

## EXHIBIT “O”

COPY

SURROGATE'S COURT:

QUEENS COUNTY

-----X

PROBATE PROCEEDING,

WILL OF

File No.

FRED C. TRUMP,

3949-99

Deceased.

-----X

Surrogate's Court, Queens County

88-11 Sutphin Boulevard

Jamaica, New York

March 7, 2000

9:55 a.m.

Examination of JOHN W. WALTER, taken  
by respondent, held at the above-noted  
time and place, pursuant to Section 1404,  
before Lisa Stein, a Shorthand Reporter  
and Notary Public within and for the  
State of New York.

1 J. Walter

2 Q. A person named Sam Goldman at one  
3 point?

4 A. Sam Goldman was a bookkeeper who  
5 worked for Bill Price.

6 Q. Did he leave?

7 A. He left at 78 or something.

8 Q. At age 78?

9 A. Yes. I mean, he's well in his  
10 seventies. Didn't look it, but.

11 You have to understand that we're  
12 mostly computerized now and in the earlier years  
13 everything was hand-posted in ledger papers and  
14 that work subsided.

15 Q. Was there someone in charge of  
16 purchasing?

17 A. No, but during that time frame after  
18 the will, not before, I guess 1992 probably,  
19 Mr. Trump had, after I had come back, had said  
20 that he wanted me to reinitiate a purchasing  
21 system that I had done in the '60s and stopped  
22 when I went with Teleprompter, and so he had  
23 liked that program but there was nobody to run  
24 it while I was gone, so he said we should do  
25 that again and take advantage of purchasing.

1 J. Walter

2 Q. Is that what led to the creation of  
3 this All County Building?

4 A. Yes.

5 Q. And that was sometime in '92?

6 A. Yes. I started writing the computer  
7 program for it in August of '92.

8 Q. That was your idea to do that?

9 A. It was his idea. And I said, well,  
10 this time let's computerize it. Doing it by  
11 hand is going to take forever.

12 Q. In '91 who was doing the purchasing?

13 A. In '91 it was the supers. The same  
14 way as it always had been. The supers would  
15 order supplies.

16 Q. There was no one in central office  
17 whose responsibility was purchasing?

18 A. No. It was basically decentralized  
19 for each building ordered their own and then Mr.  
20 Trump would.

21 Q. Are the names you gave me pretty much  
22 all of the people that are at the top of the  
23 pecking order? Was there anyone that was in any  
24 way viewed higher than any of the people you  
25 named that you didn't mention?

1 J. Walter

2 A. I don't think there's anyone higher.  
3 I think that's probably it, unless you have some  
4 other names to refresh my memory.

5 Q. No, that's why I'm asking you.

6 So All County, that was a  
7 corporation --

8 A. Yes.

9 Q. -- that was formed?

10 A. Yes.

11 Q. Were you instrumental in instructing  
12 some lawyer to incorporate the business?

13 A. Yes.

14 Q. Who that was lawyer?

15 A. Durben probably or Tosti, one of the  
16 two.

17 Q. It was set up to serve as a central  
18 purchasing organization?

19 A. Correct.

20 Q. And it would do purchasing, and the  
21 cost would then be allocated to the various  
22 entities that owned various properties; right?

23 A. It would be allocated to the entity  
24 that needed it specifically, yes.

25 Q. And who were the shareholders of All

1 J. Walter

2 County?

3 A. Myself, Robert, Donald, Maryanne and  
4 Elizabeth.

5 Q. In equal shares?

6 A. Yes.

7 Q. And that's a Sub-S Corporation?

8 A. Yes.

9 Q. And when did it start doing business,  
10 do you know?

11 A. Well, I think we were incorporated in  
12 August of '92. We probably started doing test  
13 business, if you understand that, because I'm  
14 designing a computer system as the company is  
15 starting to function, so we did test purchases  
16 just to get it through the system probably in  
17 September or October. There was really no  
18 significant business of consequence in 1992, and  
19 as the computer system could carry it, we  
20 started doing more business in '93.

21 Q. It was intended that this business  
22 was going to do some markups so that it could  
23 make a profit; right?

24 A. Well, what was intended was there  
25 were a lot of reasons why All County made

1 J. Walter

2 sense. First of all, Mr. Trump was very  
3 concerned about the price of what we charged,  
4 what we could use to establish a capital --  
5 major capital improvement for rent increase  
6 purposes.

7 Because of the rent stabilization  
8 program, a landlord in New York City, New York  
9 State, is allowed to increase the rent by a  
10 specific percentage, which is set each year by  
11 the Rent Stabilization Board. The only way a  
12 landlord can increase the rent over and above  
13 that amount is to make some significant capital  
14 improvement to its property. The idea being,  
15 the State will acknowledge if you improve your  
16 property, will allow you to pass the cost of  
17 that on to the tenant in an increased rent that  
18 is one-fortieth the cost of the improvement.

19 So if Mr. Trump, in his expert  
20 negotiation ability, gets a refrigerator from  
21 P.C. Richard's for \$200, that a normal person  
22 could go and buy for \$350, he then delivers that  
23 refrigerator, has P.C. Richard deliver that  
24 refrigerator for \$200, or whatever, to the  
25 building, has his staff, Mr. Trump's staff,

1 J. Walter  
2 carry it up to the building because there's no  
3 -- the delivery charge will only be made to the  
4 building, A, if a tenant did that, the cost  
5 would be 350 plus 25 delivery, he's only getting  
6 250 plus no delivery.

7 He said, that makes no sense. I  
8 should be able to get the same benefit that it  
9 would cost the tenants. So he said, devise a  
10 method -- you have to understand the thinking  
11 that went behind this.

12 Q. I understand.

13 A. So All County would then charge the  
14 \$25 and then, therefore, he could get credit for  
15 it, and that was with a markup. You asked about  
16 a markup.

17 Q. My question started, and so it was  
18 intended that the corporation make a profit;  
19 right?

20 A. It was intended that the family make  
21 a profit.

22 Q. The corporation make a profit and  
23 distribute it to its shareholders?

24 A. Okay.

25 Q. And, in fact, it did make a profit?



1 J. Walter

2 A. It did.

3 Q. And that was a Sub-S Corporation and  
4 that profit went out to the shareholders?

5 A. That's correct.

6 Q. And do you recall how much profit was  
7 distributed to the shareholders in 1993?

8 A. To each shareholder, a few thousand  
9 dollars.

10 Q. And Mr. Trump was not a shareholder?

11 A. That's correct, he didn't choose to  
12 be one.

13 Q. And why was that?

14 A. He said it didn't make much sense.

15 Q. Why is that?

16 A. He said because he would have to pay  
17 a death tax on it.

18 Q. So one of the ancillary benefits was  
19 to the extent that the money went downstream, it  
20 wasn't going to be subject to estate taxes?

21 A. Correct. He loved to save taxes.

22 Q. How did it come to pass that you were  
23 one of the shareholders?

24 A. He asked me to do it and said I  
25 should be a shareholder.

## C E R T I F I C A T E

STATE OF NEW YORK )

: SS.

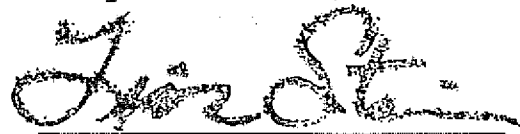
COUNTY OF NEW YORK )

I, LISA STEIN, a Shorthand Reporter and a Notary Public within and for the State of New York, do hereby certify that the foregoing deposition of JOHN W. WALTER was taken before me on the 7th day of March, 2000;

That the said witness was duly sworn before the commencement of his testimony; that the said testimony was taken stenographically by me and then transcribed.

I further certify that I am not related by blood or marriage to any of the parties to this action nor interested directly or indirectly in the matter in controversy; nor am I in the employ of any of the counsel in this action.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of March, 2000.



LISA STEIN