

former trustees of the Pension System and current and former advisors to the Pension System, including real estate investment advisors.

3. Despite reports claiming that Dallas Mayor Mike Rawlings allegedly asked the Texas Rangers to investigate the Pension System in late 2016, the Texas Rangers have not contacted the Pension System regarding any investigation while I have been Executive Director. Also, I discussed this issue with Pension System employees who were employed by the Pension System prior to April 2015 and no one is aware of any instance of the Texas Rangers contacting the Pension System regarding any investigation.

4. The Pension System received a subpoena from the FBI (the “Subpoena”) on or around March 7, 2016. The subpoena has been produced in the above-captioned litigation and is stamped with the Bates label range DFPF_TOWNSEND_0065353-DFPF_TOWNSEND_0065356 and is designated “Confidential” pursuant to the Court’s April 24, 2018 Protective Order.

5. In responding to the Subpoena, the Pension System agreed to cooperate with the FBI’s investigation. I understood from discussions with the FBI that the FBI’s investigation focused on the Pension System as a victim.

6. Pension System personnel initially provided certain specific documents to the FBI in response to the Subpoena. However, in or around the summer of 2017, the FBI sent an information technology specialist to the Pension System office with a request to inspect the Pension System’s electronic document storage system generally. The Pension System again cooperated, making available its electronic document storage system. The FBI specialist did not inform the Pension System which documents were searched, reviewed, imaged or copied—if any.

7. On August 17, 2017, the FBI agreed to take an electronic image of the Pension System's electronically stored information and to hold that image without review until agreement could be reached concerning the protection of the Pension System's privileged information. To date, the FBI has not informed the Pension System that it has begun review of electronically stored information.

8. On or around January 8, 2019, I spoke with current Pension System Trustee Sam Friar and requested that he review his personal files for documents relevant to this litigation. On January 18, 2019, Mr. Friar provided documents to me and informed me that he has provided all relevant documents in his possession.

9. On or around January 8, 2019, I spoke with current Pension System Trustee Joseph Schutz and requested that he review his personal files for documents relevant to this litigation. On January 22, 2019, Mr. Schutz provided some documents and informed me that he will continue to provide relevant documents in his possession as he continues his review of his personal files.

10. CDK Realty Advisors ("CDK") does not currently serve as an investment manager for the Pension System. With the exception of the CDK Multifamily investment, CDK has not served as an investment manager for the Pension System since September 30, 2015. The Pension System sold its interest in CDK Multifamily (of which CDK serves as the general partner) effective June 30, 2017. CDK and the Pension System became adverse parties in litigation when CDK brought suit against the Pension System on February 10, 2016, in which suit the Pension System filed a counterclaim on April 5, 2016.

11. Land Baron Investments, Inc. ("Land Baron") does not currently serve as an investment manager for the Pension System (and has not done so since August 2014).

12. Knudson Development Company, LLC does not currently serve as an investment manager for the Pension System (and has not done so since July 2014).

13. Criswell Radovan LLC (“Criswell Radovan”) does not currently serve as an investment manager for the Pension System (and has not done so since February 2016).

14. M3 Builders, LLC (“M3”) does not currently serve as a manager for any of the Pension System’s investments (and has not done so since January, 2017).


Further Affiant sayeth not.



KELLY GOTTSCHALK

SUBSCRIBED AND SWORN TO BEFORE ME on this 28 day of January 2019, to certify which witness my hand and official seal.





Notary Public for the State of Texas
My Commission Expires: 11-10-2019