

EXHIBIT 17

1 IN THE UNITED STATES DISTRICT COURT
2 IN THE NORTHERN DISTRICT OF OKLAHOMA

3 Transportation Alliance Bank, Inc.,

4 Plaintiff,

5 vs. Civil Action No. 4:10-cv-00016-GKF-FHM

6
7 Arrow Trucking, et al.,
8 Defendant.

9 DEPOSITION OF LARRY BUMP
10 TAKEN ON BEHALF OF THE PLAINTIFF
11 ON JUNE 14, 2011 AT 9:02 A.M.
12 IN TULSA, OKLAHOMA

13 APPEARANCES

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25 (Appearances continued on following page.)

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11		STIPULATIONS	
12		It is stipulated that the deposition of	
13		LARRY BUMP may be taken pursuant to notice on June	
14		14, 2011, before Abby Hill, CSR.	
15		It is stipulated that all objections to	
16		questions, except as to the form of the question,	
17		may be made at the time of the trial when said	
18		deposition is offered into evidence.	
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1 LARRY BUMP,
2 being first duly sworn, was examined and testified
3 as follows, to wit:

4 DIRECT EXAMINATION

5 BY MR. JEFFREY W. SHIELDS:

6 Q Good morning. May the record reflect this
7 is the time and place for taking of the deposition
8 of Larry Bump pursuant to subpoena in the federal
9 rules of civil procedure. It is now 9:02 a.m., two
10 of the parties still in this case, Joseph Mowry, who
11 is pro se, and Jonathan Moore, who is represented
12 are not present but they did receive notice so we're
13 going to go ahead and get started.

14 First, Mr. Bump, would you state your full
15 name for the record?

16 A Larry Joe Bump.

17 Q And what is your residence address?

18 A 3442 South Atlanta Place, Tulsa, Oklahoma.

19 Q And do you have a business address
20 separate from that?

21 A No.

22 Q And what's your date of birth?

23 A 12/13/1939.

24 Q Tell me a little bit about your
25 educational background from high school forward,

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1 they were going to perhaps use some of the money to
2 put in to pay taxes, but that's the last I ever
3 heard of it until Arrow collapsed.

4 Q I see. From your due diligence when
5 discussing putting money into the company, be it
6 debt or equity, did you get a sense, particularly
7 given your business experience, if Arrow would be
8 able to survive as a going concern without your cash
9 infusion?

10 A I didn't think they would. I thought they
11 were -- without a cash infusion, it didn't have to
12 be mine. But I felt that they absolutely had to do
13 something to get this payables problem current so
14 that they could continue to operate.

15 Q But your sense was is that the cash
16 shortage was a threat to its very existence? To
17 Arrow's very existence?

18 A Yes.

19 Q We'll look at some documents in a moment,
20 Mr. Bump, but after you made your first investment
21 or loan to Arrow did you begin to attend any regular
22 shareholder or director meetings of the company?

23 A No.

24 Q During Arrow's history and your
25 involvement with it or your contact with it, did you

1 ever make it a practice to attend shareholder or
2 director meetings of the company?

3 A No.

4 Q Have you ever attended any director or
5 shareholder meetings of the company?

6 A I attended -- I've attended a meeting or
7 two there but I don't think I would characterize
8 them as shareholder meetings or as board meetings.

9 Q To your knowledge, would your wife attend
10 such meetings?

11 A She went to Arrow periodically and
12 occasionally I went with her, but not on a regular
13 basis, and I would say Carol's visits were periodic
14 in nature.

15 Q I see. And do you know how often she
16 would visit?

17 A Well, when we were in town, which wasn't
18 particularly during that 2009 period after we
19 married, certainly no more than weekly and I doubt
20 if it even happened weekly; it was just somewhat
21 random I would say.

22 Q When she would visit and you were with
23 her, what did she do when she was there?

24 A Normally Doug, Joe Mowry, and Jonathan
25 Moore would attend and occasionally Gary Jones, who

1 became the COO after Tom Whit was let go, would sit
2 in on meetings and just discuss the business and it
3 would be very, very general and short. And my
4 observation was as a former CEO that they were very
5 disorganized meetings. There was not an agenda,
6 there was not a specific thing that needed or would
7 be discussed. It was general.

8 Q Do you know or did you observe if any
9 minutes were ever kept of those meetings?

10 A I don't recall ever minutes ever being
11 kept.

12 Q Meetings with Arrow that you did attend,
13 was anything discussed or do you remember anything
14 other than the description you've just given me?

15 A My recollection it was usually just very
16 general operating items such as how many trucks were
17 running, how many were in need of repair or there
18 was that sort of thing; it wasn't anything really
19 very substantial.

20 And I only attended a few. From the time
21 we married until I put the money forward for the
22 heavy haul transaction, I essentially really never
23 got involved. And then after that I wasn't involved
24 but I was trying to -- I really was trying to get
25 information of a financial nature from June onward,

1 and I was not very successful at getting any
2 information, much less reliable, current
3 information.

4 Q In your observation when your wife would
5 go down to Arrow to meet with people, were they
6 fairly cooperative at least in meeting with her?

7 A Yes.

8 Q Did they seem to answer any questions she
9 asked?

10 A If she asked any I think so; I don't
11 recall her asking but they were very respectful of
12 her at Arrow.

13 Q Do you ever recall her receiving financial
14 information in advance of going down to Arrow and
15 talking to the management people?

16 A I don't.

17 Q Did she ever ask you to review any
18 financial information she had received from the
19 company?

20 A I don't recall that she ever did.

21 Q Mr. Bump, in a grand attempt to be
22 organized I've placed in front of you a binder of
23 exhibits that we'll look at that have numbered tabs
24 on them. Ultimately our court reporter, of course,
25 will mark them in those -- in that order and I would

1 like to start referring to those by exhibit number.

2 And if you would, turn to the document
3 under the first tab which purports to be an email
4 from you to Jonathan Moore and others dated May 12,
5 2009 and I want you to read that and would you let
6 me know if you recognize that?

7 (Exhibit 1 Marked for Identification)

8 A I do. I do recognize it.

9 Q Just a housekeeping matter, do you want to
10 mark those as we go?

11 COURT REPORTER: Sure.

12 (An off the record discussion was had)

13 Q (By Mr. Shields) Mr. Bump, now that you've
14 read that, what was the purpose of this email?

15 A This was to establish the format in which
16 I wanted the notes issued by Arrow and affiliates to
17 be paid to me or my trust and it would cover the
18 first two payments, which would be the \$500,000.00
19 which I had made days previously and must be
20 \$2,475,000.00 that I believe I had just advanced.

21 Q All right. Now, the --

22 A Or was preparing to advance.

23 Q So is it accurate that by the time this
24 email was written you had advanced \$500,000.00 and
25 were getting ready to advance another 2,975,000.00?

1 A I believe that's correct. I believe the
2 \$500,000.00 was done a few days previous for some
3 specific purpose.

4 Q Now, toward the bottom of the first page
5 of Exhibit 1 there's some line items for cargo
6 claims, accounting payable, logistics, et cetera.
7 Do you see that?

8 A I do.

9 Q Did that comport with what you wanted the
10 funds to be used for?

11 A I think it was more a case of comporting
12 with what management had represented that the funds
13 were going to be used for. I asked them to tell me
14 in advance what they were going to use them for but
15 I wasn't trying to control the application so much
16 as I just wanted to know where my money was going to
17 be spent.

18 Q I note that one of the CCs is to Carol
19 Pielsticker, do you see that?

20 A I do.

21 Q Were you discussing your possible loans or
22 investments with her on a regular basis?

23 A She knew about it.

24 Q Lets go to Exhibit 2.

25 (Exhibit 2 Marked for Identification)

1 Q You knew that as of December 7?

2 A Yes.

3 Q And how did you know that?

4 A The first that I heard about it was I
5 would have to put the time frame in -- sometime in
6 the first half of October, but I can't give you a
7 precise date, but that's generally I think when I
8 heard that there was a problem between -- with TAB
9 and the accounts receivable.

10 Q And how did you get that information?

11 A When Carol and I were actually on a -- it
12 was really our honeymoon trip. We were in Greece
13 and on the island of Santorini and Carol received a
14 phone call from Doug that was somewhat peculiar in
15 that he didn't tell her what was wrong but he said
16 that he was very, very upset with Jonathan Moore
17 about something terrible that Jonathan Moore had
18 done.

19 But when Carol asked him what it was he
20 said "Well, I'll just tell you when you get home."
21 So that piqued my interest and I think Carol's too
22 as to what had he done. So when we arrived back
23 from our trip, which was in early October, then it
24 was just a day or two after we arrived back that it
25 was stated to me by someone, I don't remember who,

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1 but that "Jonathan Moore had been inflating invoices
2 to TAB but not to worry, TAB knew about it, it being
3 recoured off, the amount was not -- it was
4 significant but not huge, it was manageable, and
5 that it was being worked out with TAB."

6 Q Now, you never spoke with anyone at TAB,
7 did you?

8 A No, I did not. I think my first -- I may
9 have -- I think I did speak with someone from TAB
10 very casually in mid December, but that was the
11 first time.

12 Q But not before that?

13 A No.

14 Q Was there any meetings on the Arrow
15 premises about that inflated invoice situation that
16 involved your wife that you are aware of?

17 MR. WOHLGEMUTH: Object to the form of the
18 question.

19 THE WITNESS: I don't recall specifically.

20 Q (By Mr. Shields) To your knowledge, was
21 she informed of this situation at the same time you
22 were?

23 A I don't believe it was at the exact same
24 time but I think it was within the time frame.

25 Q I see. But did you attend any meetings

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1 with her on the Arrow premises or elsewhere with
2 Arrow's management where that situation was
3 discussed?

4 A I'm thinking. I would answer yes, that I
5 was with her at Arrow when this was -- this matter
6 was discussed. And it was -- the question was if
7 Jonathan Moore has been doing these things, why is
8 he still working here?

9 Q Who did you discuss that with?

10 A Doug and Joe Mowry and the "I" was really
11 it was Carol and I together at Arrow when this
12 question was asked.

13 Q Was anyone else present other than you and
14 Carol, Mowry, and Doug?

15 A Don't recall anyone else.

16 Q And what was their response to your
17 inquiry of why he was still working?

18 A That Moore was central to getting the
19 audit report, the 12/31/08 audit report, from a firm
20 in Dallas and that it was due any moment and that
21 five minutes after it was received then Moore would
22 be terminated for cause.

23 Q Now, do you know who the auditing firm
24 was?

25 A I believe it was Lane Gorman.

1 Q Was there any discussion during that same
2 meeting about Arrow's financial condition as of --
3 at that point?

4 A I don't recall.

5 Q Was there any discussion about what Jon
6 Moore's motivation would have been for inflating
7 invoices?

8 A I think the discussion was along the lines
9 of why would he do this. I'm still seeking that
10 answer.

11 Q Did anyone in that meeting attempt to
12 answer that question?

13 A No, at that meeting I think Doug and Joe
14 were seemingly at least as bewildered as Carol was
15 about it.

16 Q You had indicated that somewhere in that
17 time frame someone stated that TAB had been made
18 aware of this and it was being rectified, is that
19 right?

20 A Yes, that's my recollection.

21 Q Who made that statement?

22 A I believe that both Mowry and Doug
23 Pielsticker made that statement.

24 Q And this was shortly after you had
25 returned from your honeymoon in October?

1 A Yes, sometime the first half of October.

2 Q And Doug had actually initiated a call
3 while you were in Santorini?

4 A Yes, to Carol.

5 Q When, if ever, was the next discussion you
6 participated in about the situation of there being
7 inflated invoices?

8 A I don't know. I believe it was in the
9 middle of December, though.

10 Q Mr. Bump, were you ever informed that
11 there had been a telephone conversation on the
12 evening of December 11, 2009 where Joe Mowry had
13 informed TAB that there had been an inflated invoice
14 scheme going on?

15 A Yes.

16 Q And when were you informed of that
17 conversation having taken place?

18 A I believe it was early the next -- in the
19 following week, December the 14th, 15th, 16th.

20 Q During the week following December 11th
21 and I'll represent to you was a Friday of 2009.

22 A Yes.

23 Q Were you asked by anyone at Arrow or by
24 your wife to take a larger role in dealing with the
25 problems with TAB and otherwise?

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