

Eric Koula Direct Examination.

Relationship with Dad.

Show photographs

Last time did something with Dad.

Couple of weeks before that went golfing with dad and Uncle Pete.

American Legion.

Uncle Pete having a temper tantrum about golfing.

Joking around/goofing around.

Trade on phone from golf course.

Soda afterwards in the club house.

Dad asked to come over for lunch and Eric wanted to get home.

Now wishes he had gone over for lunch.

Childhood memories.

Little league coach.

It was good.

He was busy all the time with the pharmacies so this was a good way for him to spend time with me.

Sometimes Eric would go on work day trips with dad.

Eric and dad went on camping trips together.

Also did this as an adult – last time was in 2002-2003 with Glen Grady.

Spend weekends watching him play softball with Lions.

Family vacations.

Trip out west to Glacier, Mount Rushmore, Devil's Tower, and Yellowstone.

It was just fun to do this with your parents. Good to have photographs as a reminder.

Florida/Disney World – race down every morning to pack cooler with ice before all the ice was gone.

Funny to see a little kid and grown man carrying a cooler.

Adult relationship with dad.

Very close.

Talked all the time.

Almost every day. 4 out of 5 days during the week.

Get together with parents at least three times a week.

Usually drive truck when he went over there.

If he *wanted* help with a project he would ask for help.

Cutting wood at home for their fireplace.

Painting and papering at their house.

Replace fascia on the house that blew off.

Just in April put a piece of fascia on the house.

It was scary do to peak.

Both parents would come and watch me bowling.

Businesses with dad.

Looked at Bowling Alley in Neillsville.

Dad wanted to buy a business to get Eric started.

Ford dealership.

Dad had sold pharmacies except for Neillsville.

Nick called dad, he was living in Detroit.

Dad was interested in being a silent partner.

Nick sets up the whole thing.

Process took about a year.

The whole purpose was to put Eric in a place where eventually he would have his own dealership, either this one or another one.

Dad, Nick and Eric went up to Minneapolis to sign agreement to purchase dealership.

Purchase the land and build the building.

Selling new and used out of gravel parking lot.

1994 Opened building that fall – 1994.

Financial problems from beginning until 1998.

Eric was learning each aspect of the business.

Plan with dad was that Eric would eventually run a second Ford dealership that they would purchase.

This didn't work because there were disputes between Dad and Nick about how to run the business.

Problems with the bank.

Nick tried to buy dad out but could not get financing.

Dad puts a lot of money in the business so it would not go bankrupt. Dad then has more stock in the business.

1998 Dad started working at the business full time in 1998.

Business starts doing a lot better.

2003 Warranty account (VVFRE) started in 2003. Mike Hanning. Eric owns 70% and Nick owns 30%. Eric paid \$2,000 to start corporation and Nick paid \$1,000. Eric personally wrote Nick a check to buy out his percentage of the VVFRE when they bought him out. 2005 is first time that Eric takes a distribution from account. Off shore corporation (API) so it was earning a higher rate of interest. Hanning was middle man to set up these contracts with API. Late 2006 Eric requests a distribution. Distribution comes in January but it went back to September of 2006 because Eric did not wait until the end of the 4th quarter.

2004 Dad tells Nick he wants him out in October of 2004.

2005 Dad buys Nick out in beginning of 2005.

Right after buying Nick out Harry Dahl approaches Eric and dad.

The offer from Harry Dahl made dad think through whether he wanted to stay working at the dealership. Dad really wanted to get out and either sell the business or have Eric take it over. After working with Dennis every day for 7 years Eric did not want to do the business without him.

Check writing authority?

Dad

Mom - Cindy

Started in high school – when they would go out of town on trips

At Ford dealership since beginning

Nick knew this.

Do we have other copies of checks?

2006 Sold on March 31st, 2006 to Harry Dahl.

Eric was going to figure out whether to look for a full time job or go back to school. Thought about going back for updated schooling in cartography so he could get a job doing that.

Started getting in to trading more. Dad started learning more about option trading. Eric would do online trading school with dad.

When Harry Dahl came with the offer it was very large and Dad wanted to give Eric \$1,000,000 so that he could find a different business to purchase and run himself.

Original offer would have profited dad approximately \$2,000,000. Because this business was bought as an investment for Eric, dad told Eric he was going to give him \$1,000,000.

Harry changed offer 2x during negotiation.

Less than a month from sale Harry comes to dad and lowers offer one more time to \$750,000 blue sky instead of \$1.8 million.

Dad tells Eric about conversation Harry Dahl. By this point dad really wants out at any price.

Dad said I am not going to be able to do the million. Eric said he understood that. Dad said let's just see how the numbers play out and Eric said fine. Tells Eric that he will give him what he can to come close to the million but that would have to include the warranty account as part of the calculation instead of the million being above the warranty account. Eric projected the account value to be approximately \$400-450k.

After the sale dad wanted to figure out tax consequences, etc. Dad gave Erica a \$50k check in August of 2006. He told Eric he wanted to give him at least what he gave Nick which was \$550k.

In early 2006 Eric also received a \$56k check from the sale of the land that reflected his 5% ownership of the land. (Dad gifted Eric 5% of

the real estate at the time of the buyout from Nick.)

After dad does taxes in 2007 he gives Eric \$500,000 so that he has matched Nick.

Eric was trading at home throughout 2006. Started trading a lot more in fall of 2006. Same time dad and Eric are doing the schooling.

2006 Why no income?

2007 API Bankruptcy letter comes late in 2007. Trying to figure out how much Eric is going to get out of these accounts due to API declaring bankruptcy. Dad gets involved with trying to figure out bankruptcy distribution to help out Eric. Eric gets a check for \$33k which is a settlement on part of the VVFRE in September of 2008. Eric understands that there is another part that this did not settle which is gone. Eric believes that earned portion should have been \$111k. Dad and Eric try to determine where other part of VVFRE account is. Goes nowhere.

Eric continues to trade using some of the money from sale of dealership but is also buying stocks

that are giving dividends. Made around \$150,000 in fall of 2007.

2008 Eric actually only took out \$165k out of the warranty account instead of \$400k. \$235k less than Eric and dad thought it would be. Eric estimated what he thought it would be if they had not gone bankrupt. He believed that to be \$225k so that Eric would get what he would have gotten if the company had not gone bankrupt. In this September 2008 conversation dad offers to give Eric the full amount but Eric says no because he wants a safety net because trading has been going rough.

Relationship with Mom.

Couple of times a month mom and Chris and Eric would go out to eat lunch.

Usually go to either Manny's or Carlos O'Kelly's. Mom would treat to show that she had made money on her trading.

Helped a lot with her gardening – pulling weeds, landscaping, etc.

Go out to have lunch with mom a lot – fat soup. They were always both dieting.

Mom would call during the day to ask about how the market was doing. Sometimes she would even do this from school.

How often in the neighborhood with your car?

Family.

Christine

Dexter

Hadley

Education and Employment history.

College

Irv Marg Painting

Finances leading up to May of 2010.

Why late payments in October of 2009?

\$50k on May 22nd.

How get check?

What do with the check?

Was money used for?

“Gifts”

Day Trading

What did you do with the withdrawals from January of 2010 to May of 2010?

Options express account.

Gains – losses – withdrawals

Three weeks leading up to May 21, 2010.

IRS

2007 return

Came up in March of 2009

Letter from Eric and Christine to IRS in March 3 of 2009
(ex 560) disputing issue of \$92k distribution.

Document from bankruptcy court – contradicts letter
to IRS – how do we explain this

IRS disagreed

Hired a firm to negotiate with the IRS

JK Harris

Paid more than \$4500

Resolved with payment plan after homicides

Owe \$40,000 per MJW

Mortgage

Owe \$65,000

How much prepaid?

\$35,900 in additional payments.

From what?

No May 2010 payment.

Made May payment in April of 2010.

How much were payments?

How much equity for loan?

Bank of America line of credit?

\$20,100

\$24,100 limit – had \$4,000 available

\$650 in March Minimum \$390

\$650 in April Minimum \$388

Credit Card debt

\$34,715 for Target, Discover, Chase, Advanta, Kohl's.

Current on bills

House

Excel

Phone
Cable
What else?
Property taxes

Assets

Checking account \$68
Savings account \$730
Primary Savings \$544
Fidelity Investment \$158
Fidelity IRA \$138
Options Express \$1,673

Discover phone call \$1,100

Owned a 2006 F150 pickup truck unencumbered in May of 2010

\$18,375

2009 – Borrowed against his truck – why? Borrowed \$3,000

How did you get the loan without a job?

Why did you get the loan?

Why did you not list your parents as references?

\$970 in interest

Paid off in November of 2009

Owned a 2004 Ford Explorer –

\$12,000

Owned 2 ATV's and a snowmobile.

\$13k to \$15k value.

Owned precious metals.

Home in West Salem

Appraisal - \$190,000

Owed \$65,000

Mother-in-law loan –

Is this something you knew about?

Did Chris know about it?

Payments due

How doing to pay

Net worth = \$213,439

Thursday May 20th

Golfing with friends in afternoon.

Called Mike Genz at approximately 4:15.

What talk about?

5:03 tee time.

Talked about tiling project at Mike Girlfriend's house.

Grouting experience before?

Loomis Street.

Dad's House

Account

Amount left

“Kiddo”

Went out to pizza with Dave.

Friday May 21st

Weather

Spoke to dad

Trading.

Spoke to Mike at approximately noon. Mike asked if he wanted to start grouting earlier.

Wal-Mart

Where put flowers?

Why not get plant at Wal-Mart?

Why not get flowers at Shopko?

When decide to get plant?

Mike Genz

Did you tell Genz that you didn't want to leave until the markets closed?

Why would you leave to go to Wal-Mart then?

Mike called when he was done with work?

Why grout on Anniversary?

What is grouting?

Put belongings on the counter in the kitchen.

Stayed in the bathroom the whole time.

Each worked on different walls.

Describe process of grouting.

Mixing, using, wiping, etc.

Who did what?

How messy do you get?

How long grouting?

How realize need to get going?

Finished at about 5:20 or so.

Cleanup?

What involved in cleanup?

Used neighbors hose.

Wash yourself off?

When leave?

Approximately 5:30.

Phone call with Christine?

Weather?

Introduce grouting shoes.

Talk with Genz about case in last two years?

Before that?

Fixed you?

Timing?

Shopko North

Shopko Onalaska

Why that plant?

Why keep receipt

Have you ever brought a plant back before?

Home

Shower

What do with clothes?

What do with shoes?

Go out to dinner

Go out with Briers

Weekend.

Saturday morning

Bank

Ace

Saturday afternoon

Mowing

Phone calls

Genz

Mom and dad

Saturday evening

Cookout with Briers

Phone calls

Sunday

Golfing

Phone calls

Genz

Parents

Mike Genz – dig fire pit at Mike Genz Sr. boathouse.

Phone call with Christine

Pizza

Monday May 24 After Finding Mom and Dad.

Genz phone call

Why call Mike?

Who came over that evening?

What remember from that evening?

Tuesday May 25.

Wednesday May 26.

Thursday May 27.

Drinking – a lot

Genz spends the evening.

Talked about what was going on.

Talked about Dexter.

Friday May 28.

Hung over.

McDonalds with Genz.

Loomis Street with Genz.

Boathouse with Genz.

Genz drove you home 10:30-11:00.

What do when get home?

Keys returned and question about Dexter.

Fixed you.

When put note in the mailbox?

When tell Christine.

Golfing in Chicago.

June 16th.

Thought they would ask about the check.

July 29, 2010.

Phone call from Fritz

Said it would take 2 minutes

Why did you go down there?

Thought they were going to tell me they were about to move on somebody.

When did you become afraid?

Started referencing financial problems

Why did you tell them about the check?

I didn't think they were looking at me anymore???

Why did you say your dad wrote it?

Christine knows about check?

How were you feeling when you started being accused?

Why were you looking down?

Finding mom and dad.

Get up

Phone call from school

Phone calls to parents

Drive over there

Christine car

Arriving

What thinking

Going in house

What door, etc.

Finding dad

Stiff and hard

Calling 911

Play call?

Finding mom

Why go outside?

Lubinski

Talk about being at home making money?

Eric Koula Direct Outline Chronological

- **Childhood memories**
- **Relationship with family of origin**
- **Adult Relationship with Dad**
- **Adult Relationship with Mom**
- **Eric education**
- **Eric employment history**
- **Eric's family**
- **Business with dad - check writing authority**
- **Finances in leading up to homicide**
- **Last time did something with dad - check**
- **Day before homicide.**
- **Day of homicide**
- **Weekend after homicide**
- **Monday -Finding mon and dad.**
- **Monday after finding mom and dad.**

- **Tuesday –**
- **Wednesday**
- **Thursday – questioning son**
- **Friday – “Fixed You.”**
- **Interview at PD 2 weeks later – check?**
- **Interview at PD 6 weeks later.**

Eric Koula Direct Outline W/Sequencing

Relationship with Dad. (Primacy)

Photographs – artifact memory recall

Last time did something with dad.

Golfing 2 weeks prior

Childhood memories.

Adult relationship with dad.

Business with dad.

Check writing authority. (Foreshadowing inoculation)

Adult relationship with mom.

Eric's family.

Foreshadowing Dexter.

Education and employment history.

Finances leading up to the homicides.

Thursday before the homicides.

The check

Friday – the day of the homicides.

Demonstrative – grouting shoes.

Receipt for flowers

Saturday after homicides.

Sunday after the homicides.

Monday after finding mom and dad.

Tuesday – drinking not sleeping.

Wednesday – drinking not sleeping.

Thursday – Dexter.

Friday – fixed you.

June 16 interview.

July 29 interview.

Finding mom and dad. (Recency)