

## **DRAFT - TIMELINE HACKING ACP, TIME OF OFFENSE**

October 23, 2001        Michael Segal email to Ernie Wish NNIB & Segal consultant. Requesting and directing the review and audit changes to Watkins accounting.

"I was also surprised and uninformed as to the characterization of certain miscellaneous expenses that were being referred to by Mr. Watkins classifications."

\*Note: Court records Cheley, hacked on 10-23-01; government has copy of email and investigative records as to search on January 26, 2002 from company and two different Segal computers.

October 25, 2001        ID6 4:02 PM to 5:15 PM - Tom McNichols (wired), Watkins confirms call on 10/23/01 from Segal and Wish by imitating Segal, when Segal denied knowledge of Watkins accounting practice through postage. Quote-"Why did you put that there?" Quote-"But when he takes money, where am I supposed to put it? I always thought Postage was a good place to hide it"

Line 18 Watkins to McNichols-"So have you gone over this the other night when he called me?", confirming Segal's call to Wish to repudiate and investigate as to what Watkins was doing.

October 31, 2001        Tape ID 11 8:34 am to 8:56 am, Tom McNichols (wired), Wish informs McNichols who is an ex-employee/government takeover agent, that yesterday, Segal has asked attorney Silets who was presently working at NNIB to determine what is going on and confirms the Wish/Segal meeting.

Unidentified Date        Government tape recording Watkins, "she's asking me accounting shit, and I said I didn't know, where's Ernie Wish, he's running around with procedures all the time" "So far as I know, he's here to setup procedures.

## **FURTHER EVIDENCE IN GOVERNMENT RECORDS AS TO OCTOBER 2001 REPUDIATION OF KLEIN-TAX CONSPIRACY**

November 1, 2001        Government creates two different 302's to hide exculpatory communication between Wish & McNichols, referencing repudiation of 10/23/01 email. Government falsely states recording shut off.

Tape ID 13, Watkins-Wish-McNichols (wired), Watkins confirming Segal's repudiation by the recording where Wish states, "Segal has Ernie checking everything out". Segal gets cash for everything, Joy has setup everything, proven subsequently false (by government's own recording) but Segal doesn't know that. Further proof of Segal not knowing of Watkins cover up of embezzlement.

McNichols thinks Watkins needs to protect himself, and McNichols thinks he will be second fall guy.

McNichols has knowledge of 10/23 email and Wish conversation to immediately get into what Watkins is doing accounting. Further proof of McNichols as to takeover government agent setting up false evidence.

Watkins says, "THERE IS NO WRITTEN PROOF THAT ANYONE TOLD HIM TO DO ALL THESE THINGS, EVERYTHING WAS VERBAL." McNichols interferes with Watkins statement and suggests that Segal knew about those things.

Watkins attempts to falsely state that Segal's wife, tells him to do these things. Further recordings prove attempted false setup by Watkins recording Joy Segal and other evidence supporting the false facts of Watkins.

November 6, 2001 Tape ID 15, Watkins and McNichols (wired), Watkins states in reference to a meeting the other night, "there was another male at the meeting, asking (Watkins) questions, Segal told him (Watkins) that he could ask Watkins anything". The government alleges in index 266, that Segal told him, that he was not to discuss petty cash. Government alleged conduct of Segal in November of 2001.

Government AUSA alleged that Watkins told them that Segal instructed him not to be cooperative with PWC auditors. The tape proves the government knew that Watkins statement was false under IRS memorandum and 302. This was an attempt by the government to manufacture Segal conduct in November of 2001.

Watkins in tape to McNichols states that Segal stated, "don't put it there" and told him to put expenses to travel, McNichols attempts to interfere with the truth of the matter.

McNichols asks Watkins, "if he thinks he's being setup" and Watkins says, "I don't think so" PSR02-CR-112-1 Line 605: Watkins told a cooperating individual who taped the conversation, that he thinks he's being setup by Mr. Segal who asked him to sign an inaccurate statement. Tape ID23,

11/23/01, Similar statement made by Watkins.

November 7, 2001 Tape ID 16, McNichols and Wish discuss in an email from MS that Wish had shown McNichols- McNichols thought it said basically that Watkins' job was in danger. Wish says no, he doesn't think so and he told Watkins face to face that he thinks his job is secure. Wish says, "No". This proves government prosecutors and McNichols have knowledge and discussed 10/23 email as to repudiation.

Again, the email was in the government's possession through hacking and computer search and seizure. Additional proof McNichols is government agent has knowledge and attempts to interfere with exculpatory evidence. This is the same email that is discussed on 11/1/01 and it is kept out of government's evidence.

November 17, 2001      Tape ID 19, McNichols taping conversations between Attorney Silets and Wish. Wish states, "I think this document describes accurately our meeting with Watkins."

November 21, 2001      Watkins makes note that Segal and Mrs. Segal took all the checks and bookkeeping responsibilities from him at the end of October, further proof of October of 2001 repudiation if one existed.

November 22, 2001      ID 22; McNichols

November 23, 2001      Government states Watkins confesses embezzlement and becomes witness  
November 24, 2001.

Documentation is incomplete and inaccurate, the following recording was a set-up between Watkins and McNichols as to exculpatory evidence. Recording proves interference of exculpatory evidence and unlawful information obtained through hacking and taping of attorney-client privileges.

Tape ID 23, McNichols and FBI agent recording phone call to Watkins. McNichols continues pattern with interfering exculpatory evidence and determination of alleged tax conspiracy by telling Watkins that he should make amendments to his voluntary statement prepared by Silets. McNichols suggested that he will have something on Monday and arranges a meeting with the FBI. McNichols further states, "you don't have to sign a statement but they're going to put pressure on you". Watkins states to McNichols, "You were the one who told me five weeks ago they are going to try and frame me with this". McNichols infers, Joy Segal had no problem getting the cash. Watkins admits to prior set-up on expenses on John Segal, Segal's son, and agrees to use the same set-up on Michael Segal with McNichols. Watkins states that "Segal asked him for cash" stating that it was for Thanksgiving bonuses for accounting personnel. There were three accounting personnel who were not part of the McNichols group in accounting that was feeding information back to Segal on certain accounting issues Jackie, Pauline and Corliss. (Affidavit of interview available).

Watkins states, "I really don't think they are going to pressure me, I think they made a mistake".

Watkins acknowledges to McNichols, that it's a good idea to set-up Segal after 10/23 repudiation email.

November 24, 2001      Government alleges Watkins' confessions as embezzler and becomes government agent.

302; Watkins turns over a "personally owned" laptop, the laptop is not personally owned but in fact a company laptop that contains Segal's personal information including some attorney-client information. \*Note: See wire transcript 1/3/02 (Watkins scans Segal company and personal documents).

December 4, 2001 ID 34;

January 3, 2002 Watkins, 1/3/02, Watkins turning over CD-ROM. Watkins has a conversation with FBI Murphy, Watkins tells Murphy that he has the disk with the draw account information on it, just like "we" talked about. This disk, according to the transcript was given to Murphy. Watkins has two office computers, on one of the computers Watkins has a habit of scanning in all documents relating to anything NNIB or Segal that he receives. What is interesting is that on 1/3/02 (the same day Watkins turns over the Draw account disk) the scanned in files on his computers are all modified that same day. This subject is a little difficult to understand, but when a file is modified it shows that date. On Watkins computer all of the scanned in files show a modified date of 1/3/02.

January 8, 2002 Watkins wearing a wire attempts to setup Joy Segal unsuccessfully, as to false evidence.