

IN THE CHANCERY COURT FOR THE STATE OF TENNESSEE
21ST JUDICIAL DISTRICT LEWIS COUNTY

KEVIN P. LAVENDER, HIS)
OFFICIAL CAPACITY AS)
COMMISSIONER-IN-POSSESSION OF)
SENTINEL TRUST COMPANY AND)
RECEIVERSHIP MANAGEMENT, INC.)
RECEIVER OF SENTINEL TRUST COMPANY)

Plaintiffs,)

v.)

No. 4980)

DANNY N. BATES, CLIFTON TODD BATES,)
HOWARD H. COCHRAN, GARY L. O'BRIEN)
DEANNA JUNE BATES and SENTINEL)
SERVICES CORPORATION,)

Defendants.)

August 17, 2005

Sentinel Trust Building
12 East Fourth Avenue
Hohenwald, Tennessee 38462

DEPOSITION OF

DANNY N. BATES

Pages 1 - 55

ANDERSON COURT REPORTING

Route 1, Box 254B1

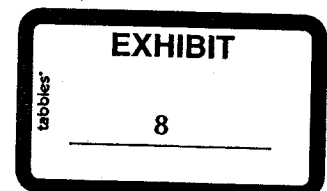
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APPEARANCES:On behalf of Jeanne Barnes Bryant and Receivership
Management, Inc., Receiver of Sentinel Trust:

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On behalf of Danny Bates:

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(T)

On behalf of the Attorney General's Office:

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I N D E X

Witness	Direct	Cross	Redirect	Recross
Danny N. Bates	4		53	

EXHIBITS

	Description	Identified
No. 1	Amended notice stating the deposition would be taken August 17, 2005.	5
No. 2	Subpoena (Order to Appear) with Items to Produce	7
No. 3	Bates Family Trust, January 10, 2004 by Danny and Deanna Bates.	14
No. 4	Copy of Last Will and Testament of Danny N. Bates.	24
No. 5	Quitclaim Deed in the amount of \$10.00 quitclaimed to Danny N. Bates.	36
No. 6	Quitclaim Deed in the amount of \$10.00 quitclaimed to Danny N. Bates as trustee for Bates Family Trust.	36
No. 7	Real estate appraisal cards, two pages.	46

P R O C E E D I N G S

(a.m.)

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THE REPORTER: Please raise your right hand.

(Witness sworn.)

MR. BATES: I do.

THE REPORTER: Would you state and spell your name for the record?

MR. BATES: Danny N. Bates, D-a-n-n-y, middle initial N, B-a-t-e-s.

MR. MATHERNE: Mr. Bates, my name is Graham Matherne. I represent the Receivership Management, Inc, the receiver of Sentinel Trust Company. We are here today to take your deposition in the capacity of Trustee of the Bates Family Trust.

EXAMINATION

BY MR. MATHERNE:

Q For the record, would you state your name and address.

A Danny N. Bates, 205 Bastin Road, Hohenwald, Tennessee.

Q Mr. Bates, you are the trustee of the Bates Family Trust, correct?

A Yes.

Q As I mentioned earlier, we are here to take a deposition in that capacity. You've had your deposition

1 A I created the trust. It's revocable property.
2 That's the way it goes.

3 Q You were a grantor as is your wife, correct?

4 A She could be, yes.

5 Q It says it in the first paragraph, correct?

6 A That's correct.

7 Q You are a beneficiary of the trust as well,
8 correct?

9 A Yes.

10 Q In the first numbered paragraph of this
11 document, Exhibit 3, its a notation in the description of
12 the trust itself, correct?

13 A Excuse me. Where are you?

14 Q I'm sorry, the first numbered paragraph. I just
15 tried to focus there as being a description of the trust
16 itself. That's how it's captioned, correct?

17 A Yes.

18 Q In that, it seems to say that -- or would you
19 agree that the trust can hold real property or businesses
20 previously acquired by and conveyed by a grantor or other
21 person, and that that grantor or other person retains the
22 non-transferrable right to direct the trustee to hold or
23 sell that property; is that correct?

24 A That's what it says.

25 Q How would that work? For example, would any