

09/18/08 11:46am  
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Tom

Petters: You need to talk to me.

Deanna

Coleman: Hi Tom.

Petters: Hi Deanna. How are you?

Coleman: Good. How are you?

Petters: You looking at a little free time for me?

Coleman: Am I what?

Petters: Looking for a little, look at that. These are just fishing with one (UI).

Coleman: Um?

Petters: Who do we need to talk to, by the way?

Coleman: Jim Granat, Ark Royal, your, you want to do that call yourself or do you want to do a conference call?

Petters: No, I just want to say this is stuff we can't do Jim and we gotta take you out and Camille's gotta help you with this cuz she's talking to the owners on the other side and it, I, I just can't be on every call, and what I was saying to Bob I, I said to him. It came a little fast (UI). An old boyfriend?

Coleman: Rocco Altobelli's. Getting my eyebrows.

Petters: Who?

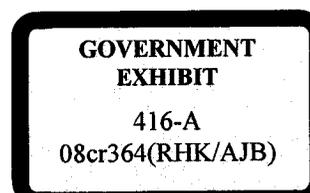
Coleman: Getting my eyebrows done Saturday.

Petters: Ah, good. Listen. We're gambling this weekend.

Coleman: Um. Yeah, I can't.

Petters: Yeah you can. Listen.

Coleman: Um.



Petters: What I wanted to say to you is, here's an easier way to handle it. Say Camille, you've been dealing with these guys. We owe 'em money today. This guy's getting all, asking all these things. You know we can't do these things. Help me out here to talk to Jim Granat, Camille. We've never allowed these things, we're not gonna start allowing these things, and we haven't done it in 20 years, because when they think there's a possibility that you're gonna talk to me then they keep pushing and nudging and nudging. Now. Their investors get nervous, guess what, their investors have always been nervous. We're gonna have answers for that. That's what you and I and Larry are gonna work out.

Coleman: Camille doesn't have anything to do with, I mean, she just, she can't explain this stuff, Tom.

Petters: Yeah, but she's dealing with the two owners. She's dealing with the two owners.

Coleman: I know, but they would like to see the aging of accounts receivable on Petters for retailers.

Petters: Okay. You don't have an aging right now on their...

Coleman: Why wouldn't we have an aging?

Petters: Why would we show the aging of all of our accounts receivable?

Coleman: Well I know, I know, I agree.

Petters: We just don't, we don't give it out, it's not that (UI). Here's what I'm saying, Deanna, some of these questions you're getting asked, we simply don't give that shit out. And you know what, they may get mad, or they may want their money or whatever it is, you know what, we're in a different world today, and, and that's why I'm just saying, some of this stuff we just gotta say, we can't give you our aging for Petters Company. (UI) and all that stuff probably makes them doubly nervous.

David

Baer: I know that we're, we're spooking everybody.

Petters: Right. So, I'm saying, that's why I said this morning we got Sue calling everybody and doing all this, and

the other thing is with PCI, there are certain things we just have never given out. She needs somebody to help her and that's why (UI) with Larry coming in, but somebody has to say we don't give this stuff out, we haven't given it out before, we're not starting to give it out,

Coleman: Yeah.

Petters: And we can't share it. So I think, is there any thoughts or is there anybody uh, uh we can use?

Coleman: Well why don't you think about it David and I'll come and talk to you um in a little bit.

Petters: I mean, Deanna.

Baer: Somebody's just gotta say no. And then they, and then they're gonna say yes, and we're gonna say no, and then they're gonna do whatever they're gonna do.

Petters: So I mean, I think that we just have to say, we, we haven't, you know, instead of making 'em wait one cuz it's just putting extra pressure on you. We can't give out the receivables on Petters Company. That's. Sorry. That's like, we have confidentiality agreements with everybody. Do you agree with that?

Coleman: Okay, okay, okay. I um, I'll tell 'em that we'll see what happens. Okay.

Petters: But I mean, the way you tell 'em is, that you have confidentiality agreements with everybody. You're not even able to give that out, never have been able to give it out, part of the reason you're getting the rate you're getting, Jim, is this. This isn't stuff we give to Bell. This isn't stuff you give to this one. This isn't stuff you give to anybody. You can't get it. Nobody can get it.

Coleman: Okay.

Petters: Now, there might me one or two on the list you can give 'em, I don't know.

Coleman: Shut the door.

Petters: What?

Coleman: Come here and shut the door.

Petters: Why?

Coleman: Well I know, but I can't talk about this stuff in front of David Baer. He doesn't know what...

Petters: Yes, you can.

Coleman: He doesn't know what's going on, Tom.

Petters: Yes, he does.

Coleman: I mean, how can you tell someone you don't have, you can't get anything from the retailers, or I can't get anything showing....

Petters: When have you ever been able to get confirmation from the retailers?

Coleman: Well Tom...

Petters: You never been able to. In fifteen years we've been doing this, we've never been able to get one.

Coleman: Tom, you act like these are real POs all the time.

Petters: I'm not acting like these are real POs. We've told people you can't confirm it. Why are...

Coleman: We have, okay.

Petters: I'm trying to see, why all of a sudden do we think we can get a confirmation? Bob goes to send a letter to Greg Bell, I could go to jail for that letter. We've never given a letter before.

Coleman: Well, you asked him to do the letter.

Petters: No, I didn't ask him to do it. Greg asked him to do it in Florida, that's fucking utter bullshit. I don't want to argue about it. I did not ask him to do.

Coleman: Oh, okay. That's not what Bob said, we just had that conversation, but okay, okay.

Petters: By the way, so, so. We're not giving out this stuff, the fact that, that Greg got it and put it in his

drawer, you know, and, and I asked Bob to do the second one, to Sam's, after he gave the first one from BJ's or vice-a-versa.

Coleman: Okay.

Petters: But I said, you're the one in Florida that told 'em that you can get it. I said, when I asked you to do it, and it's, and it's not even worth arguing amongst ourselves.

Coleman: Well, no, I know. It's, no, you just, no.

Petters: I'm just, I'm not acting like they're (UI). I'm acting like we've never given it out, we've been, here's what I keep using. If you really think where I'm coming from, it's sorta like we all knew they were real fake POs the last five years. All of us. So, it's not just me that knew we were committing a crime or just you or just Bob. It's like, look we never gave the shit out. We've always told people we couldn't give it out, so we have to continue to say that right now even...

Coleman: But I've never really been asked this question, Tom, until the last month where they keep asking it and...

Petters: Oh I, we have people always ask for it right up front when we ask for the lending, could we get this, can we get that, can we get this, and you'd say I don't like these people, we're backing away from it, now they're asking the same questions in a different time, that's all.

Coleman: Okay.

Petters: You know, I'm saying, we've told them that from the beginning, that they couldn't get it.

Coleman: Okay.

Petters: They maybe never asked in the beginning. But we have to say we've never given it out. In a nice way, not a defensive way. I'm not acting like they're real POs. I'm saying, we never gave the shit out before (UI). (UI) the same thing as you and Larry will tell you.

Coleman: Well, I know. Yeah, I know, but, it's just, um, okay.

Petters: But do you see what I'm saying? You can't, how could you possibly...

Coleman: I guess I, I, I see what you're saying Tom. But it doesn't make sense to me, it's like.

Petters: Why?

Coleman: Cuz some of the stuff they're asking for, it's just stuff that you would give people.

Petters: Wait, okay, okay, they'd like to get confirmation from retailers on their accounts payable. So would everybody.

Coleman: Right. I mean, that, yeah. I guess. I guess. You know what, I talk to him daily and I just get tired of his questions.

Petters: Yeah, I know, I know, I know you're burned out.

Coleman: And I can't deal with it anymore.

Petters: You're burned out.

Coleman: So I just, I don't know.

Petters: You're just burned out. Let me tell you what, I'll call him if you want with me one day later. I just haven't had time.

Coleman: It will be helpful if you would. I know. I know.

Petters: I just got, I'm trying to deal with (UI).

Coleman: Will you take 5 minutes and just give him a call, I just..

Petters: Okay. Alright, thanks for (UI).