Panam records for me.

16 Q. Thank you, Mrs. Staton.

17 Mrs. Staton, could I get you to look at  
18 Exhibit Number 86. Mrs. Staton this is another  
19 document which was read to you yesterday. It is an  
20 appointment of agent dated April 1, 1991,  
21 wherein -- and I'm going to paraphrase this, you  
22 appointed Tom Brame, Jerri Brame and T & J Ventures  
23 as your agent.

24 MR. FOX: Object.

25 MR. HARWELL: Object also to the

App. 141

1 A. I understand that, if I give the power of  
2 attorney, he could -- he can do things for me as  
3 long as he would communicate with me the business  
4 transactions that he's going to carry for me.

5 Q. After --

6 VIDEOPHOTOGRAPHER: Ms. Myatt, we have  
7 five minutes left on the videotape.

8 MS. MYATT: Thank you.

9 THE WITNESS: (Through the  
10 Interpreter) Excuse me, but I need a rest.

11 MS. MYATT: Okay, that's fine.

12 VIDEOPHOTOGRAPHER: We're going off the  
13 record at 10:41 a.m.

14 (RECESS TAKEN)

15 VIDEOPHOTOGRAPHER: This is day three,  
16 tape six, of the videotape deposition of Mercedes  
17 Mesa De Staton. We're going on the record at  
18 10:47 a.m.

19 BY MS. MYATT:

20 Q. Mrs. Staton, did Mr. Philip Staton ever give  
21 you any records of your bank accounts?

22 A. I want to be honest and to say that I have no  
23 records of banking accounts.

24 Q. Mrs. Staton, you testified before the break  
25 that you expected Mr. Philip Staton to communicate

App. 142

1 Q. Mrs. Staton, in your personal notes, do you  
2 have any copies of any statements after 1993 from  
3 Philip Staton in regards to your sales proceeds  
4 from the Panamco stock?

5 A. That Philip would have sent to me?

6 Q. That's correct.

7 A. Probably, I should have in Colombia documents  
8 or papers from the sale of Indega.

9 Q. Mrs. Staton, do you have any documents  
10 regarding the sale of your Panamco stock?

11 A. Documents with regards to the sale of the  
12 stocks of Panamco, I am very sorry to have to tell  
13 you that I have no documents.

14 Q. After the sale of your Panamco stock, were  
15 you aware that Mr. Tom Brame was handling your  
16 sales proceeds here in the United States?

17 MR. FOX: Object to the form.

18 THE WITNESS: (Through the  
19 Interpreter) I understood that they were in  
20 charge, Miss Jerri Brame, Mr. Tom Brame, and  
21 Mr. Philip Staton.

22 BY MS. MYATT:

23 Q. When did you learn, Mrs. Staton, that Tom  
24 Brame, Jerri Brame, and Mr. Philip Staton were  
25 handling your financial affairs for you?

App. 143

1 the trust that through him they would pay my bills.

2 Q. When did you first hear the name Centura  
3 Bank?

4 A. I heard it in the first few months of 1996.

5 Q. Who did you hear the name from?

6 A. From Mr. Charles. From Mr. Charles, that we  
7 had -- that he -- that we had us an accountant in  
8 Miami. And from Mrs. Jerri Brame.

9 Q. Are you referring to Mr. Charles Hirsh?

10 THE WITNESS: (Answer in Spanish).

11 BY MS. MYATT:

12 Q. Is that the first time that you learned,  
13 Mrs. Staton, that your moneys were in a bank  
14 account at Centura?

15 A. Yes, ma'am.

16 Q. Have you ever had any contact with anyone at  
17 Centura?

18 A. Personally, no.

19 Q. When was the first time that you heard the  
20 phrase PIM account?

21 THE INTERPRETER: Repeat the last  
22 part again, please.

23 MS. MYATT: PIM.

24 THE INTERPRETER: PIM account?

25 MS. MYATT: PIM account.