

1 A. Well, I think when you are a small business and you  
2 always pay your people first before you receive payment  
3 from your clients, it has a significant impact on your  
4 cash flow. You have to borrow money in order to make that  
5 payroll. So I would say it had a significant financial  
6 impact on how we managed our money.

7 MR. KIRSCH: May I have just a moment, Your Honor?

8 THE COURT: You may.

9 MR. KIRSCH: Your Honor, I don't think I have  
10 anything else.

11 Thank you, Ms. Holland.

12 THE COURT: Cross-examination?

13 MR. WALKER: Yes, Your Honor.

14 THE COURT: Mr. Walker?

15 **CROSS-EXAMINATION**

16 **BY MR. WALKER:**

17 **Q. Hello, Ms. Holland.**

18 **A. Hello.**

19 **Q. You stated early in your relationship and discussions**  
20 **with Demetrius Harper, he stated to you that they were**  
21 **working with him. And he was very convincing and also**  
22 **said that they anticipated closing business any day; is**  
23 **that correct?**

24 **A. Yes.**

25 **Q. But a little bit later you stated that he said they**

1 had a contract with NYPD, and that made you feel  
2 comfortable?

3 A. Uh-huh.

4 Q. Can you reconcile those two statements? Which did he  
5 tell you, that they had a contract or working toward one?

6 A. In the beginning he said they were working with NYPD.  
7 Later conversations he said he had a contract.

8 Q. In these written communications with you -- in the  
9 e-mails, which of those two statements did he convey to  
10 you?

11 A. I'm sorry, I don't recall. I don't remember that.

12 Q. And later in your interactions with Mr. Harper, you  
13 also said that you asked him to sign a personal guaranty?

14 A. Yes.

15 Q. And can you explain what a personal guaranty is?

16 A. That they're personally guaranteeing that if anything  
17 -- if they don't get paid, that you have a personal  
18 guaranty that they will pay their bills.

19 Q. Okay. And going back to his earlier statements to  
20 you saying he was very convincing and made you feel  
21 comfortable, and that coupled with his signing of the  
22 personal guaranty, did that reinforce your confidence in  
23 his assurance that he would be able to pay?

24 A. Repeat that, please?

25 Q. Did the fact that Mr. Harper signed a personal