

EXHIBIT O

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C O N F I D E N T I A L
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
11-CV-03605(JSR)(HBP)

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IRVING H. PICARD, Trustee for
the Liquidation of Bernard L.
Madoff Investment Securities LLC,
Plaintiff,
v.
SAUL B. KATZ, et al.,
Defendants.
Videotaped
Deposition of:
MARK PESKIN
-----x

TRANSCRIPT of testimony as taken by and before
MONIQUE VOUTHOURIS, Certified Court Reporter, RPR,
CRR and Notary Public of the States of New York and
New Jersey, at the offices of Baker & Hostetler, 45
Rockefeller Plaza, New York, New York, on Thursday,
December 29, 2011, commencing at 9:30 a.m.

1 Sterling's remaining investments --"

2 I'm sorry. The first bullet point
3 down from there, "The loss of the Madoff assets has
4 negatively impacted liquidity, as relatively little
5 of the remaining assets by design are in liquid
6 securities." Do you see that?

7 A. Yes, I do.

8 Q. What does that mean?

9 A. We had different silos of assets. We
10 had asset allocation models. So we had real estate
11 assets, which is a long-term asset; our SNY and Mets
12 assets are long-term assets. And on the -- so on the
13 other end of the spectrum we had more-liquid assets,
14 and one of those were our Madoff investments as well
15 as our investment in SSP, Sterling Stamos Partners;
16 which within Sterling Stamos we had longer-term and
17 shorter-term assets, less liquidity, more liquidity.

18 So all that meant was, taking the
19 first part of the bullet point, that -- that despite
20 the recent loss of Madoff assets, true, we had a lot
21 of other investments that we still had value in, but
22 unfortunately, we lost quite a bit of our liquidity,
23 our shorter-term assets.

24 Q. What does it mean in this bullet point
25 "by design"?

1 if we took it out of this account and then put it
2 into our main account, possibly. But I don't know
3 whether an actual dollar came from this. It never
4 went to a player. It would have to go through our
5 main accounts and then to our payroll accounts. So
6 there is no differentiation; cash is cash, it's all
7 fungible.

8 Q. So it appears that at the time of this
9 e-mail, February 8th -- I'm sorry, February 5th,
10 2008, there was no money or near to no money left in
11 this account. Correct?

12 A. That's what he says.

13 Q. Okay. Do you know what the money from
14 that account was used for?

15 A. I would assume general operating
16 requirements.

17 Q. Okay. Mr. Labita's e-mail indicates
18 that the self-insurance fund was used when the Mets
19 were scrambling for cash. What does that mean?

20 MS. WAGNER: Objection.

21 Q. Or what do you understand that to mean?

22 MS. WAGNER: Objection.

23 A. You have to understand the cycle of
24 cash in a baseball team. You start off very cash
25 rich in your January, February, March time frame

1 because you sell tickets to the season, for the
2 season. And then come April 1st when the baseball
3 team starts, you use that money. It's augmented,
4 it's -- because of additional ticket sales and
5 concession sales and parking and advertising, suite
6 sales and et cetera. But you have your major
7 expenses, basically the payroll expense, running the
8 stadium and paying the players, which dissipates all
9 those funds.

10 So that by the time August starts
11 coming around, unless you are a spectacular team and
12 winning and headed for the Series, you're going to
13 start running short of cash. It happens, it's --
14 it's the cycle every year. And you go through that
15 cycle until about September, October, when you start
16 selling ticket sales for the following year, and then
17 you start ramping up all over again. So it's a
18 continuous cycle.

19 So what he was alluding to is when
20 we -- when we're scrambling for cash is usually in
21 that August, September, October time frame.

22 Q. Okay. Is it a fair statement that
23 BLMIS accounts were used to fund the Mets operating
24 expenses?

25 MS. WAGNER: Objection.