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Powell: Here's the way I see this unfolding. A civil lawsuit, have to make me answer interrogatories and a request for production of documents.

Conahan: Ummmm.

Powell: And then through that look at all the disbursements that were made from Pa Child Care here to me. And Western PA Child Care.

Conahan: So, what are you saying?

Powell: *It's where the cash came from.*

Conahan: Well, there's nothing we can do about that. If he files a suit, he files a suit.

Powell: *But that puts us in an untenable position.*

Conahan: *In what way?*

Powell: *Well, what if they put me under oath?*

Conahan: *Well, they're gonna. They already know about [name redacted](the name of an intermediary who delivered cash to Conahan from Powell). You know that [name redacted]'s been talked to.*

Powell: No.

Conahan: Okay. *Let me tell you something. If you want to check me, I'm not wearing a wire.*

Powell: Neither am I.

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(Emphasis Added).

After discussing the fact that the intermediary who gave cash to Conahan met with federal investigators and told them about the cash, the conversation continued:

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Powell: *It's the cash I'm worried about, Mike.*

Conahan: *Well, I don't know, Bob. I'm not... told you what my position on that was. It's not changing.*

Powell: *No, that's what I'm gonna say, too. But...I mean I...I don't....*

Conahan: *[The Feds have knowledge about] the cash.*

Powell: I don't remember [name redacted] getting those draws. Unless she cashed them.

Conahan: I saw the checks.

Powell: Did she cash them?

Conahan: The checks were cashed by [name redacted] (an employee of the Powell law firm).

Powell: [name redacted].

Conahan: [name redacted].

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Conahan: *Bob, I'm going to tell you something right now....This is my story. I'm never changing this story. I leased you that apartment for 15 grand a month for 60 months.*

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Conahan: Tell you one thing right now. I never lied to you and I never will. I'd never do anything to hurt you but *I never got the cash from anybody. That's the story. And you better stick to it.*

Powell: *I'll stick to it.*

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Conahan: Bobby, if there's anything coming out of 40 Degrees North (a company in which Powell had an ownership interest) or PA Child Care . *Cash, you just gotta say it didn't come to me.* [Emphasis added].

Powell: Alright.

Conahan: When this is all done, whatever we have to sit down to work it out or help each other, we'll do it.

(Emphasis Added).

In a conversation on July 2, 2008, Powell, Conahan and Civarella once again discussed concern over what an intermediary would tell investigators about cash payments made to the judges.

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Powell: I don't know if it means anything or not, but I can see [name redacted] sticking to her story, Mike, with the cash. She frightens the shit out of me. She's going to say she delivered cash.

Ciavarella: Well, whatever she says, she says. [I] can't stop her from saying it. I just know what I know.

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Powell: Greg [Zapalla] has a team up there [at PA Child Care] auditing the books, to see what payments were made out of PA Child Care, Western PA Child Care. I think we're getting sued.

Ciavarella: [We] can't stop him from doing it. I mean, assholes who does it. I mean the bottom line is none of the money came out of him...It was all out of Mericle's [unintelligible] gig. So he can sue us all he wants. He didn't pay the finder's fee. Mericle paid it.

Conahan: *If Rob Mericle had never gone to him, we wouldn't have this problem. It would never have come up.*

Powell: *And if I wouldn't have given [name redacted] that fucking cash to deliver.*

Conahan: You know....

Powell: *She's the weak link.* That's why she's not here tonight. I don't even think she's here. Like she's hiding somewhere.

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Powell: Well, where the rubber meets the road is where [Zapalla] is gonna say that he wants to see the draws from PA Child Care, *and then he's going to want access to the law firm books because that's where I got the cash out of, from the law firm.*

Conahan: Mmm Hmm.

Powell: I don't have to give him that. But I think that's what part of *the suit's going to be is for him to get access to see the payments from PA Child Care to the law firm turned into cash, to you guys.*

Conahan: Mmm Hmm.

Powell: 'Cause right now, he has no right to them, to the law firm books.

Ciavarella: Was PA Child Care paying legal fees to the firm?

Powell: No. I had no other way to get the money out. I didn't want to take it directly from PA Child Care.

Ciavarella: Well, how did you justify the fees into the firm?

Powell: Draw. I took it as a draw.

Conahan: But you're allowed to do that.

Powell: But what his fear is about that I never told him, for obvious reasons. I wasn't going to tell him I was taking the draw.

Conahan: The problem [name redacted] has is she never gave me anything. So there wasn't anything given to her. She has it. Or someone has it.

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Ciavarella: *...I was the one who directed [Mericle] where to send that money and I was the one who gave him the instructions as to where to send it.*

* * *

Powell: Well, [Mericle's] grand jury testimony is that I was the grand orchestrator of everything.

Ciavarella: Well I guarantee you, Bobby Powell, that will not be the testimony comes out of my mouth because I'm gonna tell that fucking grand jury exactly how that deal came down. You had nothing to do with He had nothing to do with it. I had nothing to do with it, other than Rob Mericle coming to me and saying want to do this for you. That's how that deal came down.

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Conahan: [Mericle] knew that we [Conahan and Ciavarella] owned Pinnacle. He knew who owned Beverage Marketing.

Powell: Well, if that's the case, then our only problem is the cash and [name redacted].

Conahan: Well....

Powell: ...and if somebody sees [redacted] at the [person's workplace redacted], I wish you would get word to me somehow, some way, 'cause I call up there and there's no answer.

Conahan: We have to fight this Mericle thing....

Ciavarella: You know, I could see [Mericle] testifying, this is the file.

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Powell: *We're both gonna have to stick to that, Mickey, 'cause [name redacted] is gonna testify.*

Conahan: *[unintelligible] testify [unintelligible] one box filled with cash. She doesn't know what's in the other ones. There's only one that she knows.*

Powell: *It's going to be our word against hers.*

Conahan: Mark (Ciavarella), do me a favor.

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Conahan: Listen, you paid me rent for my condo. You didn't pay me rent for my condo to shut the juvenile detention center down or fix cases. This thing with Mericle, this Mericle, I gotta fight it. And I got no boxes from [name redacted]. Nobody gave boxes to [name redacted]. If somebody gave boxes to [name redacted], she has them....Mark doesn't know [unintelligible] [name redacted]. I talked to you. Because I wanted to keep him outta this.

Powell: He doesn't know about the cash?

Conahan: No.

Powell: Alright. I'm glad you told me.

Conahan: No. That's not what I was saying.

Powell: I'm sorry.

Conahan: That's OK. So [unintelligible] comes down I'm gonna say forget whatever you just heard. The only thing Mark knows, Mark does not know the rent you and I negotiated for the condo. It's \$15,000 for 60 months. \$900,000. That's what you were supposed to pay. Whenever you paid, you paid. You left. So, the only thing Mark knows is the conversation with Mericle. He doesn't know about the rent to the cond. He knows that you paid me rent. He doesn't know about any boxes. That's why he's our most credible witness.

Powell: I understand.

Conahan: *So, as long as you stick to your story, the condo rent, okay. And he solves this problem. If [name redacted] got boxes, she kept them.*

Powell: *Alright, then I won't ever say anything to him again.*

Conahan: *And the only one that you can testify to is when she says that she saw you put cash in one box. Her first story was she didn't. Then she flipped and she says she did. Okay. But I'm gonna tell you, she didn't give me any boxes. And if you gave her stuff to give to me, the [name redacted], it was documents. Maps. It was anything. And you did things by courier. You never gave them to her.*

Powell: *That's our story. We'll stick to it.*

Conahan: Yeah. She's wearing a wire. That's why she didn't show up today.

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(Emphasis Added).