

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NEW YORK

ERIC E. HOYLE,

Plaintiff,

v.

Civil Action No. 08-CV-347C

FREDERICK DIMOND, ROBERT DIMOND,
and MOST HOLY FAMILY MONASTERY,

Defendants.

AFFIDAVIT

STATE OF NEW YORK)
) ss:
COUNTY OF ERIE)

FREDERICK DIMOND, being duly sworn, deposes and says:

1. I am a defendant in the above-captioned matter and am also known as Brother Michael Dimond, which is my religious name. I am presently the Superior for the Most Holy Family Monastery ("MHFM") located in the Town of Fillmore, County of Allegany, and State of New York. I submit this affidavit in support of the defendants' motion for a

temporary restraining order and/or a preliminary and permanent injunction against plaintiff, Eric E. Hoyle (“plaintiff”).

2. MHFM is a monastery located in Fillmore, New York that is dedicated to practicing and teaching the traditional Catholic faith as well as the praise and worship of God. It is a New York not-for-profit corporation. MHFM presently and for many years has maintained a website on the worldwide Internet devoted to its beliefs and teachings. That website is located at www.mostholymonastery.com.

3. In addition to using its website to reach out to others and to teach traditional Catholicism, MHFM also communicates and teaches through Internet and traditional radio broadcasts, e-mail, telephone, and regular mail. For these reasons, and as a vehicle to assist interested members of the public, MHFM maintains a toll-free telephone number where interested persons can call with questions about the monastery, its beliefs, and teachings.

4. As a monastery, MHFM relies almost solely on donations made by supporters in order to sustain itself. While it sells items such as books, monographs, and DVDs, most of these items are sold at either break-even or at a loss as a necessary consequence of our trying to broadly disseminate our religious message. The monastery relies on the goodwill it has generated among its supporters, and it depends on reaching new supporters in order to obtain the financial means required to continue its work.

5. After many years of teaching and reaching out to others, MHFM has developed a mailing list of more than 90,000 individuals housed in an electronic database file we call the “ARC List.” There is a sub-set of this list called the “S List” comprised of 2,000 individuals. These lists are comprised of benefactors, donors, supporters, customers, and other persons who have shown an interest in the work of MHFM by either visiting our website or contacting us via mail or telephone. In addition to these individuals, approximately 2,200 orders have been placed by individuals at the MHFM Internet store. This information constitutes another list of supporters and benefactors used by MHFM. These benefactors, customers, and supporters are the veritable lifeblood of MHFM. Without the support of the individuals on these lists, MHFM would not be able to continue its work.

6. For example, over the last year, in order to reach the numbers of individuals necessary to continue its work, MHFM has been spending approximately \$1,000 per day on its communications efforts, including Internet advertising and other communications vehicles. The sole purpose of these expenditures is to spread the traditional Catholic teachings and beliefs of MHFM throughout the world. We have found that this, in turn, leads to an expansion of benefactors and supporters of our monastery and our message. MHFM survives almost solely on the donations of its supporters and benefactors.

7. I entered the MHFM community in July of 1992, and I have lived in this community since then. When the last Superior passed away, I was voted to be the Superior of the monastery.

8. I first became acquainted with the plaintiff during early 2005 when MHFM received numerous telephone calls from him. At that time, he was living in North Carolina. During these telephone conversations, plaintiff told me that he had studied the MHFM website, which then (and now) contained many of our writings on ecclesiology, and that he was very interested in the work of MHFM.

9. As I spoke with the plaintiff, he also told me that he was very concerned about the economic underpinnings of our country; he feared that an economic collapse was somewhat imminent. Later on, he also told me that he had begun storing quantities of canned goods and water in the event of such a collapse.

10. Plaintiff and I spoke on the telephone and via e-mail numerous times. Then, over the course of the summer of 2005, the plaintiff visited MHFM on two separate occasions. His first visit to the monastery took place early in the summer of 2005. Subsequently, late in the summer of 2005, the plaintiff came to stay at the monastery for several weeks in order to observe our way of life and our work. During his visits to the monastery, the

plaintiff seemed very interested in the apostolate and eager to participate in same. He had full access to the library of writings, videos, and books at MHFM.

11. Over the course of his visits and many telephone calls to MHFM throughout the summer of 2005, plaintiff began to express an interest in joining the monastery. He told me that he was eager to join our community. He did not indicate that his interest was related to a Benedictine lifestyle as contrasted with a Dominican or Franciscan lifestyle. He simply wanted to join our community.

12. After several serious discussions regarding the possibility of his joining the monastery, on August 30, 2005 I received an e-mail from the plaintiff. A photocopy of that e-mail is attached as Exhibit A. Plaintiff's e-mail of August 30, 2005 addressed his ability to leave his rented home in North Carolina in order to come and live at the monastery. In that e-mail, the plaintiff also addressed what he phrased "financial considerations" that needed to be resolved in anticipation of his joining the monastery. In particular, the plaintiff indicated that he planned to give the vast majority of his financial holdings to MHFM as an outright gift in order to divest himself of all financial holdings prior to joining the apostolate. He also asked me about reserving \$30,000 to revert back to him should he depart from the monastery in the future.

13. Prior to joining MHFM, plaintiff donated \$700 by check to MHFM in early April 2005. Then he donated \$65,000 by check in May 2005.

14. Following his two stays at the monastery, the plaintiff chose to enter our community in September of 2005.

15. Although he did not take his first vows until more than two years later, the plaintiff very quickly became integrated into our way of life at MHFM and the greater mission of the monastery. The plaintiff became an important resource for, and played a significant role in, the maintenance of the monastery's website, which is the primary way the monastery sustains its relationship with its thousands of supporters and benefactors.

16. Upon joining our community, the plaintiff immediately began following our daily work routine. He participated in daily prayers, daily study and research, and in communications with MHFM's supporters and benefactors. As with all other members of the monastery, the plaintiff also had the benefit of engaging in individual recreation for three and one-half hours each day.

17. Both during his visits to MHFM, and once plaintiff moved in, he had full access to all grounds of the monastery. He could freely visit our library and collection of books and other scholarly writings, and he had access to the living quarters and outside grounds of our community.

18. It appeared to me that the plaintiff acclimated extremely well to monastic life. He was very passionate about MHFM and its work. After a year, the plaintiff took the religious name “Brother Edmund” and no longer was referred to as Eric Hoyle. Taking a religious name is a centuries-old tradition in the Catholic Church.

19. After spending two months at MHFM, in November of 2005, the plaintiff made a third donation to the monastery. This donation of shares of stock, valued at \$1,233,100, was wired by the plaintiff to an M&T Securities brokerage account held by MHFM. He told me that this sum of money was from a trust of which he was a beneficiary.

20. At a later date, I was told by the plaintiff that a donation receipt letter was necessary in order for him to be able to take a deduction off his federal income taxes for the donation he made to MHFM. This letter was dictated by the plaintiff and typed by me, at his request. In the course of dictating the donation receipt letter to me, the plaintiff insisted it was important to note that the value of the stocks he was transferring to MHFM was “\$1,233,100 USD.”

21. The plaintiff expressed to me that he was extremely gratified by his own personal donation. In fact, he subsequently indicated to me that he believed he was setting a good example for his brother and sister by donating his money to the monastery. He suggested that his relationship with his siblings and parents was somewhat strained, and he wished that they

would follow a more faith-filled lifestyle. Although the plaintiff did not place conditions on any of his donations, he expressed to me his pleasure with how MHFM utilized his donations to teach traditional Catholicism. He encouraged this to continue.

22. I have numerous examples of how the plaintiff became an integral part of the mission of MHFM. Not only did he answer telephone and e-mail inquiries that came into monastery, but he processed and filled orders for materials that came in as well. In addition, given that computer-related work was one of his strengths, the plaintiff took the lead on developing and administering an online store for MHFM through which supporters and benefactors could purchase materials and even make donations. The plaintiff also set up an Internet sales site for MHFM on EBay (www.ebay.com). The work that he did for MHFM was under my general supervision as Superior of the community, and the plaintiff knew this.

23. For many of the technology-related work efforts undertaken for MHFM, plaintiff used a white Apple Mac laptop computer. This laptop computer belonged to him prior to his joining the monastery. When he came to live with us at the monastery, plaintiff brought this computer, along with other items of personal property, and donated them to MHFM. Naturally, because plaintiff was so competent with technology, it made sense that he continue to use this laptop computer in his daily work role at MHFM. The plaintiff was able to set up routers and servers to connect together several MHFM computers. He was able to upload and

stream MHFM teaching videos on various Internet sites accessible across the globe. He demonstrated considerable technological sophistication.

24. The MHFM online store that the plaintiff helped to build was created in early 2006, a few months after his donation to the monastery of more than \$1 million. In order to communicate with individuals who placed orders from the online store, the plaintiff created an e-mail account linked to the store. The address for that e-mail account was **store@mostholymonastery.com**.

25. In the course of setting up and operating the MHFM online store, plaintiff used the laptop described above to download Internet orders that were placed by MHFM supporters and benefactors. He also would take telephone orders from individuals who called in to MHFM. When an order came in, whether via the Internet store or by telephone (and sometimes by mail), plaintiff input the personal contact information and credit card data from MHFM supporters in this laptop computer. All these orders included personal contact information given to MHFM by its supporters and benefactors for the sole purpose of ordering materials or making a donation – names, street and municipal addresses, zip codes, telephone numbers, and e-mail addresses. We did not use an online credit card processing service. Instead, we asked for credit card numbers, expiration dates, and the cardholders' name, and we manually processed the credit card order via a credit card machine we have at the monastery. The plaintiff was given the responsibility of doing this task.

26. We told our customers that their private information would be kept private by the monastery. In giving plaintiff the responsibility of operating the online store, the sales site at EBay, and helping with U.S. mail-generated orders and donations, I trusted him to keep customer information confidential and secure. I did not believe that plaintiff would breach this trust, and he gave me no reason to believe he was using our donors' and benefactors' information for reasons other than directly in connection with MHFM's mission.

27. Just over two years after he entered the monastery, plaintiff took his first vows. Between when he entered the monastery in the late summer of 2005, until the time he took his first vows on October 4, 2007, plaintiff played an important role in the day-to-day operations of MHFM. I depended on him extensively, and he served the monastery in his given roles. Given the size of MHFM's mailing lists and his detailed work with supporter and benefactor contacts, purchases, and donations, the plaintiff likely had access to thousands of MHFM supporters during the years he was at the monastery.

28. When plaintiff entered the monastery in September 2005, he was considered a postulant, and he was observing our way of life as well as the teachings that MHFM follows. After about a year, he started his novitiate and was given a monk's habit and clerical collar. Approximately one year later, plaintiff took his first vows before me. He was extremely active and enthusiastic about his work at the monastery. There was no hint or indication that

plaintiff was planning to leave the monastery unannounced, that he had any doubts about MHFM, or that he had any problems or disputes with regard to our community or our beliefs. In fact, around the time he took his first vows, plaintiff told me that he never thought he could be so happy at the monastery and planned to live out the rest of his life at MHFM. Suffice it to say that our teachings, writings, books, and monographs, among other things, were available to plaintiff.

29. From prior to the time plaintiff entered MHFM until approximately November 2007, the monastery had various bank accounts with one or more local banks in Allegany County. Its investment account was with M&T Securities at the local M&T Bank branch.

30. The plaintiff explained to me that he had a background in and knowledge of investments and investing when he entered MHFM. It made sense to ask him to assist with MHFM's investments. He gladly assisted me with this. In November 2007, the plaintiff mentioned to me that it would be more economical to hold MHFM's investment account in a less than full-service brokerage, and I agreed. I approved MHFM's applying for a brokerage account with Scottrade. In the course of applying for this account, plaintiff requested that he be named as a signatory to the account so that he would have access to it for the purpose of buying or selling shares of stock for the benefit of MHFM.

31. When I discussed this with him, I told him that, as Superior, I was to be informed by him before any decisions were made. I was clear that it was necessary for plaintiff to consult me with any of his recommendations about investing, banking, or finances. He readily agreed to this. Given that plaintiff had been with the monastery for so long and had passionately worked for and supported MHFM during that time, I fully trusted him and therefore complied with his request.

32. In opening the Scottrade account, it was my intention – at the plaintiff's urging – to transfer the assets that had been housed in the M&T Securities account to the Scottrade account. After opening up the brokerage account with Scottrade, the bulk of MHFM's financial assets were transferred into that account. Specifically, it was on December 31, 2007 that MHFM's investment assets valued at approximately \$1.1 million were transferred into the monastery's newly-opened Scottrade account. This reflected a combination of securities (\$861,471.85) and cash (\$303,973.33).

33. Although I did not recognize the correlation at the time, on that same day, the plaintiff suddenly began to exhibit unusual behavior. During the early morning hours of December 31, 2007, I observed the plaintiff to still be awake, apparently from the night before. This was out of the ordinary, because typically he went to bed rather early. Some hours later, I overheard the plaintiff, speaking on the telephone, refer to himself as Eric Hoyle. This was odd

given that he had taken the name of Brother Edmund when he joined the monastery in the fall of 2005, and he had consistently referred to himself by his religious name since that time.

34. Not long after I overheard the plaintiff speaking on the telephone, I saw him come out of his bedroom wearing lay clothes, not his traditional habit. I did not know what to make of this, so I decided to ask plaintiff directly. I asked him whether there was anything of significance that was happening that I needed to know about. He said “no” and then followed this by saying that there was one thing, but he would tell me later. I then saw plaintiff walk out the door. I later learned that when he left, he took two other religious from MHFM, Joseph Myers and Michael Lipscomb, with him.

35. I became suspicious about plaintiff’s conduct, which seemed secretive and unusual to me. I knew that MHFM’s investment account assets were imminently to be transferred to Scottrade where, for the first time, plaintiff had signing ability. I decided to call Scottrade on the telephone to inquire about whether MHFM’s assets had been transferred. The representative at Scottrade told me that the assets had been transferred into Scottrade that day. Without prompting, he went on to tell me that earlier that day, plaintiff had placed a sell order, that is, an order to sell shares of stock in MHFM’s Scottrade account. The plaintiff’s instruction to Scottrade was to liquidate all of MHFM’s 60,000 shares of Central Fund of Canada stock, worth approximately \$648,606. Because this sell order was placed without my knowledge or consent, I told Scottrade to stop the sale. I was not entirely successful, as some shares had

already been sold by the time I reached Scottrade by telephone and then telefaxed my instructions to the representative there.

36. New Years Eve 2007 was a very big day for me, as I was preparing for an extensive and significant Internet radio broadcast that had been scheduled for that evening. The plaintiff had been responsible for all the technology relating to this broadcast. When he left without any notice, I had to cancel the broadcast just a few hours before broadcast time.

37. A few hours after departing, plaintiff called in to MHFM. He told me that he abruptly left the monastery because he had suddenly concluded that our teachings were sinful. Specifically, he told me that after a short period of study and introspection, he had determined that MHFM was practicing and teaching heresy, because it condoned attending certain churches in order to participate in Mass.

38. I learned that the plaintiff had come to believe that there was no authentic Catholic church in the United States and perhaps not even in the world where he believed that it was proper to attend Mass. Although we believe that there are only some churches where one may attend Mass, the plaintiff's new conclusion signified a dramatic change in his views and was a more conservative ecclesiastical point of view than that of MHFM.

39. Following our discussion over his reasons for leaving, I asked the plaintiff why he left so suddenly and unexpectedly, without talking to me first. In response, he stated that when he left the monastery, he contacted the Scottrade office in Rochester, New York to transfer MHFM's funds into his own account, but that the representatives of Scottrade would not talk to him. Since he was not successful in his attempt to transfer MHFM's funds to himself, the plaintiff then demanded that I draft a check for \$483,000, made payable to Eric Hoyle.

40. After I stopped the plaintiff's unauthorized sell order of more than half of a million dollars worth of MHFM's assets, I performed an accounting to determine what, if any, other MHFM property or materials the plaintiff took with him when he left the monastery. Following my search for and review of MHFM records, I discovered that MHFM's Scottrade account materials, MHFM's M&T Securities historical investment account records, and MHFM's original Scottrade account application were missing.

41. In addition to leaving with MHFM's financial records, the plaintiff also took with him the Apple laptop computer that he had donated to MHFM in 2005 and a flash drive with a lot of capacity. In a subsequent e-mail to me on January 16, 2008, plaintiff admitted to having taken MHFM's flash drive. A copy of that e-mail is attached as Exhibit B. Although the plaintiff subsequently returned the flash drive, I have no way of knowing if he copied, downloaded, saved, or otherwise retained the data on that drive.

42. The Apple laptop computer the plaintiff took when he left MHFM contained confidential and propriety business records and intellectual property belonging to MHFM. Among other things, the computer contained some of the mailing list information I described above. It also contained order information for customers of MHFM. I do not know what data was on the flash drive. I do remember observing the plaintiff input customer information into a spreadsheet while he worked at MHFM. To my knowledge, the information about these supporters is not publicly available. MHFM does not post it on its website. Although we have their telephone numbers, many on our customer list do not have telephone numbers that are listed in public directories. Although we have their e-mail addresses, many on our customer list do not have e-mail addresses that are listed in public directories. At all times, we fully intended to keep all credit card information secure.

43. The day after the plaintiff left the monastery was a nightmare. Given his in-depth involvement in many of MHFM's outreach efforts (*i.e.*, its online store, fielding telephone calls and e-mail inquiries, and managing incoming information), he left me and the last remaining member of MHFM (Brother Peter Dimond, named in this lawsuit as Robert Dimond) to take over and handle all areas of work which he and others had previously been helping with or handling completely. As I indicated previously, one of the plaintiff's greatest strengths was his knowledge of computer systems and information technology. As such, it was extremely difficult for MHFM to carry on its work in the wake of the plaintiff's sudden departure. This

was particularly so because, when he left, the plaintiff also took much of MHFM's business information with him.

44. Following my discovery that the plaintiff stole financial records and supporter/benefactor information, Brother Peter immediately changed the password for the store e-mail account out of concern for customer security. Then, within a day or two, Brother Peter decided to cancel the e-mail account, store@mostholymonastery.com, because we could not tell if it was secure.

45. On January 2, 2008, two days after the plaintiff left the monastery, I received a telephone call from New York State Trooper Larry LaRose. He said that he was with the plaintiff at that time. Trooper LaRose stated that the plaintiff told him that Brother Peter and I had stolen \$1.2 million from him.

46. In response, I informed Trooper LaRose that the plaintiff had donated that money to MHFM some two or more years earlier. Moreover, I told Trooper LaRose that contrary to the plaintiff's allegations, it was the plaintiff who had attempted to steal cash and securities from MHFM on December 31, 2007 and had, in fact, stolen certain confidential and proprietary business materials from MHFM when he abruptly departed from the monastery that day.

47. As part of this discussion, I informed Trooper LaRose that the plaintiff had taken MHFM's bank account and brokerage account records. I then overheard Trooper LaRose ask the plaintiff if he had in fact taken those documents. Plaintiff admitted that he had them and said that he would return them. He did subsequently return some bank and investment account materials to MHFM on January 8, 2008. Unfortunately, I do not know whether the plaintiff made copies of those documents for himself between the time that he stole them and returned them. He did not have authority to duplicate them.

48. Despite the fact that very shortly after the plaintiff's departure I took steps to protect the personal contact information of MHFM's thousands of supporters and benefactors, I subsequently discovered that the plaintiff had stolen that information from the monastery as well. Not only did I learn that the plaintiff had stolen that information, but I also came to discover that he was using that private information to contact MHFM's supporters directly.

49. I learned from numerous supporters that the plaintiff has contacted them by telephone, mail, and e-mail. Moreover, I learned the plaintiff also was sending e-mails to MHFM supporters with the e-mail address **store@mostholymonastery.com**. I have no idea how plaintiff – who had left MHFM on December 31, 2007 – could have been using the e-mail account of the MHFM store, especially since Brother Peter changed the password and then subsequently canceled the account. I do know, however, that plaintiff returned certain

electronic information to me via e-mail, and when I opened the e-mails from him, they said that they were from **store@mostholymonastery.com**.

50. These e-mails sent by the plaintiff not only appeared to come from the e-mail account for MHFM's online store, but they contained a good portion of MHFM's proprietary business information generated in the months before plaintiff departed the monastery. Attached respectively as Exhibits C, D, and E are photocopies of plaintiff's three e-mails and their attachments containing *some* of MHFM's confidential business records for September, October, and November of 2007. In the effort to keep customer credit information secure, two partial credit card numbers found within these documents have been blocked out. These e-mails and their attachments demonstrate the extent to which the plaintiff was integrated in the monastery's business. They also demonstrate that he had downloaded and taken with him customer contact information and other proprietary information. These e-mails and their attachments demonstrate just a fraction of the confidential and proprietary information plaintiff has stolen from MHFM.

51. I am very concerned and saddened that plaintiff stole the confidential and proprietary customer information from MHFM. Those customers – who really are benefactors and donors of MHFM – counted on MHFM to keep their confidential information secure. I do not know if plaintiff has these individuals' credit card information, but I do know that most times, purchases on our website store were made via credit card. As described above, because

we had a credit card terminal at the monastery, the purchasers provided their credit card number, expiration date, and cardholder names to us, and we would process the purchase manually.

52. I also am now aware that when plaintiff contacted these supporters and benefactors of MHFM, he told them that Brother Peter and I had stolen his money. This statement is false. I am told that plaintiff made this allegation as a statement of fact, and my attorneys are submitting to the Court affidavits from just a few of the supporters and benefactors who have described this to us.

53. One of the supporters whom the plaintiff contacted since departing from MHFM is Keith McKay from Michigan. As Mr. McKay reports in his affidavit, the personal telephone number he gave to MHFM during the ordering process is not information that is publicly available. It is not linked to Mr. McKay's name because it is his business's telephone number. In other words, if someone researched Keith McKay's name in a telephone directory in order to find his home telephone number, this number would not be linked to it.

54. Another of the MHFM supporters whom the plaintiff contacted is Peter de Niese who resides in Melbourne, Australia. According to Mr. de Niese, his personal contact information is not readily available and, at the time he shared it with MHFM, he did so with the intent that it would be secure at MHFM. Plaintiff breached that trust with Mr. de Niese.

55. If this were not upsetting enough, MHFM does not know the number of supporters and benefactors whom MHFM has now lost due to plaintiff's campaign of untruths. I can provide the Court with an example of such an individual, a man by the name of John Pontrello. Mr. Pontrello recently had become a benefactor of MHFM and had made at least two donations amounting to \$600.00 in the months leading up to December 2007.

56. In January of 2008, shortly after the plaintiff left, Mr. Pontrello forwarded to me an e-mail that appeared to have been sent to him from store@mostholymonastery.com. Given that Brother Peter had already canceled that e-mail account following plaintiff's departure, I was shocked to see the e-mail that Mr. Pontrello forwarded to me. It was in reviewing that e-mail that I began to suspect the plaintiff was using MHFM's proprietary information to contact supporters and benefactors.

57. When I attempted to correspond with Mr. Pontrello about this invasion of privacy by the plaintiff, and to apologize for this, Mr. Pontrello demanded that neither I nor anyone from MHFM ever contact him again. A copy of that e-mail from Mr. Pontrello is attached as Exhibit F. He has not made any donation to MHFM since being contacted by the plaintiff.

58. I am saddened to report that Mr. Pontrello is not the only individual who has chosen to disassociate himself from MHFM and has refused to ever again support the

monastery as a result of the plaintiff's actions. In my attempt to determine the extent of the damage caused by the plaintiff's campaign against MHFM, I have learned from numerous former supporters and benefactors that they no longer wish to have contact with MHFM in any form. Two gentlemen who had been long-time supporters of and donors to MHFM – Francis Pagnanelli and Michael Creighton – have not made any contribution to our mission since being contacted by the plaintiff in early 2008. Unfortunately, given that MHFM's geographic reach has been so great over the years – due in large part to our expansive (and expensive) Internet outreach efforts – it is impossible for me to know the full extent of the irreparable damage that has been caused by the plaintiff. At the very least, we know that damage continues to accrue as we continue to hear from supporters and benefactors who are still being contacted by the plaintiff, even at the present time.

59. Not only did the plaintiff pursue a campaign of falsehoods and untruths against MHFM, Brother Peter Dimond, and me, but he did so with the private contact information for MHFM's supporters and benefactors that he stole from the monastery, information that he obtained *only* through his work with and for MHFM.

60. In the weeks that followed the plaintiff's departure, I began to learn that the plaintiff was contacting *many* of MHFM's supporters and benefactors and was using their personal contact information which he had taken from MHFM in order to do so. The supporters and benefactors who have alerted me to the plaintiff's behavior have indicated that in addition to

advertising his own website created to oppose MHFM and to solicit monetary donations, the plaintiff has also accused Brother Peter and me of (1) kicking him out of the monastery and (2) leaving him out on the street with nothing. MHFM has received numerous indications that the plaintiff has accused Brother Peter and me of stealing money from him and another former postulant of MHFM – accusations that are completely baseless and untrue.

61. When I discovered that the plaintiff was using the MHFM's supporters' and benefactors' personal contact information to contact them, I made several attempts to contact the plaintiff to see if he would stop doing this and would return the monastery's business records. Essentially, each time he refused.

62. My first attempt to resolve this matter with the plaintiff was in January of 2008. I wrote to the plaintiff, and I asked him to tell me what items he had taken from the monastery (in addition to the documents he had already admitted to taking). I also requested that the plaintiff return anything else he had taken from MHFM, including client information and computer files. This letter went unanswered.

63. Then, in both January and February of 2008, I was contacted by the plaintiff's attorney, K. Wade Eaton. Mr. Eaton made a telephone call to me at the monastery. He also e-mailed me at the monastery. I pursued these conversations and discussions with Mr. Eaton, without contacting the monastery's attorneys, in the hope of resolving this matter and

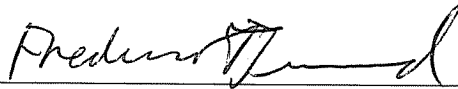
persuading the plaintiff (1) to return all documents, materials, computer files, and other proprietary information he took from MHFM; (2) to cease communicating with MHFM supporters and benefactors through the use of this information; (3) to stop lying about MHFM, Brother Peter, and me; and (4) to stop telling people that we had stolen his money.

64. I wanted to try to work with plaintiff's lawyer and plaintiff himself without resorting to court action. Unfortunately, even though my efforts were made in good-faith, they were unsuccessful. The plaintiff has retained MHFM's proprietary business information and has continued his smear campaign by using that information he took from the monastery. In fact, just this week – the week of June 1st – MHFM's EBay store was taken off the Internet without my prior knowledge, and I suspect that plaintiff may have interfered with MHFM's business relationship with EBay.

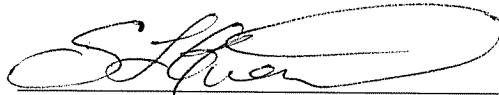
65. When the plaintiff joined our community in the fall of 2005, he acclimated extremely well and became very enthusiastic about MHFM, its beliefs, and its work. For the more than two years that the plaintiff lived and worked at MHFM, he was an important part of our monastery and its work. Over the years, the plaintiff came to hold a significant place in our community and, as a result, I entrusted him with a substantial amount of knowledge and information regarding the monastery, its supporters, and its benefactors. I did this after careful thought and after the plaintiff had demonstrated his commitment to MHFM.

66. MHFM is a not-for-profit corporation, and its function is to teach and promote traditional Catholicism. In performing its work, MHFM relies almost solely on the financial support of its benefactors, customers, clients, and supporters. Since the plaintiff departed from the monastery after having stolen much of its proprietary information, he has embarked on a campaign to reach out to MHFM's supporters in an effort to unfairly compete with the monastery and/or to convince individuals that the monastery and the monks in attendance are or have engaged in criminal activities. The plaintiff has been successful to a large extent as we have received word from many former supporters that they no longer wish to communicate with us. The true extent of the damage that has been and will continue to be caused by the plaintiff is unknown to me, and I fear that his concerted efforts will ruin the monastery. Because it relies solely on support from outsiders, if that support is destroyed, the monastery will be destroyed as well.

WHEREFORE, for the foregoing reasons, your deponent respectfully requests that the Court grant injunctive relief to the defendants together with such other and further relief as the Court deems just and proper.


Frederick Dimond

Sworn to before me this
6th day of June, 2008.


Notary Public

STEPHANIE GUERRIERO
NOTARY PUBLIC, STATE OF NEW YORK
QUALIFIED IN ERIE COUNTY
MY COMMISSION EXPIRES, APRIL 19, 2012