

NARRATIVE FOR LIEUTENANT BRADY J HARWOOD

Ref: 26L-28-OF

Entered: 01/13/2026 @ 1107
Modified: 02/06/2026 @ 1130Entry ID: BH
Modified ID: BHDate & Time of Incident: 01/08/2026 1431Officer in Charge: Lt. Harwood*****This incident ☐ WAS ☒ WAS NOT recorded by **CRUISER CAMERA************This incident ☐ WAS ☒ WAS NOT recorded by **BODY WORN CAMERA*******

(WORKING DOCUMENT-DRAFT)

On the above date and approximate time, I was assigned to the Lebanon Police Department Detective Division. A subject later identified as Stephen Girdwood had come into the lobby of police headquarters and indicated that he was the perpetrator of some financial crimes and he wanted to report himself. Officers Warren and Blaine were speaking with him in an office within the police department.

I introduced myself to Girdwood and requested that he and the officers speak with me in the detective conference room as it appeared that the incident would need further investigation from the detective division. I informed Girdwood that I had a recording device and the conversation would be recorded. I then placed the recorder onto the conference room table where we were seated.

I then had Officer Warren and Girdwood continue the conversation that they were having prior to my presence. Girdwood explained that he was at the police department to confess that he had taken money from clients. He was a practicing attorney and indicated he primarily represented clients in divorce and property related cases. He indicated that the bulk of the money he had taken from clients, he had given towards an investment company that he was a part of, (**Frozen Lake Sports and Entertainment Inc**). He believed it was a Wyoming or Florida corporation. He indicated that the financing needed for the project was roughly two hundred million. He indicated he had taken roughly **three hundred and fifty thousand** dollars \$350,000 from his client(s) to invest in that particular corporation. He indicated that he had taken an additional **seventy thousand** dollars \$70,000 to pay back another client that he owed funds because he had borrowed money from that client and needed to reimburse them.

Girdwood indicated that he had been holding money from a real-estate contract in an escrow account. He indicated that this was between a buyer, Michael Davidson, and Girdwood represented the seller, Richard Balagur. It was for the sale of #20 and #2 West Park St buildings, located in Lebanon. He indicated that this had been in litigation for several years. He indicated that he had taken an additional **fifty thousand** dollars \$50,000 from this account and identified the depositor of the account as Michael Davidson.

Girdwood indicated he had another client, Athena Nicholson, that he represented in divorce proceedings. He indicated she was getting divorced from her husband, Keith Nicholson. He explained that they had sold their marital home and approximately **four hundred and eighty**

NARRATIVE FOR LIEUTENANT BRADY J HARWOOD

Ref: 26L-28-OF

Entered: 01/13/2026 @ 1107 Entry ID: BH
Modified: 02/06/2026 @ 1130 Modified ID: BH

thousand dollars \$480,000 went into an escrow account with the amount(s) to be determined to be given to Athena and Keith at the final judgement of the divorce. Girdwood explained that money had been deposited into his account in October of 2022. He indicated that he had transferred \$72,000 dollars of this money to reimburse another client's account. Girdwood explained approximately \$350,000 dollars was transferred through several different wire transfers to a "Merrill Lynch" account that was owned by the Frozen Lake Corporation. He indicated that Frozen Lake had a loan agreement with a foreign investment group and that money was lost by the foreign investment group. Girdwood explained that his understanding was that a police report had been made/filed on behalf of the corporation. He believed that the money went to Singapore. He also indicated that he had a contract with Frozen Lake which indicated that Girdwood was planning on receiving his investment back with an additional 100% profit. Girdwood indicated that his client(s) were not aware of what he had done with their money/funds.

Girdwood identified the two (2) people he had conducted the wire transfers at Frozen Lake as Richard Compton and Bruce Weissman. He indicated that he had done legal work for Weissman (former owner of Benning Street Bar in Lebanon) and advised that Weissman had contacted him inquiring if any of his clients would be interested in an investment opportunity through Frozen Lake. Girdwood indicated that he had then invested the money but explained that Compton and Weissman had been under the impression that Girdwood's clients were aware of the investment and had given him permission to make the investment.

I inquired what made Girdwood invest in the Frozen Lake Corporation. He indicated that Weissman had contacted him to set up the corporation. He explained that Weissman and Compton had been working on a development deal in Florida for several years. He indicated that they had a business plan and a Canadian investor that was going to put up one (1) billion dollars for the development project, but they were looking for initial investors to put equity into the initial start-up. It was explained that Girdwood was trying to provide the "seed money" so that the corporation could provide approximately 200 million dollars to secure this Canadian investor.

Girdwood indicated that in May of 2023 he first transferred \$300,000. He conducted two (2) transfers in June of 2023, one (1) for \$25,000, and another for \$30,000. Girdwood had brought some bank deposit tickets with him indicating that he had deposited \$487,511.77 into his Mascoma Bank Account on 10/11/22 (from the Nicholson house sale- Divorce). He also provided the escrow agreement for these funds. He provided a deposit ticket for \$50,000 and indicated that deposit was from the real estate deal (Balagur & Davidson). A deposit ticket was provided indicating that this was a Mascoma Savings Bank account, registered to The Law Office of Stephen P. Girdwood, PLC, New Hampshire Bar Foundation IOLTA PO Box 506, Lebanon NH, with an account listed as: 211770213 926 87 552 8 40.

Girdwood indicated that he had come to headquarters to report this because Athena and Keith were seeking to have their money disbursed. He explained that there was a court hearing

NARRATIVE FOR LIEUTENANT BRADY J HARWOOD

Ref: 26L-28-OF

Entered: 01/13/2026 @ 1107

Entry ID: BH

Modified: 02/06/2026 @ 1130

Modified ID: BH

earlier that morning (1/8/26) that finalized the order for the money to be disbursed. He indicated that the divorce proceedings had taken so long (2022) because there had been an appeal. Girdwood indicated that he no longer had the money.

I inquired how many of Girdwood's clients were out money, and who they were. He indicated it was Athena and David Nicholson, Richard Balagur and/or Michael Davidson depending on the court's ruling in that case. He indicated that case (Balagur/Davidson) was also in appeal. I inquired if there were any additional clients out money and he indicated that his accounting in the escrow(s) had been "horrific" the past few years, but he had "tried to go back and make the accounting good for everyone else." He also stated, "these are the primary, but there might be a thousand here or a thousand there." Girdwood agreed to provide me with bank records to confirm his recollection of transaction history. He stated, "There is quite a bit more money that I used to pay expenses over a couple years, so there going to be a lot of smaller transactions where a transfer went from the escrow account to my business account, so there's going to be a lot of that."

I questioned Girdwood if he was certain that a police report had already been filed reference the Frozen Lake funds that went missing in Singapore, as he had mentioned this earlier. He believed a report had been filed in New York, because that is where the funds/money were sent/wired from the Merrill Lynch account to the investor in Singapore. Weissman had informed him of this and also requested that Girdwood file a report.

After speaking with Girdwood, it was my understanding that he had removed money/funds from client escrow account(s) to (1) pay back a client account where he had previously removed money/funds, and (2) invested the money in a business deal where he had hoped to receive client money and profit money in return. He admitted that his client(s) did not provide permission for him to do this. He described the transactions to me as follows:

- (1) \$50,000 removed from (Balagur/Davidson)
- (2) \$72,000 removed from Nicholson's account to reimburse unknown client.
- (3) \$300,400 removed from Nicholson's account to invest.
- (4) \$30,000 removed from Nicholson's account to invest.
- (5) \$25,000 removed from Nicholson's account to invest.

Total: \$477,400

On 1/13 I spoke with Keith Nicholson. I informed him of what Girdwood had reported to me and briefed him on how the criminal investigation would follow. Nicholson indicated that he had been concerned about Girdwood having the money/funds during the divorce proceedings. He indicated that he had requested confirmation through his attorney, Laura Dudziak, that Girdwood still had the money/funds approximately one (1) year prior. He was shown account information that indicated Girdwood had the money but was concerned because it was more money than what was owed to

NARRATIVE FOR LIEUTENANT BRADY J HARWOOD

Ref: 26L-28-OF

Entered: 01/13/2026 @ 1107 Entry ID: BH
Modified: 02/06/2026 @ 1130 Modified ID: BH

them. He was told that the escrow account had multiple client(s) funds in it and not just his. He was also concerned that the divorce proceedings had taken so long because Girdwood had intentionally dragged it out, providing him more time to conceal the fact that the money was missing.

On 1/14 I spoke with Keith's attorney, Laura Dudziak. She indicated that she had spoken with her client but wanted to speak with me directly regarding the incident. I informed her of what had been reported to me and the investigation to proceed. I inquired why the divorce proceedings had taken so long as it had been reported to have initiated in 2022. She explained that in March of 2024 they received a default judgement. Girdwood appealed the decision. He then appealed for that decision to be reconsidered by the supreme court. The divorce was then settled in Nov of 2025 and indicated that Girdwood had become non-responsive. I inquired if she could provide me with the documentation that Keith had reported viewing reference Girdwood providing documentation that he had the funds, at some point, during the proceedings. She agreed to send this to me.

On 1/16 a subpoena was drafted and submitted to the Grafton County grand jury for the accounts associated with Girdwood. Awaiting subpoena.

On 1/27 I spoke with Athena Nicholson and informed her of what Girdwood had reported. She was extremely upset/emotional and indicated that she had not received any money/funds from Girdwood. She agreed to send me what she had for email communication(s) between Girdwood and herself. She indicated the last communication she had with Girdwood was on 11/21/25, through email, where he had indicated that the motion was denied by the superior court. She agreed to set up a date/time where she could come and speak with me.

Athena then began to forward me email communication(s) related to her divorce in which she had been communicating with Girdwood. Some of these emails also had video and picture attachments related to the divorce and/or context of the emails. The emails and the video(s)/email(s) are attached to this investigation (26L-28-OF).

On 1/28 I received the GCSC subpoena (Bank Records) and forwarded it to Mascoma Bank that day.

Lieutenant Brady J Harwood