

**AMERICAN BAR ASSOCIATION**  
**SECTION OF FAMILY LAW**

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**VALUATION OF MARITAL ASSETS —  
THE SEARCH FOR HIDDEN ASSETS AND INCOME\***

In matrimonial litigation, there may be cases in which the husband may attempt to hide assets and/or income. The wife's business valuator or forensic accountant must therefore play the role of a financial sleuth.

As a starting point, the expert will request a host of documents and information which, if provided, could assist significantly in the investigation/discovery process, or at least provide important clues. Often, many items on the list will appear on a subpoena *duces tecum*. Needless to say, where there are offshore assets in such havens as Liechtenstein, Grand Cayman, Switzerland, Turks and Caicos Islands (to name a few), the existence of documents, or indeed entities (such as foreign corporations and trusts, *anstalts*, *stiftungs*, etc.), may never be admitted by the owner, let alone produced.

The types of documents and information which might be requested by the valuation expert or forensic accountant conducting the assessment/investigation are enumerated on the attached list. The list is neither exhaustive, nor is it necessarily applicable to all situations. Each fact pattern must be analyzed and the particular request prepared in accordance with the appropriate facts and circumstances. As the relevant date(s) or period covered will vary depending on the particular assignment, the accompanying "shopping list" does not indicate dates or timeframes.

Hiding income, of course, is not limited to divorce litigation. The U.S. Internal Revenue Service has published checklists for its agents with respect to specific industries which are coming under particular scrutiny by the IRS. These materials are published pursuant to the IRS "Market Segment Specialization Program", and designed specifically for training purposes only; they are not intended to establish or sustain a technical position. They currently include the following market segments, among others:

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➤ Air Charters	➤ Ministers
➤ Alaskan Commercial Fishing	➤ Mobile Food Vendors
➤ Architects	➤ Mortuaries
➤ Attorneys	➤ Oil and Gas Industry
➤ Auto Body and Repair Industry	➤ Passive Activity Losses
➤ Bars and Restaurants	➤ Pizza Restaurants
➤ Bed and Breakfasts	➤ The Port Project
➤ Beauty and Barber Shops	➤ Reforestation Industry
➤ Commercial Banking	➤ Rehabilitation Tax Credit
➤ Entertainment Industry	➤ Resolution Trust Corporation, Cancellation of Indebtedness
➤ Furniture Manufacturing	➤ Taxicabs
➤ Garment Manufacturers	➤ Tobacco Industry
➤ Gas Retailers	➤ Trucking Industry
➤ Grain Farmers	➤ Wine Industry
➤ Independent Used Car Dealer	

In the case of attorneys, for example, IRS tax auditors are requested in some cases to pay special attention during an examination as follows:

#### **ATTORNEYS**

It is important to ascertain whether the fees have been included in income [when an attorney receives a settlement check on a case]. Some attorneys either cash the checks or deposit them directly into personal or investment accounts. If they determine taxable income by totaling deposits made into the general operating account, these fees are omitted from income.

Inspecting the endorsements on checks written to the attorney from trust accounts is one important auditing procedure. These checks all represent income or expense reimbursements. Special attention should be given to all checks that are deposited into accounts other than the general operating account or are cashed. In addition, funds may be withdrawn directly through the use of an ATM card ... .

The types of investigative audit procedures used by the IRS are not very different from those that would be used by the wife's valuation expert in quantifying the husband's income-paying capacity and, to an extent, net worth.

This paper will outline certain areas in which (where the husband is not being forthright) the business valuation expert, or forensic accountant, will probe, in order to arrive at as accurate a financial state of affairs as possible and, accordingly, allow the court to arrive at the truth.

Unrecorded cash affects the valuation process. To the extent it is not factored into the business valuation, the value of the husband's business, or ownership interest therein, will be understated — and so will his real income, as he is the one pocketing the undeclared cash. More specifically, the business' profits will be suppressed while, at the same time, his real income (not reported income) is increased by the amount of revenue suppressed.

We have all heard about “under-the-table” cash or receipts. Typical examples include the omission of sales revenues, often where the customer, client, or patient does not require a receipt from the provider of the goods or services and therefore no document is created. Income is easy to hide when the payor settles an account with currency (or travelers' checks) rather than by check, which would otherwise leave an audit trail. Certain types of businesses have receipts largely in cash: liquor establishments, restaurants, bakeries, fruit and vegetable markets, grocery and convenience stores, various retail outlets, certain manufacturers, construction and home renovation companies. There are also some professionals who are notorious for running large cash operations, particularly when the client or patient does not need a receipt.

The exclusion of gross revenues impacts the bottom line. Some business valuers may learn about unrecorded cash sales during the course of valuing a business for sale in an open-market transaction. Occasionally the entrepreneur will sheepishly confess that there have been substantial unrecorded cash sales in the years under review and that this fact should be discreetly factored into the valuation (to arrive at a higher selling price). In addition to the omission of gross sales revenue, there may also be an understatement of inventory and/or an overstatement of operating expenses which the valuator may be asked to consider in preparing the valuation.

The disposition of the undeclared, under-the-table cash is generally as follows:

- Deposits in secret, offshore bank accounts.
- Deposits with stockbroker.
- Purchase of real estate, jewelry, furs, *objets d'art*, automobile, boat, furniture, appliances, stereo system, etc.
- Payments for vacations, non-deductible trips, meals, entertainment, golf and yacht clubs, renovations or painting of residence, gifts, etc.
- Payments for weddings and other functions.

Other methods the husband might use in improperly reducing or disguising income include:

- Characterizing income as capital;
- Deferral of the income inclusion;
- Diversion of income to another entity (the taxpayer might divert income to another entity, usually a foreign dummy corporation or an *anstalt* in a tax haven (e.g., Liechtenstein));
- Bartering.

In one case, my client was one of three shareholders who each owned 33-1/3% of the company's issued shares.

In the judgment, the court referred to the unrecorded cash sales as follows:

... it is also in evidence and not contradicted that, in the operation of the business, two cash registers were used, one primarily for VHS cassettes and the other primarily for beta cassettes. Apparently it was agreed among the three partners that the beta cash register would be used for *unrecorded cash receipts* and also by the partners in order to withdraw cash from the business. It also appears that certain expenses were paid from the receipts in this cash register. It is also in evidence and uncontradicted (and I must assume that this figure is correct), that each of three shareholders withdrew from this cash register [sums of money] during the period aforementioned in partial repayment of the [shareholder] loans which each of them had made ... .

The judge then went on to say, with respect to this author's testimony, that:

... he has been able to provide the Court with substantial information, having been given access to the books and records of the company during the course of these proceedings.

However, during the course of the evidence, it was made clear by the company's accountant that his own records were in error as to the amount of rent which should have been indicated as an expense ... .

Finally, the judge stated that:

... Mr. Wise, starting with the profit before taxes just mentioned, has then adjusted this figure to take into account a number of other factors, including the unrecorded sales on the second cash register. These unrecorded sales have been established by the uncontradicted evidence of petitioner, and by a document which he prepared during [the petitioner's] months with the company at the request of his associates, ... and the Court accepts this figure.

Typically, when confronted with unrecorded cash sales, the “perpetrator” will often take the position that such gross income amounts must be reduced (or eliminated) to take into account cash expenses paid with these funds. In this case, the judge arrived at what he, himself, felt were the appropriate unrecorded expenses and purchases in arriving at the net earnings to be capitalized for valuation purposes (as such amounts were “not substantiated by any hard facts in proof”).

In a family law case (in Canada), the judge criticized the wife’s accountant who had reconstructed the husband’s income:

In effect, the crucial element distinguishing the two [business valuation] experts is that the [Plaintiff’s expert] included [\$125,500 of unrecorded annual income in the revenues of the business]. The proof of such unrecorded income has not been made and revolves around the question of credibility of the witnesses heard by the Court. The figures represented by the Plaintiff as unrecorded cash sales are so exaggerated as to defy one’s imagination. [The Plaintiff] takes her dreams as reality.

...

As regards the report of [the Plaintiff’s business valuator], the Court cannot lend credibility to it. It is also uneasy about the fact that much of the work was prepared by [a member of the valuator’s professional staff] who did not even testify, yet he was present throughout the trial.

...

[The expert] does not accept the figures in the financial statements prepared by the chartered accountants [of the business] but reconstructs the figures based upon [certain elements] ... . Above all, the report places much weight on the information received from the Plaintiff. This is a fatal error because the Court does not believe [the Plaintiff].

...

[The schedule] prepared by [the expert] is unrealistic and includes potential revenues ... that have not been proven in Court and touch on the ridiculous. When the expert even adds that [such a business] is not risky, he lacks minimum objectivity or proves himself to lack knowledge of the industry.

A few recent judgments of the family law courts in Quebec provide a shining example of the frustrations and challenges faced both by experts witnesses and the courts.

In one case, the Quebec Court of Appeal unanimously affirmed the findings of the trial judge in the Quebec Superior Court (Family Division) in a matrimonial matter which presented a host of impediments and challenges to any business valuator representing a wife in her claim for alimentary support.

This Quebec divorce case involved an array of tax, financial, valuation and forensic accounting expert evidence. The comments of the trial judge show just how difficult and challenging a task the wife's accounting/valuation expert had to confront.

There were 22 days of trial with 14 persons testifying, including the opposing business valuers. The husband (Monsieur) filed 115 exhibits and his wife (Madame), 90.

Before addressing the various forensic accounting and valuation issues, the following additional observations set the "flavor" of the respective frustrations of both Madame's business valuator and the trial judge.

Madame's business valuator/forensic accountant included the following Scope Limitation in his report:

"We have been requesting ... certain information and documents with respect to the various companies in which Monsieur owns shares directly and indirectly, including (but not limited to) Far East Trading Co. and Mexicana Corp. Notwithstanding numerous attempts to procure same, and that Undertakings were given by Monsieur, we have as of the date hereof still not been provided with such information or documents. These relate to a number of factors which would assist us in arriving at a more precise conclusion as to Monsieur's (a) net worth and (b) real income before tax, in order to help establish his financial ability to pay a lump sum and alimentary pension to Madame. It may be that such documents will be provided to us subsequent to the issuance of this report, in which case we reserve the right to provide additional evidence in respect thereof during the continuation of the proceedings, with the permission of the Honorable Court.

"We should also note that certain documents and information were requested during the out-of-court Examinations of Monsieur as well as during the trial [which had actually commenced one year earlier but had been suspended after four days of hearing]. In a number of cases, as they were neither available nor produced during these Examinations, they were to be provided through Undertakings. As of the date hereof, they have still not been produced by Monsieur. Those Undertakings relate principally to Monsieur's offshore assets, including (but not limited to):

- Shareholdings in Far East Trading Co.;
- Bank account(s) of Monsieur and of the said offshore company;
- Accounts in the Cayman Islands [which were revealed in earlier depositions]; etc.

"Accordingly, we reserve the right to revise our conclusions should such additional documents and/or information be provided to us prior to, or during, the Court proceedings.

"By virtue of (a) management remuneration and other benefits emanating from Monsieur's companies being of a non-arm's length nature, (b) such amounts being largely discretionary and (c) there being substantial transactions out of Canada (in

particular, the Far East and Mexico) with respect to which neither information nor documentation has been forthcoming, we arrived at Monsieur's *minimum* net worth and *minimum* real income.

"Production and disclosure by Monsieur of such documents and information would enable us to revise the conclusions arrived at herein and comment upon his financial position and earning capacity during the course of the proceedings."

The Court made the following observations after hearing the evidence:

"... it was clear that [Monsieur] wanted a divorce on the terms he felt appropriate; when he realized it was not going to work out his way, he dragged his feet; he postponed; he was away on business and not available; documents were not provided; records did not exist; etc."

...

"What is clear, even striking, is the extent to which personal expenses were paid by the business, either directly, or indirectly, by cash, i.e., undeclared income generated by cash sales and, later, undeclared income from foreign business activities."

...

"Also, it is clear, as one goes through the credit card and travel statements, that [Monsieur] travels so much most of his day-to-day expenses are carried by the business. It is true he maintains a home ... , but he really is not there very much.

"As to the amount or level of cash supported expenses, the Court does not accept [Monsieur's] testimony that there was never very much money in the home safe ... .

"[Madame's] testimony was that [Monsieur] brought cash home regularly and that there were thousands and thousands of dollars in the safe, which were available to her for the family's needs; both the second house ... and the third house ... had a built-in safe".

The trial judge noted that Madame's testimony was supported by a witness as well as by numerous exhibits illustrating the extent of *cash* payments for living expenses such as clothing, children's camps, private schools, a TV set, a refrigerator, furniture, etc., which all emanated from undeclared cash sales from Monsieur's business. As to the personal expenses paid through the business, evidence was provided regarding trips, purchases of furniture, household expenses, liquor and company-purchased gift certificates at major department stores. As the Court stated:

"In summary, the ... family unit lifestyle was to a large extent made possible by undeclared income (cash in the safe) and company supported expenses. In other words, [Monsieur] had the business pay for many personal expenses either directly, by passing it

off as a legitimate business expense, or indirectly, through the non-declared cash revenues; consequently, he could afford to have the business pay him a low taxable salary.

“[Monsieur] himself confirmed this indirectly when he stated that company tax audits usually generated sizeable personal tax reassessments ...”.

In addressing the financial and valuation issues, the Court was skeptical, to say the least, of the information provided by Monsieur:

“In general, [his] testimony is to be examined with a very critical eye. He attempted to mislead the Court as to his capacity to pay. It took him a long time to realize that stonewalling, denying and not remembering would not work; for example, his interest in the [offshore] business; for example, the [offshore] bank account.

“[He] says what he thinks he can get away with. For example, concerning his bank account [offshore], he gave three successive versions ...”.

Evidence was filed with the Court, including faxes between Monsieur and his offshore company in the Far East (in which he had denied having an interest), referring to “my bank account and the bank book you are holding for me.”

The judge then concluded: “[Monsieur] lied to the Court concerning his involvement in [the offshore company]”.

While Monsieur denied that he owned an entity in the Far East, it was not until only a few weeks before the trial was scheduled to begin (which was three and one-half years after the launching of the divorce litigation), that he admitted that he “owned a few shares” and had been a shareholder for about five years.

Responding to Monsieur’s claim that he was unable to obtain financial statements of his offshore company from his co-shareholder, the Court stated:

“This is a very handy excuse: the refusal of the foreign partner ... conveniently located in a jurisdiction sufficiently far away to make it improbable that any serious attempt would be made to verify [Monsieur’s] representations. ... the Court does not accept this explanation.”

...

“ ... [Monsieur] is hard to pin down, even taking into consideration the fact questions related to events years past.

“[He] appears to be incapable of answering a question clearly the first time it is asked; his answers are always hedged; they are couched in terms that prevent us from getting a clear and unequivocal answer: ‘To the best of my recollection’, ‘I believe’, ‘I assume’, ‘I think’, ‘It was a long time ago’; he does not remember, he would have to verify, he would have to check, he can’t recall, it is either one or the other, etc.

“Moreover, in the vast majority of cases, a thorough and complete answer to a question only comes after three or four sub-questions are asked. In other words, a first question is asked and it is answered in a general, vague and hedged manner; this answer has then to be further refined by a series a sub-questions. But only when he is confronted with a document, something tangible, something he cannot refute, does [Monsieur] become forthright and his answers become clear.

“Another pattern of [his] mode of testifying is as follows: he will first make a statement which is false and will then, at a later time, after the break, later in the same day, or the next day, or at the next series of days of hearing, rectify or amend or modify or amplify the first original statement”.

It is interesting to note that, in an earlier, unrelated case — also before the Quebec Superior Court — the husband, who had substantial offshore undeclared funds, provoked the following observations by the trial judge:

“In any event, the evidence clearly indicates that [the husband] does have important off-shore cash assets. His denial of such funds rings hollow. When testifying on the question of cash transactions ... [he] is evasive, contradictory and simply not credible. In sum, the Court is of the opinion that [the husband] has known assets of more than \$5,000,000 and substantial cash deposits in his name or in that of his nominee(s) in Nassau and/or other tax havens.”

...

“During his testimony [the husband] exclaimed that he was on the verge of bankruptcy. Nevertheless, [his bank] gave him a \$6,000,000 line of credit [just a few months before the trial].”

In the earlier case, even though Madame’s expert had been able to identify shares in a Far East operating business as well as bank account, the absence of any financial or bank statements made it impossible to even attempt to attribute any values thereto.

There were, of course, the typical opposing views expressed by the two business valuers as to the level of earnings of the Canadian business, the number of years to be used in the calculation of maintainable earnings, the capitalization rate, financial liquidity and so forth.

Because Quebec does not require total “equalization” as does Ontario and certain other provinces, it did not really matter, for purposes of alimentary support or the lump sum payment, whether Monsieur’s business was worth \$1.7 million or \$2.0 million. The fact was, in the Court’s words, that “[Monsieur] is wealthy; he is a major shareholder in the business; he has earning capacity ... . The Court is interested in the pre-tax annual income, because that is the basis for computing alimentary payments.”

The following schedule shows how Monsieur’s average annual pre-tax income of \$57,000 was actually closer to \$164,000 on a “notional income”, or “real income”, basis for alimony purposes, applying a 50% marginal tax rate (which is close to the top rate in some Canadian provinces):

<b>CALCULATION OF MONSIEUR’S MINIMUM REAL INCOME BEFORE TAX</b>		
		<u>Gross</u>
(a)	Average salary declared during 1988 to 1992	\$ 57,000
(b)	Salary paid to Madame by Monsieur’s business	24,000
(c)	Fees paid to Monsieur’s girlfriend by his business	20,000
(d)	Interest income	<u>9,000</u>
	Total pre-tax gross income declared by Monsieur, Monsieur’s girlfriend and Madame	110,000
(e)	Minimum untaxed taxable benefits from Monsieur’s companies	\$17,000
	Gross-up to pre-tax basis (50% personal tax rate)	<u>17,000</u> 34,000
(f)	Minimum undeclared cash income not reported on tax returns	\$ 6,000
	Gross-up to pre-tax basis	<u>6,000</u> 12,000
(g)	Value of airline points from frequent-flyer programs	\$ 3,800
	Gross-up to pre-tax basis	<u>3,800</u> <u>7,600</u>
	Monsieur’s minimum real income before tax	<u>\$163,600</u>

In his deposition, Monsieur testified that he also had received remuneration from Far East Trading Co. of between \$12,000 to \$15,000 — which amounts were received by him offshore in the form of cash and/or travelers' checks and not declared on Monsieur's income tax return.

In calculating Monsieur's minimum real pre-tax annual income, Monsieur's business valuator, on the other hand, did not gross-up the tax-free personal benefits enjoyed from the businesses. The Court concluded that "such benefits should be grossed up: if [Monsieur] had to provide for himself, out of his own salary, \$1,000 worth of benefits instead of having [his company] do it [at a 50% marginal rate], he would require \$2,000 of salary so as to have \$1,000 left after income taxes ... . The same [with ] frequent flyer points."

In yet another matrimonial case before the Quebec Superior Court, noting that the benefits enjoyed by the husband included vacation, travel, meals, golf-club dues and fees, clothing, sets of golf clubs, home repairs, antiques, furniture, paintings and other items of a purely personal nature — identified by the wife's business valuator — the Court stated:

"[As] these charges as not taxed in [the husband's] hands ... , consequently these personal expenses must be 'grossed-up' to reflect what it would take in taxable salary to defray such expenses. Assuming [husband's] marginal tax rate to be 53%, \$50,000 in personal expenses requires an additional salary of \$107,000".

...

"His [girlfriend] has been living with him for the past two years. She is on the [company] payroll ... for translations that she does for the company. As well, she receives ... in unemployment insurance every two weeks. Her previous employment as a secretary paid \$25,000 per year. [Husband] admits that she travelled with him on 13 occasions in Canada, the United States (Florida), Europe and the Orient ... at company expense.

"[The girlfriend] testifies that in Hong Kong she checked some translations and took phone messages. In past years [husband] travelled frequently to the Orient and he managed very well without a personal secretary on company expense. The Court finds that her expenses paid for by [the company] are part of [the husband's] personal expenses.

"The Court accepts the [wife's valuator's] analysis that [husband's] 'lifestyle indicates an income far in excess of what is report on his tax returns as well as on the Statement of Revenue and Expenses filed by him with the Court'."

In a family law case tried before the Ontario courts, the judge felt it incumbent upon him to report the undeclared income for tax purposes to the Canadian income tax authorities by sending them a copy of the judgment:

“During argument I asked the parties whether they thought it would be appropriate for me to send a copy of these reasons to Revenue Canada. Neither clearly objected although the idea obviously discomforted them.

“I noted that they not only evaded paying taxes — part of which taxes are used by government to fund the court system — but also they incurred significant public expense by exhaustively litigating their many disputes in the court system which they saw fit not to support with their share of taxes. They also seemed to take the position that I should not take into account the past evasion of taxes or assumed the evasion will stop in the future when I determine the value of the shares in the business and determine the amount of child support.

“I do not find this acceptable. I believe it would bring the administration of justice into disrepute if I were to simply ignore these matters.

“So far as I could, I have attempted to make my assessment as to past and future matters on the assumption that taxes will be paid. If the tax authorities do not learn of the evasion then these assumptions will not be realistic.

“I am discomforted by being put in a position where I feel I should bring the evasion of taxes to the attention of the authorities. On the other hand, the evidence put before me was adduced in a public courtroom and any member of the public and any public official would be entitled to observe or to publish a report of the proceeding. All the evidence is now in the public domain.

“Simultaneously with their release, I am sending a copy of these reasons to Revenue Canada and the Ontario Ministry of Revenue. They may order a transcript of the evidence or review the exhibits filed at trial as they see fit.”

The Court recognized that Monsieur’s hiding of his assets and income required Madame to retain the services of a business valuator/forensic accountant:

“The total cost of her expert will be covered by the award for costs.”

...

“ ... , it is a bit appalling that [Monsieur] tried to blame [Madame] for getting a business valuator involved, in view of his less than frank testimony concerning business and money matters ... .”

A Quebec Superior Court judge observed in one case:

“In a case such as this, the litigant spouse with financial resources has the big end of the stick, unless the other spouse can also engage and pay competent counsel and experts. However, the requesting spouse should only expect that payment for reasonable fees will be granted by this Court.

“[Wife’s] expert’s fees were made necessary in large measure by [her husband]. Had he been forthcoming in his testimony regarding all his assets and revenue, the detailed analysis and study of his holdings and income would not have been necessary. He was evasive, secretive, and contradictory in his Examinations and in his testimony at the hearing. For example, he tried to disguise his interest in [one of his companies]; he did not list personal benefits apart from salary; and he was less than truthful about his off-shore assets, and the source of his plentiful and available cash. Plaintiff must pay [the wife’s] expert’s fees.”

It is therefore important to keep in mind that the onus is on the plaintiff to substantiate the additional income and/or business income. In the final analysis, a judge will have to weigh the evidence. Such evidence will likely be based on reconstructing records, etc. — not on first hand or *prima facie* documentary proof — as the investigative business valuator or accountant does not have the “search and seizure” powers (as does the IRS) necessary to obtain documents. The expert should therefore ensure that careful, meticulous and logical preparation is presented to the court, excluding any and all items that might be considered by the court as speculation and conjecture.

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# APPENDIX

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**PRELIMINARY LIST OF INFORMATION AND DOCUMENTS REQUIRED  
FOR PURPOSES OF DETERMINING  
FINANCIAL STATE OF AFFAIRS AND  
CAPACITY TO PAY ALIMENTARY SUPPORT, LUMP SUM, ETC.**

**PERSONAL ASSETS AND INCOME**

1. Copies of all personal balance sheets prepared for any reason during the immediately preceding thirty-six months.
2. Personal income tax returns for the immediately preceding five taxation years, including all accompanying schedules thereto, wherever filed.
3. Copies of notices of assessment (and reassessment, if any) for the said taxation years issued by the taxation authorities with respect to the returns referred to in 2. above.
4. Copies of all correspondence received from and/or sent to any income tax authorities during the immediately preceding thirty-six months.
5. Copies of financial statements of all closely-held business entities in (including, without restriction, professional practices, joint ventures, and co-ownerships) which husband has a financial interest, for the five immediately preceding years, including related income tax returns.
6. Detailed list of: investments in shares in the capital stock of publicly-traded companies and closely-held corporations; stock rights; stock options; share warrants; bonds; debentures; guaranteed investment certificates; term deposits; bankers acceptances; treasury bills and bonds; interests in limited partnerships; interests in commercial partnerships; interests in joint ventures; pension plans; IRAs; ESOPs; employee profit sharing plans; put options; call options; tax shelters; and any other investments of any nature whatsoever, held directly, indirectly or in any manner whatsoever, wherever located throughout the world.
7. Schedule of loans, accounts, and claims receivable.
8. Schedule of all credit cards in the name of husband (and any nominee(s)), including (but not limited to) Visa, MasterCard, American Express, Diner's Club, department store credit cards, oil company credit cards, including account numbers for each.
9. Copies of all credit card statements and supporting vouchers with respect to the credit cards referred to in 8. above.

10. (a) List of all bank accounts in husband's name (and, if applicable, his nominee(s)), wherever located, indicating:
  - (i) Names of banks.
  - (ii) Location.
  - (iii) Account number(s).
  - (iv) Type of account (savings, current, etc.).
- (b) List of all bank accounts closed during the immediately preceding five years, including location(s).
11. Copies of all bank statements and or bank books for accounts referred to 10. above, including cancelled checks, debit and credit memoranda/advices, as well as deposit slips for the said accounts.
12. (a) List of all safety deposit boxes in the name of husband (and nominee(s), if applicable), including location of each box.
- (b) List of any person(s) having access to said boxes.
- (c) List of any person(s) having access to said boxes.
13. Names and addresses of stockbrokers and investment dealers through whom husband has placed buy or sell orders in respect of marketable securities and other similar investments.
14. Copies of all statements received from the stockbrokers or investment dealers referred to in (c). above.
15. (a) Copy of insurance policy covering personal effects and other assets owned directly or indirectly by husband.
- (b) Copy of life insurance policies.
16. Copies of any wills and trust indentures under which husband is either a capital beneficiary or income beneficiary.
17. Copies of all contracts, leases, employment agreements, shareholders' agreements, buy-sell agreements, partnership agreements, joint venture agreements, option agreements, and/or co-ownership agreements in effect, including all amendments thereto, to which husband is a party (directly, indirectly, or in any manner whatsoever).
18. Copy of all applications for credit made with banks and any other lending or mortgage institutions wherever located, during the immediately preceding thirty-six months, including copies of all accompanying documentation.
19. Schedule of all vehicles owned or leased by or for the personal use of husband, including (but not limited to) automobiles, boats, snowmobiles, sea-does, aircraft, and motorcycles.

20.
  - (a) Schedule of all real estate and interests therein owned by husband, directly, indirectly or in any manner whatsoever, wherever located.
  - (b) Copy of any real-estate mandates, listings, and/or advertisements to purchase or sell real estate on behalf of husband or on behalf of any group of co-owners or joint venturers of which husband is a member, within the immediately preceding eighteen months.
  - (c) Copies of municipal tax assessments for the said real estate.
  - (d) Copies of co-ownership and joint venture agreements, if any, in respect of the said real estate interests directly or indirectly held.
  - (e) Copies of any offers received in respect of husband's real estate holdings.
21. Details of any improvements and/or renovations made to husband's residence during the past thirty-six months, including:
  - (a) Description.
  - (b) Cost.
  - (c) Copy of specifications by architect or interior designer.
  - (d) Method of payment
  - (e) Date(s) of payment.
22.
  - (a) Schedule of all gifts or transfers made by husband to individuals, corporations, trusts, or any other persons or entities, in excess of \$2,000 during the immediately preceding thirty-six months, including nature of gift, value, name(s) of donee(s) or transferee(s), relationship, date of transfer of ownership.
  - (b) Copies of relevant documentation with respect to (a) above.
23. Detailed breakdown of all sources of remuneration, including (but not limited to) salaries, bonuses, expense allowances, car allowances, golf club, yacht club and other club dues and expenses, entertainment, sports events, and other emoluments received, directly, indirectly or in any manner whatsoever, including constructively.
24. Copies of all pages of current passport and, if said passport was issued within immediately preceding eighteen months, copies of all pages of prior passport.
25. Names and addresses of all travel agents used during the past three years to book husband's travel.
26. Schedule of all out-of-town travel (outside radius of 100 miles from home/office) by husband, including:
  - (a) Purpose of visit.
  - (b) Place(s) visited.

- (c) Duration of stay.
  - (d) Copies of invoices for hotel and other accommodation.
  - (e) Copies of airline tickets.
  - (f) Person(s) by whom husband was accompanied.
  - (g) Approximate cost per trip.
27. Copies of frequent flyer statements and other air-miles program statements for the immediately preceding thirty-six months.
28. (a) Details of significant, non-arm's length party transactions by husband within the immediately preceding five years.
- (b) Details of all investment, commercial, and real estate transactions outside of the United States during the immediately preceding five years.
29. (a) Schedule of all credit cards held with respect to which husband's company pays all or a portion of the charges thereon, for the immediately preceding thirty-six months, including account numbers.
- (b) Schedule of all credit card chits with respect to which husband's expenses have been charged.
30. Copy of husband's expense accounts filed for reimbursement by his employer or any other party during the immediately preceding thirty-six months.
31. Details of any contingent assets and liabilities of husband, including litigious claims by or against husband, and the respective status of each.
32. Minute books of company(ies) controlled directly or indirectly by husband, or by a group of which husband is a member, including (without restriction) articles of incorporation, amendments thereto, by-laws, minutes and resolutions of shareholders and directors, and internal corporate policy statements, if any.
33. Schedule of jewelry, antiques, paintings, coin, stamp, and wine collections, wherever situated in the world, including copies of purchase invoices and any appraisals relating thereto made within the immediately preceding twenty-four months.
34. List of all persons, if any, to whom husband gave power of attorney (whether general or specific) during the immediately preceding five years.
35. List of any *inter vivos* trusts settled by husband during the immediately preceding five years, including name(s) of all capital and income beneficiaries.