

Lipton v. Pearlman Staffing Co.  
Case No. GC483087  
Summary of Deposition of Michael J. Lipton  
September 2, 2002

PAGES/LINES	TOPIC	SUMMARY
1:9	Location	Albany, NY
2:1-3:25	Appearances	Tammy Kent, Kent & Associates, Attorney for Plaintiff  Fred Wicker, The Law Offices of Fred C. Wicker, Attorney for Defendant
4:2-4:4	Name	<b><u>Examination by Mr. Wicker</u></b>  The deponent's full name is Michael James Lipton.
4:5-5:25	Prior depositions and preparation	The deponent has been deposed once before in connection with a 1989 car accident. In preparation for the present deposition, he met with his counsel and reviewed documentation from his personnel file at Pearlman Staffing Co.
6:1-8:21	Admonitions	Admonitions given to deponent.
8:22-8:25	Date of birth	Deponent's date of birth is 10-7-58 (age 44 at the time of the deposition).
9:1-9:11	Current residence	Deponent's current residence is 4838 Marion Avenue, Albany, NY. He purchased this property in 1990. Deponent also owns two rental condominiums in Yonkers, NY.
9:12-10:19	Education	In June 1979, deponent received a B.A. in Political Science from Syracuse University. Immediately following graduation he enrolled at Fordham University School of Law, receiving a <i>juris doctor</i> in May 1982. In late 1982, deponent was admitted to the New York State Bar.

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10:20-13:19	Employment history	From 1982 through 1988, deponent was an associate at the Law Offices of Reed Smith. In December 1988, deponent left this firm and took a one-year sabbatical, due to his mother's failing health. From January 1990 through November 2000, deponent was Assistant General Counsel at Stockman Generics, a pharmaceutical company in New York City. Deponent began as General Counsel at Pearlman Staffing in December 2000.
13:20-15:11	Duties at Pearlman Staffing	As General Counsel, deponent's responsibilities included but were not limited to managing company litigation, advising management on all legal issues, ensuring regulatory compliance, and negotiating/drafting all company contracts.
15:12-17:24	Work hours at Pearlman Staffing	Deponent notes that the company permitted very flexible hours, with most management arriving at the office between 10:00 and 11:30 a.m. Deponent usually arrived at work at 11:00 a.m. The staff were required to be present from 9:00 a.m. to 5:00 p.m. (to answer customer calls, etc.), yet with upper management, "all that counted was getting the work done . . . most officers preferred to arrive quite late and burn the midnight oil."
17:25-18:7	Dress code at Pearlman Staffing	Similar to the work hours, the dress code at Pearlman Staffing was extremely casual. Like many of his peers, deponent usually wore jeans and a polo shirt. Formal attire was reserved for rare occasions when clients would visit the office.
18:8-20:23	Company policy manuals	When deponent arrived at Pearlman Staffing in December 2000, the company did not have any written policy manuals. During his first six months on the job, deponent drafted an employee handbook which was compliant with state and federal laws. It included a company safety policy, sexual harassment provisions, etc. It did not contain any policy concerning management hours or a dress code.

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20:24-23:3	Bluebird Services merger	During the deponent's entire time at Pearlman Staffing, the company contemplated a proposed merger with another staffing agency, Bluebird Services, LLC. From the very beginning, deponent "vehemently disagreed" with Pearlman Staffing's CEO (Janice Shapiro) regarding this merger. On repeated occasions, he alerted Ms. Shapiro regarding the potential disadvantages of the merger, namely the clash between company cultures. Moreover, deponent pointed out that considerable worker redundancies would have to be eliminated, especially at the management level.
23:4-26:9	Irregularities with past company tax returns	While reviewing documentation in connection with the proposed Bluebird merger, deponent uncovered inconsistencies between Pearlman Staffing's general ledger and its tax returns. Deponent noticed inconsistencies for the years 1998 through 2000 – namely that distributions to several company officers were <i>not</i> reflected in the tax schedules. In September 2001, he brought this to the attention of the CEO (Janice Shapiro) and the CFO (Michael Woods), yet they refused to discuss the issue, simply telling deponent to "drop it."
26:10-27:15	Termination	On Friday, 11-30-01, deponent received a Notice of Termination and was instructed to pack up his office over the weekend. He emptied his office the following day (12-1-01) and turned his elevator pass over to the company administrator, Laura Caruso. During a brief conversation with Ms. Caruso, she noted that the documented reason for the termination was deponent's poor attendance and unprofessional demeanor. He was given three months of severance pay, but did not receive his 2001 year-end bonus.

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