

## **EXHIBIT FP-20**

Clarification and Correction of 2023 Pass-Through Income and Court Record\*\*

*Relating to Petitioner's Motion to Correct and Clarify the Record and for Relief under C.R.C.P. 60(a) and (b)*

**Case No. 2022DR30458 Division 14**

### **Summary**

Petitioner respectfully moves the Court to correct the record to address factual errors repeated in the April 16, 2025 report prepared by Jay Freedberg (\*Exhibit DD\*), in Respondent's Supplemental Sworn Financial Statement See File ID: 3D4C454E97C55) , and in the Court's \*Minute Order Regarding Motion to Modify Maintenance and Child Support\* dated June 12, 2025.

*Each of these filings incorrectly identifies Tool Studios, LLC's 2023 pass-through income of \$181,920 as Petitioner's personal earned income for 2023 and now 2024..*

### **1. Basis for Correction Exhibit DD and Minute Order**

The Freedberg report (Exhibit DD, Apr. 16 2025) states that Petitioner "earned wages and pass-through income totaling \$265,943 annually."

The Court's June 12 2025 \*Minute Order\* adopts that representation almost verbatim, finding that Petitioner "earned approximately \$84,000 in wages and there was ordinary business income of \$181,920 which he had access to."

Both statements are factually incorrect. The \$181,920 was Tool Studios, LLC's 2023 ordinary business income under federal S-Corporation taxation (IRC § 1366), recorded on the corporate Form 1120-S and passed through to Petitioner's Form 1040 for reporting purposes only. It was not personal wages, not available as discretionary income, and was used for legitimate business and litigation-related expenses.

### **2. Corrected Facts**

The \$181,920 was pass-through business income, not personal earnings for 2024. Tool Studios, LLC applied those funds as follows:

<b>Payee</b>	<b>Purpose</b>	<b>Amount</b>
Carol Glassman, P.C.	Legal fees	\$92,157.39
Alyson Varvel	Rent payments	\$19,500.00
Jeremy Harkness (Causey Demgen & Moore P.C.)	Joint expert fees	\$9,990.70
Transfer to Petitioner	Reimbursement of prior advances	\$10,000.00
		<b>131,648.09</b>

The balance remained with Tool Studios for operations. This pass-through allocation generated approximately \$48,000 in tax liability not additional income. Petitioner paid both federal and state taxes on that amount even though the funds had already been expended through the business.

From January through August 2023, Respondent Alyson Varvel served as financial officer of Tool Studios and had full access to its records. She knew that pass-through income is a tax allocation, not a cash distribution or wage and the log's show she moved money expenses into "draw to share holder"

### **3. Record Misstatements and Post-Trial Conduct**

After receiving written notice from Petitioner and copies of his 2023 and 2024 W-2 forms, Respondent and counsel nonetheless filed a Supplemental Sworn Financial Statement on September 23, 2025, asserting that Petitioner's "2024 income" was \$266,203 (File ID 3D4C454E97C55). That figure repeats the same combined W-2 and pass-through income already shown to be false.

Freedberg's report and the June 12 Minute Order both incorporate that error, asserting that Petitioner "earned" or "had access to" \$266,000 in personal income. Despite

formal correction and documentation, Co-Petitioner and counsel re-asserted the same figure immediately before the October 7 2025 hearing, demonstrating continuing reliance on a known inaccuracy.

#### **4. Documented Notice Prior to False Testimony**

As documented in Exhibit FP-21, Petitioner provided formal written notice to Co-Petitioner and counsel on September 29, 2025, identifying the inflated income figures, unverified expert reports, and misuse of Exhibit III. Despite that notice and their access to Petitioner's verified 2023 and 2024 W-2 forms, Respondent repeated those same misstatements under oath at the October 7, 2025 hearing. Her sworn testimony directly contradicted contemporaneous written evidence already in her possession, constituting violations of Colo. RPC 3.3(a)(1) (duty of candor to the tribunal), RPC 3.4(c) (fairness and compliance with tribunal rules), and RPC 8.4(d) (conduct prejudicial to the administration of justice) (See Exhibit FP-21).

#### **4. REQUESTED CORRECTION UNDER C.R.C.P. 60(A)**

Petitioner respectfully requests that the Court correct the record to reflect:

1. The \$266,203 figure represents 2023 Tool Studios pass-through income, not 2024 personal income.
2. The \$181,920 pass-through amount produced a \$48,000 tax obligation, not cash income.
3. Petitioner's verified 2023 W-2 wages were \$84,083.
4. All referenced figures were corporate-level accounting entries, not income received as wages or distributions.
5. Correct the record for the June 11th hearing

## **5. CONCLUSION**

The record as stated misattributes corporate earnings to Petitioner personally and has been relied upon in subsequent orders and filings. Correction is necessary to align the record with verified evidence from Tool Studios' 2023 Form 1120-S, Petitioner's 2023 Form 1040, and supporting business records, consistent with C.R.C.P. 60(a) and (b) (final paragraph).

### **Verification**

I, Charles R. Bell, declare under penalty of perjury under the laws of the State of Colorado that the foregoing is true and correct to the best of my knowledge and belief.

Dated this 7th day of November 2025.

Charles R. Bell

Petitioner (Pro Se, under approved ADA accommodations)