

1 22ND.

2 A TO THE FLOOR.

3 Q TO THE FLOOR.

4 A YES.

5 Q NOT TO SELL AT A SPECIFIC PRICE, BUT JUST TO SELL  
6 IT AT THE TIME THE MARKET CLOSED.

7 A RIGHT.

8 Q ALL RIGHT. AND I WILL NOW PLACE BEFORE YOU  
9 DEFENDANT'S EXHIBITS --

10 THE COURT: EXCUSE ME. HAVE THESE BEEN SHOWN TO  
11 GOVERNMENT COUNSEL?

12 MR. LEWIN: YES. WE RECEIVED THEM FROM GOVERNMENT  
13 COUNSEL.

14 MR. COLE: YOUR HONOR, WE DON'T KNOW WHICH HE IS  
15 MARKING AND WHAT HE'S DOING WITH THEM BEFORE HE'S MARKING  
16 THEM.

17 THE COURT: ALL RIGHT. IF YOU COULD, MR. LEWIN,  
18 JUST AS GOVERNMENT COUNSEL DOES FOR YOUR TABLE, IF YOU COULD  
19 JUST SHOW QUICKLY THE ONES THAT YOU ARE HAVING THE WITNESS  
20 IDENTIFY, THAT WOULD BE HELPFUL TO ALL OF US.

21 MR. LEWIN: SURE. 6-A AND 6-B.

22 THE DEPUTY CLERK: DEFENDANT'S EXHIBITS 6-A AND  
23 6-B MARKED FOR IDENTIFICATION.

24 (DEFENDANT'S EXHIBITS 6-A AND 6-B  
25 WERE MARKED FOR IDENTIFICATION)

1 MR. LEWIN: AND 7-A AND 7-B.

2 THE DEPUTY CLERK: DEFENDANT'S EXHIBITS 7-A AND  
3 7-B MARKED FOR IDENTIFICATION.

4 (DEFENDANT'S EXHIBITS 7-A AND 7-B  
5 WERE MARKED FOR IDENTIFICATION)

6 BY MR. LEWIN:

7 Q I PLACE BEFORE YOU 6-A AND B AND 7-A AND B, AND  
8 I ASK YOU, MR. NICHOLS, WHETHER 6-A AND B AND 7-A AND B ARE  
9 THE OFFICE ORDERS AND FLOOR ORDERS FOR ORIGINALLY THE PURCHASE  
10 OF 40 SOYBEAN CONTRACTS ON THE 25TH AND THEN FOR THE SALE  
11 ON THE 29TH.

12 A YES, THEY ARE.

13 Q AND THOSE ORDERS AGAIN REFLECT A "CX" ON THERE,  
14 DO THEY NOT? THE FIRST BUY ORDER?

15 A YES.

16 Q AND WHAT DOES THAT MEAN? 200 SOYS AT 10.25 AND  
17 THEN THERE'S A "CX" 10.16.

18 A ALL RIGHT. THAT WOULD BE SIMILAR TO THE ONE WE'VE  
19 DISCUSSED WHERE AN ORDER PRIOR TO THIS DURING THAT DAY WOULD  
20 HAVE BEEN PLACED TO BUY 200,000 BUSHELS OF JULY SOYBEANS AT  
21 \$10.16 PER BUSHEL. THAT WOULD THEN MEAN THAT THE MARKET HAD  
22 NOT REACHED THAT PRICE BY A CERTAIN TIME. AND A NEW ORDER  
23 WAS THEN PUT IN TO BUY 200 JULY SOYBEANS AT \$10.25; CANCEL  
24 THE PREVIOUS ONE.

25 Q AND THE ACCOUNT NUMBER ON THAT BUY ORDER IS 13435.



1 A CORRECT.

2 Q AND THAT WAS MRS. HANSEN'S ACCOUNT NUMBER, WAS IT  
3 NOT?

4 A YES.

5 Q AND THAT MEANS THAT ON THAT DAY, ON APRIL 25, YOU  
6 HAD FIRST PUT IN AN ORDER TO BUY 40 SOYBEAN CONTRACTS AT  
7 10.16 FOR HER ACCOUNT?

8 A YES. YES, IT WOULD.

9 Q AND THEN THAT DIDN'T WORK, SO YOU PUT IN AN ORDER  
10 TO BUY AT 10.25 FOR MRS. HANSEN'S ACCOUNT.

11 A YES.

12 Q NOW, BY THAT TIME -- MR. NICHOLS, LET ME PLACE  
13 BEFORE YOU WHAT HAVE BEEN MARKED AS GOVERNMENT EXHIBITS 9-A,  
14 9-B, 9-C, AND 9-D, WHICH YOU HAVE PREVIOUSLY IDENTIFIED AND  
15 WHICH HAVE BEEN INTRODUCED IN EVIDENCE.

16 AND LET ME, BEFORE I ASK YOU ANY FURTHER QUESTIONS,  
17 MOVE INTO EVIDENCE DEFENDANT'S EXHIBITS 4-A THROUGH 7-B.  
18 4-A, 4-B, 4-C, 5-A, 5-B, 6-A, 6-B, 7-A AND 7-B.

19 MR. COLE: NO OBJECTION.

20 THE COURT: THEY ARE ALL IN EVIDENCE, WITHOUT OBJEC-  
21 TION.

22 (DEFENDANT'S EXHIBITS 4-A, 4-B, 4-C,  
23 5-A, 5-B, 6-A, 6-B, 7-A AND 7-B  
24 WERE RECEIVED IN EVIDENCE)

25 BY MR. LEWIN:

1 Q NOW, DIRECTING YOUR ATTENTION TO THOSE PINK SLIPS  
2 THAT YOU HAVE THERE, WHEN ARE THEY SENT OUT TO THE CUSTOMERS?

3 A JUST BY MY READING FROM HERE, YOU WANT ME TO TELL  
4 YOU?

5 Q NO. JUST IN THE ORDINARY COURSE. YOU KNOW WHEN  
6 PEOPLE RECEIVE THOSE. ARE THEY SENT OUT THE DAY OF THE  
7 TRANSACTION?

8 A THEY ARE SUPPOSED TO BE. I MEAN THIS IS WHAT I  
9 WOULD TERM A BACK-OFFICE PROCEDURE, WHICH I HAVE NOTHING TO  
10 DO WITH. NORMALLY, THEY WOULD BE. I SUPPOSE ON A VERY BUSY  
11 DAY, PERHAPS THEY DON'T GET THEM ALL DONE, BUT THEY CERTAINLY  
12 SHOULD BE -- THEY ARE REQUIRED TO BE SENT OUT THE SAME DAY.

13 Q THEY ARE REQUIRED. SO THEY ARE SENT OUT THE SAME  
14 DAY OR THE NEXT DAY.

15 A OH, ABSOLUTELY.

16 Q SO THAT IF THEY SAY APRIL 20TH AND APRIL 22ND, THOSE  
17 FORMS WOULD BE SENT OUT ON THOSE DAYS TO THE PERSON TO WHOM  
18 THEY ARE ADDRESSED.

19 A YES.

20 Q AND IN FACT, 9-B IN EVIDENCE IS ADDRESSED TO CONNIE  
21 S. HANSEN AT 4700 - 38TH PLACE, NORTHEAST -- NORTH, ARLINGTON,  
22 VIRGINIA.

23 A YES.

24 Q AND IT REFLECTS A CURRENT ACCOUNT BALANCE THAT SHE  
25 HAS IN THE AMOUNT OF \$51,365.

1 A CORRECT.

2 Q AND IT IS YOUR TESTIMONY, MR. NICHOLS, THAT AFTER  
3 THAT ACCOUNT BALANCE HAD GONE -- WAS CREDITED TO HER AND THAT  
4 NOTICE WAS SENT OUT, THAT YOU, ON APRIL 25, IN FACT INVESTED  
5 MRS. HANSEN'S MONEY.

6 A ON INSTRUCTIONS, YES.

7 Q ON INSTRUCTIONS OF?

8 A MR. HUNT.

9 Q NOT MRS. HANSEN.

10 A NO.

11 Q CAN YOU TELL ME, MR. NICHOLS, WHETHER THERE IS ANY  
12 PROVISION IN THE REGULATIONS WHICH YOU'VE DISCUSSED AND THE  
13 RULES OF THE COMMODITIES FUTURE TRADING COMMISSION THAT  
14 AUTHORIZES AN ACCOUNT REPRESENTATIVE TO TAKE MRS. HANSEN'S  
15 \$51,000 AND INVEST IT AT SOMEBODY ELSE'S REQUEST?

16 A I WOULD SAY NORMALLY NOT.

17 Q YOU DID IT AT THAT TIME.

18 A YES.

19 Q AND YOU INVESTED IT ON APRIL 25 IN WHAT YOU SAID  
20 WAS A VERY RISKY BUSINESS.

21 A YES, I DID.

22 Q YOU MENTIONED MARGIN REQUIREMENTS, MR. NICHOLS.

23 A YES.

24 Q WHEN MUST SOMEONE PUT UP MARGIN FOR AN ACCOUNT?

25 A IT WOULD VARY, AGAIN WOULD DEPEND UPON THE OFFICE

1 PROCEDURES. SOME ACCOUNTS WOULD CERTAINLY BE REQUIRED --  
2 MOST ACCOUNTS WOULD BE REQUIRED TO PUT UP MARGINS BEFORE  
3 OPENING AN ACCOUNT. AN ESTABLISHED ACCOUNT -- BY THAT I MEAN  
4 AN ACCOUNT THAT HAS BEEN TRADING FOR AT LEAST ONE-PLUS YEARS,  
5 WHERE THERE IS A HISTORY OF MEETING BUSINESS MARGIN CALLS  
6 PROPERLY, WOULD THEN -- THE GENERAL RULE IS TO RECEIVE THE  
7 MONEY BACK IN FIVE BUSINESS DAYS. THAT IS, IN THE LAST FEW  
8 YEARS IT'S PROBABLY GROWN TO PERHAPS SEVEN BUSINESS DAYS  
9 BECAUSE THE MAIL SYSTEMS ARE PERHAPS NOT AS SPEEDY AS THEY  
10 WERE. BUT I'M GOING TO SAY WITHIN SEVEN BUSINESS DAYS.

11 Q YOU NEVER REQUESTED ANY MARGIN OF MRS. HANSEN. JUST  
12 ANSWER THAT QUESTION, YES OR NO. I THINK YOU CAN ANSWER IT.

13 A DID I?

14 Q YES.

15 A NO.

16 Q AND THAT WAS TRUE EVEN THOUGH THERE WERE TRANSACTIONS  
17 HERE THAT TOOK MORE THAN ONE DAY.

18 A THAT IS CORRECT.

19 Q AND IS THERE SOME PROVISION POSSIBLY WHEREBY MAYBE  
20 MARGIN IS NOT REQUIRED IF A TRANSACTION -- COMMODITIES ARE  
21 BOUGHT AND SOLD WITHIN THE SAME DAY?

22 A YES, THAT IS PERMISSIBLE.

23 Q SO THAT THE APRIL 20TH TRANSACTION MIGHT HAVE BEEN  
24 DONE WITHOUT MARGIN.

25 A I WOULD SAY THAT I WOULD BE PRETTY SURE THERE THAT

1 THERE WAS NO MARGIN CALL SENT OUT.

2 Q AND THE APRIL 22ND -- AND IT WAS POSSIBLE THAT THERE  
3 WAS NONE REQUIRED.

4 A TRUE.

5 Q AND APRIL 22ND COULD HAVE BEEN DONE, POSSIBLY,  
6 WITHOUT A MARGIN CALL, BECAUSE IT ALL WAS BOUGHT AND SOLD  
7 ON THE SAME DAY.

8 A THAT'S CORRECT.

9 Q BUT APRIL 25TH TO APRIL 29TH COULD NOT HAVE BEEN  
10 DONE THAT WAY UNDER THE REGULATIONS.

11 A IT COULD NOT HAVE BEEN, AND I'M SURE IT WAS NOT.  
12 BUT -- I DON'T MEAN TO ADD HERE.

13 Q YOU'RE SURE IT WAS NOT?

14 A AM I SURE THAT IT WAS DONE?

15 Q ARE YOU SURE IT WAS NOT DONE WITHOUT A MARGIN CALL?

16 A I'M SURE A MARGIN CALL WAS ISSUED.

17 Q TO MRS. HANSEN?

18 A OH, I'M POSITIVE OF THAT.

19 Q AND WHAT FORM WOULD THERE BE IN WHICH THAT MARGIN  
20 CALL WOULD ISSUE?

21 A A MARGIN CALL FORM.

22 Q IT WOULD NOT BE A CALL FROM YOU, AS THE REPRESENTA-  
23 TIVE, TO ASK THAT SHE PROVIDE THE MARGIN?

24 A SEE, THAT'S WHY I ANSWERED BEFORE AND I ASKED YOU  
25 DID YOU SAY "I". I DO NOT RUN WHAT I WOULD CALL OUR MARGIN

1 DEPARTMENT.

2 Q I SEE.

3 A SO I DO NOT ISSUE MARGIN CALLS. OUR MARGIN DEPART-  
4 MENT CERTAINLY WOULD HAVE ISSUED OUR MARGIN CALL.

5 MR. LEWIN: COULD I HAVE THIS DOCUMENT MARKED AS  
6 DEFENDANT'S EXHIBIT NO. 8.

7 THE DEPUTY CLERK: DEFENDANT'S EXHIBIT 8 MARKED  
8 FOR IDENTIFICATION.

9 (DEFENDANT'S EXHIBIT NO. 8 WAS  
10 MARKED FOR IDENTIFICATION.

11 BY MR. LEWIN:

12 Q I PLACE BEFORE YOU DEFENDANT'S EXHIBIT NO. 8, MR.  
13 NICHOLS, AND I ASK YOU WHETHER YOU RECOGNIZE THAT DOCUMENT.

14 A NO, I DO NOT.

15 Q DO YOU RECOGNIZE THE FORM? NOT AT ALL?

16 A I DON'T REMEMBER EVER HAVING SEEN ONE.

17 Q IT'S HEADED "COMMODITY CUSTOMER REPORT", WITH A  
18 NAME.

19 A RIGHT.

20 Q AND YOU DON'T REMEMBER EVER HAVING SEEN SUCH A  
21 FORM?

22 A NO.

23 MR. LEWIN: YOUR HONOR -- WELL, MAY WE APPROACH  
24 THE BENCH? BECAUSE THAT --

25 THE COURT: YOU MAY. NO COMMENTS, PLEASE.

1 (AT THE BENCH)

2 THE COURT: COULD I SEE A COPY OF WHAT THE GENTLEMAN  
3 WAS LOOKING AT, SO WE CAN TALK ABOUT IT WITH SOME DEGREE OF  
4 INFORMATION? THANK YOU.

5 MR. LEWIN: THAT DOCUMENT --

6 THE COURT: WHICH IS EXHIBIT 8, DEFENDANT'S.

7 MR. LEWIN: EXHIBIT 8 WAS PROVIDED TO US BY THE  
8 GOVERNMENT AS A PART OF THE RECORDS OF MITCHELL HUTCHINS.

9 MR. COLE: THAT'S CORRECT, YOUR HONOR.

10 MR. LEWIN: AND IF THE WITNESS CANNOT IDENTIFY IT,  
11 I WOULD STILL LIKE TO BE ABLE TO -- SINCE WE HAVE STIPULATED  
12 TO ITS AUTHENTICITY, I WOULD LIKE TO BE ABLE TO OFFER IT IN  
13 EVIDENCE AND QUESTION THE WITNESS ABOUT IT, EVEN IF HE CANNOT  
14 IDENTIFY IT.

15 THE COURT: LET ME ASK YOU HOW YOU CAN QUESTION HIM  
16 ABOUT SOMETHING THAT HE HAS JUST SAID HE DOESN'T RECOGNIZE  
17 AND HAS NEVER SEEN SUCH A FORM.

18 MR. LEWIN: HE HAS NEVER SEEN THE FORM, BUT THERE IS  
19 A REFERENCE IN THERE IN TERMS OF PAPERS BEING SENT ON A  
20 CERTAIN DATE. I THINK I WOULD LIKE TO ASK HIM IF THAT ACCORDS  
21 WITH HIS RECOLLECTION.

22 THE COURT: I WOULDN'T LIKE IT OFFERED IN EVIDENCE  
23 AT THIS POINT. YOU CERTAINLY CAN HAVE HIM LOOK AT IT, SEE  
24 IF IT IS HIS HANDWRITING, SEE IF HE RECOGNIZES THE HANDWRITING,  
25 SEE IF THAT MEANS ANYTHING TO HIM THAT HE SEES HERE. BUT TO

1 ASK A MAN TO TESTIFY, SIR, TO SOMETHING HE SAYS HE HAS NEVER  
2 SEEN OR DOESN'T KNOW -- I MEAN WE ALL HEARD THE SAME TESTI-  
3 MONY.

4 MR. LEWIN: I WOULD LIKE A REPRESENTATION FROM THE  
5 GOVERNMENT, THOUGH, AS TO WHAT THEY SAY THIS DOCUMENT IS WHICH  
6 THEY PROVIDED TO US.

7 MR. COLE: YOUR HONOR, MR. NICHOLS HAS ALREADY  
8 TESTIFIED SEVERAL TIMES THAT HE IS NOT INVOLVED WITH BACK-  
9 OFFICE PROCEDURES, AS HE CALLS THEM. MR. NICHOLS NEVER PRO-  
10 VIDED THE DOCUMENTS WE ARE INTRODUCING IN EVIDENCE TO US.  
11 HE IS MERELY A BROKER AND ACCOUNT EXECUTIVE. THESE ITEMS  
12 CAME FROM MITCHELL HUTCHINS, WHICH IS NOW PAINE WEBBER,  
13 PURSUANT TO A SEPARATE SUBPOENA.

14 WE ENTERED INTO THE STIPULATION FOR THE PURE FACT  
15 THAT WE WOULD HAVE NEEDED AN EXTRA CUSTODIAL WITNESS FOR  
16 THESE DOCUMENTS. WE NEVER REPRESENTED THAT MR. NICHOLS KNEW  
17 ANYTHING ABOUT EVERY DOCUMENT THAT CAME OUT OF MITCHELL  
18 HUTCHINS.

19 MR. LEWIN: ALL RIGHT.

20 THE COURT: WHY DON'T WE DO IT THIS WAY. IF YOU  
21 WANT TO INTRODUCE IT, CLEARLY, BRING SOMEONE ELSE FROM MITCHELL  
22 HUTCHINS, NOW CALLED --

23 MR. COLE: PAINE WEBBER.

24 THE COURT: -- PAINE WEBBER. I THINK THEY HAVE  
25 LOCAL OFFICES, DON'T THEY, IN WASHINGTON?



1 MR. COLE: THEY DO, YOUR HONOR. I COULD PROVIDE  
2 COUNSEL WITH THE CUSTODIAN'S NAME, IF THEY NEED IT.

3 MR. LEWIN: FINE.

4 THE COURT: THIS IS AN INAPPROPRIATE WITNESS,  
5 UNLESS HE CAN RECOGNIZE THE HANDWRITING OR GIVE YOU SOME  
6 OTHER INDICIA. WE SHOULD MOVE ALONG, IF WE CAN.

7 (END OF BENCH CONFERENCE)

8 BY MR. LEWIN:

9 Q MR. NICHOLS, I PLACE BEFORE YOU WHAT YOU HAD  
10 PREVIOUSLY BEEN LOOKING AT, WHICH IS MARKED AS DEFENDANT'S  
11 EXHIBIT 8 FOR IDENTIFICATION. I ASK YOU -- YOU TESTIFIED  
12 IN DIRECT EXAMINATION THAT A NEW CUSTOMER IS REQUIRED BY  
13 REGULATION TO BE SENT A -- WHAT DID YOU CALL IT? RISK FORM?

14 A RISK DISCLOSURE STATEMENT.

15 Q RISK DISCLOSURE STATEMENT. AND THAT IS PART OF  
16 THE REGULATIONS, IS IT NOT?

17 A YES, IT IS.

18 Q AND WHOSE RESPONSIBILITY IS THAT?

19 A IT WOULD BE, ONE, THE RESPONSIBILITY OF THE  
20 REGISTERED REPRESENTATIVE INTENDING TO OPEN THE ACCOUNT, AND  
21 TWO, THE APPROVING OFFICER OF THE ACCOUNT.

22 Q YOU REALLY OCCUPIED BOTH OF THOSE POSITIONS WITH  
23 REGARD TO MRS. HANSEN.

24 A YES, I DID.

25 Q DID YOU SEND HER SUCH A FORM?

1 A NO.

2 Q YOU DID NOT. IF YOU LOOK AT THE BOTTOM OF DEFEN-  
3 DANT'S EXHIBIT 8, IT SAYS SOMETHING ABOUT "PAPERS SENT 4/21"?  
4 DOES THAT REFRESH YOUR RECOLLECTION AS TO WHETHER ANYTHING  
5 WAS SENT TO MRS. HANSEN?

6 A OH, I'M SURE PAPERS WERE SENT; THEY WOULD HAVE TO  
7 BE SENT TO HER, YES.

8 Q SO WHAT PAPERS WERE SENT TO MRS. HANSEN?

9 A I DO NOT KNOW. I DO NOT HANDLE THAT AT ALL.

10 Q I SEE. BUT YOU DIDN'T SEND HER AN ASSIGNMENT OF  
11 RISK FORM, OR WHATEVER -- OR ACKNOWLEDGEMENT OF RISK FORM,  
12 OR WHATEVER IT IS CALLED.

13 A WELL, I CAN ANSWER ABSOLUTELY NOT, BUT FOR A  
14 DIFFERENT REASON.

15 Q ALL RIGHT. DO YOU WANT TO STATE YOUR REASON?

16 A THE RISK DISCLOSURE FORM WAS NOT IN -- RULES AND  
17 REGULATIONS DID NOT EXIST IN APRIL OF 1977.

18 Q I SEE. AND YOU DID NOT HAVE THE PRACTICE OF TELLING  
19 PEOPLE WHO WERE GOING TO BECOME YOUR CUSTOMERS ABOUT THE  
20 RISKS OF TRADING IN COMMODITIES FUTURES?

21 A ABSOLUTELY YES.

22 Q YOU DID HAVE THAT PRACTICE.

23 A YES.

24 Q THROUGH A WRITTEN FORM?

25 A NO.

1 Q JUST ORALLY.

2 A YES.

3 Q BUT YOU DID NOT TELL THAT TO MRS. HANSEN WHEN YOU  
4 CALLED AND ASKED HER HER SOCIAL SECURITY NUMBER, WITH THE  
5 ONE CONVERSATION YOU HAD WITH HER.

6 A NO, I DID NOT.

7 Q YOU HAVE TESTIFIED WITH SOME DEFINITENESS HERE,  
8 MR. NICHOLS, REGARDING THAT ONE CONVERSATION. WAS YOUR  
9 MEMORY AS CLEAR WHEN YOU TESTIFIED BEFORE THE GRAND JURY?

10 A PROBABLY NOT.

11 Q IT WAS NOT AS CLEAR.

12 A I WOULDN'T THINK IT WOULD BE, BECAUSE -- YOU KNOW,  
13 I'VE GONE THROUGH THIS SO MANY TIMES SINCE, THAT I PROBABLY  
14 HAVE REMEMBERED MORE. I WOULD THINK I COULD BE MORE PRECISE  
15 TODAY THAN I COULD HAVE BEEN THEN.

16 Q YOU COULD BE MORE PRECISE TODAY THAN YOU COULD IN  
17 SEPTEMBER OF 1982 ABOUT EVENTS THAT OCCURRED IN APRIL OF 1977,  
18 WHICH WAS, HOW MUCH? FIVE-AND-A-HALF YEARS BEFORE THE TIME  
19 YOU TESTIFIED IN THE GRAND JURY.

20 A YES.

21 Q YOU THINK SO.

22 A I THINK SO.

23 Q WHEN YOU TESTIFIED BEFORE THE GRAND JURY, DO YOU  
24 RECALL THAT YOU WERE ASKED --

25 MR. COLE: YOUR HONOR, IF HE COULD REFER US TO A

1 PAGE NUMBER.

2 THE COURT: PAGE, PLEASE.

3 MR. LEWIN: YES, I WILL.

4 THE COURT: IS THERE AN ADDITIONAL COPY, COUNSEL?

5 MR. COLE: I CAN PROBABLY LOCATE ONE, YOUR HONOR.

6 THE COURT: IF YOU DON'T HAVE IT, FINE. I CAN LISTEN.

7 THANK YOU. IT'S EASIER TO FOLLOW. WHAT PAGE?

8 MR. LEWIN: THE BOTTOM OF PAGE 8.

9 BY MR. LEWIN:

10 Q THE FIRST QUESTION ABOUT CAME INTO CONTACT WITH  
11 CONNIE HANSEN, YOU WERE ASKED AT THE BOTTOM OF PAGE 8:  
12 "COULD YOU TELL US HOW YOU FIRST CAME INTO CONTACT WITH  
13 CONNIE HANSEN? HOW DID YOU FIRST KNOW WHO SHE WAS OR CONTACT  
14 HER OR TALK TO HER?

15 "ANSWER: MR. NELSON BUNKER HUNT INSTRUCTED ME TO  
16 TRADE SOME SOYBEANS FOR MRS. HANSEN, AND I TELEPHONED MRS.  
17 HANSEN AT A NUMBER SUPPLIED BY MR. HUNT TO OBTAIN THE  
18 DETAILS: CORRECT NAME, ADDRESS, SOCIAL SECURITY NUMBER, THE  
19 DETAILS THAT WOULD BE NECESSARY TO OPEN A COMMODITY ACCOUNT."

20 YOU TESTIFIED TO THAT EFFECT.

21 A YES.

22 Q NOW, YOU TESTIFIED, THEN, THAT MR. HUNT HAD  
23 INSTRUCTED YOU TO TRADE SOME SOYBEANS FOR MRS. HANSEN.

24 A YES.

25 Q AND YOUR REFERENCE THEN WAS ONLY TO THE SALE OF

1 THE SOYBEANS? IS THAT WHAT YOU ARE SAYING?

2 A NO.

3 Q WELL, HOW DID YOU FIRST -- YOU WERE ASKED HOW DID  
4 YOU FIRST KNOW WHO SHE WAS OR CONTACT HER OR TALK TO HER,  
5 AND YOU SAID, "MR. BUNKER HUNT INSTRUCTED ME TO TRADE SOME  
6 SOYBEANS FOR MRS. HANSEN."

7 A WHICH HE DID.

8 Q AND YOUR REFERENCE THEN WAS THAT HE INSTRUCTED YOU  
9 TO TRADE FOR HER ONLY AFTER HE HAD INSTRUCTED YOU TO PURCHASE  
10 THOSE SAME SOYBEANS FOR HIM. IS THAT WHAT YOU ARE SAYING?

11 A I'M SAYING -- YES, SIR. THAT'S CORRECT.

12 Q YOU TESTIFIED HERE, MR. NICHOLS, WITH --  
13 THE COURT: ARE YOU SAYING TODAY, "HERE"?  
14 MR. LEWIN: YES, TODAY. I'M SORRY.

15 BY MR. LEWIN:

16 Q -- TODAY, THAT THE TIME THAT YOU SPOKE TO -- THE  
17 TIME THAT MR. HUNT INSTRUCTED YOU TO TAKE THAT ORIGINAL PUR-  
18 CHASE ON APRIL 20TH AND PLACE IT INTO MRS. HANSEN'S ACCOUNT  
19 FOR SALE PURPOSES, YOU SAID, WAS, WHAT? BETWEEN 1:00 AND  
20 1:30 CHICAGO TIME?

21 A YES.

22 Q DO YOU RECALL THAT WHEN YOU TESTIFIED BEFORE THE  
23 GRAND JURY AND YOU WERE ASKED AS TO WHEN IT WAS THAT --

24 MR. COLE: YOUR HONOR, COULD WE HAVE A PAGE NUMBER?

25 MR. LEWIN: YES. PAGES 16 AND 17 OF THE GRAND JURY

1 TESTIMONY.

2 BY MR. LEWIN:

3 Q YOU WERE ASKED ON PAGE 16 WITH REGARD TO MRS. HANSEN:  
4 "WOULD YOU HAVE OBTAINED AN ACCOUNT NUMBER FOR HER PRIOR TO  
5 SPEAKING TO HER?"

6 "I'M SURE THAT I DID, YES. I WOULD HAVE HAD TO  
7 HAVE DONE SO."

8 TO OBTAIN AN ACCOUNT NUMBER, THAT WOULD HAVE BEEN  
9 AFTER YOU TALKED TO MR. HUNT, IS THAT RIGHT?

10 A YES.

11 Q ALL RIGHT. "DO YOU RECALL AT THIS TIME WHAT TIME  
12 OF DAY YOU OBTAINED THOSE ACCOUNT NUMBERS FOR HER?"

13 "ANSWER: I DO NOT RECALL IT, AND IT IS IMPOSSIBLE  
14 TO RECONSTRUCT IT FROM THE FORMS THAT WE HAVE. BUT SINCE  
15 THE INITIAL ORDER TO PURCHASE WAS PUT DOWN TO THE FLOOR AT  
16 10:18 A.M. AND WAS ACTUALLY RETURNED FROM THE FLOOR AT  
17 11:24 A.M. AND THAT THE SELL ORDER WITH MRS. HANSEN'S NUMBER  
18 ON IT WAS PUT DOWN ON THE SAME DAY 1:13, IT HAD TO BE  
19 SOMETIME -- AGAIN I AM SORRY. YOUR QUESTION WAS WHAT TIME  
20 FRAME DID I CALL MRS. HANSEN, WASN'T IT?"

21 MR. COLE SAID: "NO. MY QUESTION WAS, WHAT TIME  
22 FRAME DID YOU OBTAIN THE ACCOUNT NUMBER FROM MRS. HANSEN?"

23 "ANSWER: O.K."

24 "OR HAVE THE ACCOUNT NUMBERS CHANGED ON THESE FORMS."

25 "ANSWER: O.K.. THEN I'M ANSWERING IT THE CORRECT

1 WAY. I HAD TO OBTAIN THE NEW ACCOUNT NUMBER SOMETIME PRIOR  
2 TO 1:13. AND SINCE THE GRAIN MARKET CLOSSES AT 1:15, THAT  
3 PERIOD OF AT LEAST THE LAST 15 MINUTES WOULD BE EXTREMELY  
4 BUSY FOR ME. SO, THEREFORE, I WOULD SAY THAT I HAD TO HAVE  
5 OBTAINED IT SOMETIME FROM, SAY, THE 11:30 TO 1:00 O'CLOCK  
6 TIME PERIOD."

7 IS THAT WHAT YOU TESTIFIED IN THE GRAND JURY?

8 A YES.

9 Q ALL RIGHT. SO YOU OBTAINED THE NUMBER, YOU TESTIFIED  
10 IN THE GRAND JURY, SOMETIME BETWEEN 11:30 AND 1:00.

11 A YES.

12 Q AND YOU OBTAINED THE NUMBER AFTER YOU SPOKE TO MR.  
13 HUNT, ACCORDING TO YOUR TESTIMONY.

14 A YES.

15 Q AND YOU SAY YOUR RECOLLECTION IS BETTER TODAY THAN  
16 IT WAS IN SEPTEMBER OF 1982 AS TO WHEN MR. HUNT SPOKE TO YOU?

17 A I WOULD HAVE SPOKEN TO HIM SEVERAL TIMES THAT DAY.

18 THE COURT: EXCUSE ME. COUNSEL, CAN I SEE YOU AT  
19 THE BENCH FOR A MOMENT, PLEASE.

20 (AT THE BENCH)

21 THE COURT: I BELIEVE THE NEXT QUESTION AND ANSWER  
22 IS MORE COMPLETE. THERE MAY BE MORE TO IT, I DON'T KNOW,  
23 BUT ON THAT VERY PAGE.

24 MR. LEWIN: NO, HE SAYS IT LOOKS LESS LIKELY.

25 I AM READY TO READ THE NEXT QUESTION AND ANSWER.

1 THE COURT: HE DOES GO ON, "IS IT POSSIBLE" --  
2 I JUST WANTED TO AVOID --

3 MR. LEWIN: SURE. IN FACT, I DON'T THINK IT IS  
4 POSSIBLE THAT IT WAS AFTER THE CLOSE OF TRADING.

5 THE COURT: I KNOW. I'M JUST SAYING WHAT THE  
6 WITNESS SAID. I HAVE NO IDEA.

7 MR. LEWIN: O.K., FINE. I AM READY TO EXPLORE THAT,  
8 IF YOUR HONOR WANTS ME TO EXPLORE IT, SURE.

9 THE COURT: I JUST THINK IN FAIRNESS. I HAVE NO  
10 IDEA ABOUT THE REST OF THIS. THIS IS THE FIRST TIME I AM  
11 SEEING IT. BUT I THINK IN FAIRNESS, COUNSEL.

12 MR. LEWIN: ALL RIGHT.

13 (END OF BENCH CONFERENCE)

14 THE COURT: MR. LEWIN IS GOING TO READ YOU THE NEXT  
15 QUESTION AND ANSWER.

16 BY MR. LEWIN:

17 Q YOU WERE ASKED IN THE GRAND JURY, MR. NICHOLS:  
18 "IS IT POSSIBLE, HOWEVER, THAT IT COULD HAVE BEEN OBTAINED  
19 AFTER THE CLOSE OF TRADING AND THE NUMBERS FILLED IN ONCE  
20 THE MARKET HAD CLOSED?

21 "ANSWER: IT IS POSSIBLE, BUT IN LOOKING -- IT IS  
22 POSSIBLE, YES. BUT LOOKING AT THE TICKETS, IT LOOKS LESS  
23 LIKELY."

24 IS IT POSSIBLE THAT IT HAPPENED--AS YOU SIT HERE  
25 TODAY, IS IT POSSIBLE THAT THAT HAPPENED AFTER THE CLOSE OF



1 TRADING?

2 A COULD I LOOK AT THAT APRIL -- THE FIRST TRANSACTION,  
3 I WOULD LIKE TO LOOK AT THE ORDER FORM.

4 THE COURT: PURCHASE OR SALE?

5 THE WITNESS: THE SALE, YOUR HONOR.

6 THE COURT: THE FIRST SALE TRANSACTION.

7 MR. LEWIN: I THINK YOU HAVE IT THERE.

8 THE WITNESS: O.K. I WOULD LIKE TO LOOK AT THE  
9 FLOOR ORDER AND THE UPSTAIRS ORDER.

10 MR. COLE: YOUR HONOR, I BELIEVE THOSE ARE 11-B  
11 AND 12-B.

12 THE COURT: ALL RIGHT. DOES THE WITNESS HAVE THEM?  
13 11 AND 12, A AND B?

14 THE WITNESS: NO, YOUR HONOR. I AM LOOKING AT  
15 11-B AND 12-B, WHICH IS THE FLOOR AND THE OFFICE ORDER FOR  
16 THE SALE.

17 THE COURT: IS THAT WHAT YOU NEED TO LOOK AT?

18 THE WITNESS: YES.

19 THE COURT: FINE.

20 THE WITNESS: MR. LEWIN, NOW WOULD YOU ASK ME YOUR  
21 QUESTION?

22 BY MR. LEWIN:

23 Q YES. IS IT IN FACT POSSIBLE THAT THAT NUMBER WAS  
24 OBTAINED AFTER THE CLOSE OF TRADING?

25 A NO, BECAUSE THE ORDER IS TIME-STAMPED ON THE FLOOR

1 AS GOING IN AT 1:13, COMING BACK OUT AT 1:15. THE NUMBER  
2 IS ON THE OFFICE ORDER; THE NUMBER IS ALSO ON THE FLOOR ORDER.  
3 THEREFORE, THAT WOULD TELL ME THAT THIS NUMBER WAS OBTAINED  
4 PRIOR TO 1:13.

5 Q AND ACCORDING TO YOUR GRAND JURY TESTIMONY, YOUR  
6 ESTIMATE THEN WAS THAT IT WAS OBTAINED SOMETIME BETWEEN  
7 11:30 AND 1:00. I HAVE JUST READ YOU YOUR GRAND JURY TESTI-  
8 MONY.

9 A YES. THE REASON, OBVIOUSLY, I WOULD HAVE TESTIFIED  
10 THAT IS THAT THE PURCHASE CAME OUT AT 11:24. SO WHATEVER  
11 TIME IT WAS THAT MR. HUNT TOLD ME TO SELL THESE AND PUT THEM  
12 IN A DIFFERENT ACCOUNT WAS THE TIME I WOULD HAVE INSTRUCTED  
13 ONE OF MY ASSISTANTS TO GET AN ACCOUNT NUMBER.

14 Q SO, REALLY, WHAT YOU ARE DOING IS YOU'VE CONSTRUCTED  
15 THAT FROM THE DOCUMENTS. YOU'VE SAID THE DOCUMENT SHOWS THE  
16 PURCHASE WAS AT 11:30 --

17 A ALL RIGHT.

18 Q YOU DON'T HAVE AN INDEPENDENT RECOLLECTION OF THAT.

19 A NO. I COULD NOT POSSIBLY.

20 Q AND, INDEED, WHEN YOU TESTIFIED HERE IN ANSWER TO  
21 MR. COLE'S QUESTION ABOUT THE CHANGE OF NUMBER, YOU SAID,  
22 "MR. HUNT SO INSTRUCTED ME TO CHANGE THE NUMBER." DO YOU  
23 HAVE AN INDEPENDENT RECOLLECTION OF A CONVERSATION WITH MR.  
24 HUNT THAT THE NUMBER WAS CHANGED?

25 A NO, SIR.

1 Q YOU DON'T. IN FACT, IN THE GRAND JURY, WHEN YOU  
2 WERE ASKED THE QUESTION, "DO YOU RECALL MR. HUNT INSTRUCTING  
3 YOU TO CHANGE THE ACCOUNT NUMBER" --

4 THE COURT: EXCUSE ME. THE SAME PAGE. RIGHT.

5 MR. LEWIN: YES, SAME PAGE.

6 BY MR. LEWIN:

7 Q YOU SAID, "I DIDN'T RECALL THAT UNTIL THIS MORNING,  
8 WHICH IS THE FIRST TIME THAT I HAVE SEEN THESE ORDERS OF FIVE-  
9 AND-A-HALF YEARS AGO."

10 SO YOU DON'T RECALL MR. HUNT TELLING YOU THAT  
11 SPECIFICALLY.

12 A OF TELLING ME TO CHANGE THE ACCOUNT NUMBER?

13 Q TO CHANGE THE NUMBER.

14 A NO, BUT I DO RECALL MR. HUNT TELLING ME TO TAKE  
15 IT FROM HIS ACCOUNT AND PUT IT IN ANOTHER ACCOUNT.

16 Q YOU DO RECALL HIM SAYING, "TAKE IT FROM MY ACCOUNT  
17 AND PUT IT IN ANOTHER ACCOUNT"?

18 A YES. I COULD NOT POSSIBLY DO THAT BY MYSELF.

19 Q I UNDERSTAND. BUT THE QUESTION IS, WITH REGARD --  
20 ONE MINUTE. YOU SAY YOU COULD NOT POSSIBLY DO THAT BY YOUR-  
21 SELF. IT'S SOMETHING WHICH YOU SAY YOU WOULD NOT DO IF MR.  
22 HUNT HAD NOT TOLD YOU TO DO IT.

23 A THAT'S CORRECT.

24 Q YOU DON'T HAVE AN INDEPENDENT RECOLLECTION THAT  
25 MR. HUNT TOLD YOU. YOU ARE JUST ASSUMING, "I WOULDN'T DO IT

1 IF HE HADN'T TOLD IT TO ME."

2 A CORRECT.

3 Q THANK YOU.

4 IN FACT, MR. NICHOLS, WITH REGARD TO ALL THOSE  
5 EVENTS OF APRIL 20TH, 22ND, 25TH, 29TH, AND THAT ENTIRE PERIOD  
6 OF TIME, WASN'T IT ENTIRELY CLEAR DURING YOUR APPEARANCE  
7 BEFORE THE GRAND JURY THAT YOU REALLY HAD ONLY THE MOST  
8 FUZZY RECOLLECTION -- INDEPENDENT RECOLLECTION OF WHAT HAPPENED  
9 IN THOSE DAYS?

10 A YES.

11 Q AND REPEATEDLY, WHEN MR. COLE ASKED YOU, YOU SAID,  
12 "I CAN'T RECALL, I'VE GOT TO LOOK AT THE RECORDS"?

13 A YES.

14 Q O.K. AND LET ME ASK YOU AGAIN WITH REGARD TO YOUR  
15 STATEMENT THAT YOU ONLY SPOKE WITH MRS. HANSEN ONCE DURING  
16 THIS ENTIRE PERIOD. YOU SAID -- I'M SORRY. LET ME JUST FIND  
17 THE PAGE NUMBER. PAGE 13.

18 "QUESTION: OTHER THAN THE FIRST TIME YOU CALLED  
19 CONNIE HANSEN ON THE 20TH OF APRIL TO GET THE BASIC PERSONAL  
20 INFORMATION FROM HER, DID YOU EVER SPEAK TO HER AGAIN?"

21 AND YOUR ANSWER WAS: "I AM ALMOST TOTALLY POSITIVE  
22 I HAD NEVER SPOKEN TO HER AGAIN. I DON'T BELIEVE I EVER DID."

23 THAT'S A LITTLE LESS CERTAIN THAN YOU WERE ON THE  
24 WITNESS STAND TODAY, ISN'T IT?

25 A PERHAPS A LITTLE LESS. I DID START TO ANSWER THIS

1 MORNING THAT I AM 90 PERCENT SURE, WHICH WOULD BE THE SAME  
2 ANSWER THERE. BUT --

3 Q I THOUGHT THE FIGURE WAS 99 PERCENT THIS MORNING.

4 A OH, WAS IT? IN THINKING IT THROUGH, I'M REALLY  
5 POSITIVE.

6 Q YOU'RE REALLY POSITIVE?

7 A YES, I REALLY -- I REALLY AM.

8 Q LET ME ASK YOU, MR. NICHOLS --

9 THE COURT: HE'S ANSWERING. HAVE NISHED YOUR  
10 ANSWER?

11 THE WITNESS: YES. TO THAT ONE QUESTION, YES.

12 BY MR. LEWIN:

13 Q LET ME ASK YOU, MR. NICHOLS, APRIL 25 YOU TAKE  
14 \$51,000 WHICH IS SITTING IN MRS. HANSEN'S ACCOUNT AND TO  
15 WHICH FORMS HAVE BEEN SENT OUT TO HER SAYING IT'S HER MONEY,  
16 AND IT IS YOUR TESTIMONY THAT SIMPLY ON THE WORD OF BUNKER  
17 HUNT, YOU PURCHASED 40 SOYBEAN CONTRACTS WITHOUT EVER TELLING  
18 MRS. HANSEN ABOUT IT?

19 A YES.

20 Q AND IT'S YOUR TESTIMONY THAT YOU DON'T TALK TO HER  
21 ON THE 25TH AND YOU DON'T TALK TO HER ON THE 26TH.

22 A YES.

23 Q DO YOU REMEMBER WHAT DAY OF THE WEEK THE 25TH WAS?

24 A NO.

25 Q LET ME TELL YOU, IT WAS A MONDAY. SO THE OPENING

1 OF TRADING ON MONDAY MORNING, APRIL 25TH, 1977, YOU ARE  
2 INVESTING THIS LADY'S MONEY IN A VERY FLUCTUATING, RISKY  
3 BUSINESS, AND YOU DON'T TALK TO HER AT ANY POINT TELLING HER  
4 THAT OR CHECKING THAT WITH HER. IS THAT YOUR TESTIMONY?

5 A THAT IS CORRECT.

6 Q AND YOU DON'T TALK TO HER ON TUESDAY, THE 26TH.

7 A NO, SIR.

8 Q AND YOU DON'T TALK TO HER ON WEDNESDAY, THE 27TH.

9 A NO, SIR.

10 Q AND YOU DON'T TALK TO HER ON THURSDAY, THE 28TH.

11 A NO, SIR.

12 Q AND YOU DON'T TALK TO HER ON FRIDAY, THE 29TH?

13 A NO, SIR.

14 Q AND YOU SELL IT ALL OUT ON FRIDAY NIGHT, THE 29TH,  
15 LEAVING HER WITH A \$30,000 LIABILITY, WITHOUT ONCE CALLING  
16 HER TO TELL HER ABOUT IT.

17 A YES, SIR.

18 Q AND THAT'S YOUR TESTIMONY HERE TODAY UNDER OATH,  
19 THAT THAT'S YOUR RECOLLECTION.

20 A ABSOLUTELY, SIR.

21 THE COURT: REDIRECT?

22 MR. LEWIN: ONE MOMENT, PLEASE, YOUR HONOR.

23 MR. LEWIN: ANYTHING FURTHER, MR. LEWIN? REDIRECT,  
24 THEN.

25

## REDIRECT EXAMINATION

BY MR. COLE:

Q MR. NICHOLS, JUST ONE OR TWO VERY BRIEF QUESTIONS.

YOU TESTIFIED THAT YOU DON'T HAVE A RECOLLECTION  
OF BUNKER HUNT TELLING YOU TO CHANGE THE ACCOUNT NUMBER.

A THAT'S CORRECT.

Q DID MR. HUNT TELL YOU TO PUT THE CONTRACTS IN  
MRS. HANSEN'S ACCOUNT?

A YES, SIR.

Q WOULD IT MERELY BE THE MECHANICS, THEN, TO CHANGE  
THE NUMBER?

A YES, SIR.

Q AND, OF COURSE, MR. HUNT WOULDN'T BE CONCERNED WITH  
MECHANICS, WOULD HE?

A NOT AT ALL.

Q DO YOU RECALL MR. HUNT TELLING YOU TO SELL THE  
CONTRACTS IN MRS. HANSEN'S ACCOUNT FOR MRS. HANSEN?

A O.K. I'M TRYING TO BE VERY SPECIFIC. NO, I DO  
NOT RECALL THAT HE -- WHEN HE GAVE ME THE ORDER TO SELL THEM,  
WHICH WAS VERY, VERY CLOSE TO THE CLOSE. IT WOULD APPEAR,  
AS I TESTIFIED A FEW MINUTES AGO, THAT THE ACCOUNT NUMBER  
HAD BEEN RECEIVED AND THAT THE ORDER WAS PLACED RIGHT AWAY  
IN MRS. HANSEN'S NEW ACCOUNT AND ACCOUNT NUMBER.

Q MR. NICHOLS, IS THERE ANY WAY THESE CONTRACTS COULD  
HAVE BEEN SOLD FOR MRS. HANSEN'S ACCOUNT AFTER HAVING BEEN

1 PURCHASED FROM MR. HUNT'S ACCOUNT WITHOUT SPECIFIC INSTRUCTIONS  
2 FROM MR. HUNT?

3 A NO, SIR.

4 Q MR. NICHOLS, YOU TESTIFIED THAT YOU NEVER TOLD  
5 MRS. HANSEN ABOUT THE RISKS THAT WERE INVOLVED IN THE  
6 COMMODITIES MARKET. WHY DIDN'T YOU TELL HER ABOUT THEM?

7 A SIMPLY, I WAS ACTING UNDER INSTRUCTIONS TO DO WHAT  
8 I DID FROM MR. HUNT. AND I FELT THAT NOTHING ELSE OTHER THAN  
9 TO DO WHAT HE INSTRUCTED ME TO DO -- NOTHING ELSE WAS OF MY  
10 BUSINESS WHATSOEVER.

11 Q YOU ALSO TESTIFIED ON CROSS-EXAMINATION THAT YOU  
12 NEVER LOOKED INTO THE NET WORTH OF MRS. HANSEN; IS THAT  
13 CORRECT?

14 A THAT IS CORRECT.

15 Q WHY DIDN'T YOU LOOK INTO HER NET WORTH?

16 A BECAUSE MR. HUNT, A MAJOR CLIENT OF MINE, WAS GIVING  
17 ME THE ORDERS.

18 Q AND WHO DID YOU THINK WOULD MAKE GOOD IF THERE WAS  
19 A LOSS HERE?

20 A MR. HUNT.

21 Q YOU ALSO TESTIFIED, I BELIEVE MR. LEWIN SAID, THERE  
22 WASN'T SUFFICIENT INFORMATION ON THE FORMS TO OPEN THE ACCOUNT?

23 A I RECALL THE QUESTION, AND I RECALL MY ANSWER WAS  
24 THIS ACCOUNT, ONLY.

25 Q WHY DID YOU OPEN IT WITHOUT MORE INFORMATION?



1           A     BECAUSE IT WAS AN ACCOUNT -- I WILL NOW USE THE  
2 WORD -- IN MY THINKING WAS GUARANTEED BY MR. HUNT.

3           Q     AND WHOSE ACCOUNT WERE THESE CONTRACTS PURCHASED  
4 FOR?

5           A     ORIGINALLY?

6           Q     YES.

7           A     IN MR. HUNT'S ACCOUNT.

8           Q     AND WHO GAVE YOU ALL INSTRUCTIONS HAVING TO DO WITH  
9 ALL PROCEDURES AND ALL TRANSACTIONS IN THIS ACCOUNT FROM THE  
10 20TH OF APRIL TO THE 29TH OF APRIL?

11          A     MR. HUNT.

12               MR. COLE: THANK YOU, SIR.

13               THE COURT: ANYTHING FURTHER?

14                       RE CROSS EXAMINATION

15               BY MR. LEWIN:

16          Q     MR. NICHOLS, YOU SAID THAT THIS AMOUNT WAS GUARANTEED  
17 BY MR. HUNT? DID HE EVER SAY HE WAS GOING TO GUARANTEE ANY-  
18 THING ON THIS?

19          A     NO, SIR.

20          Q     SO IT WAS JUST SOMETHING THAT YOU HAD ASSUMED THAT  
21 HE WAS GOING TO GUARANTEE.

22          A     I THOUGHT I TESTIFIED THAT IN MY MIND, I CONSIDERED  
23 IT A GUARANTEED ACCOUNT.

24          Q     BUT, IN FACT, HAVE YOU SINCE DISCOVERED THAT IN  
25 FACT, IN ORDER TO MAKE UP THAT LOSS ON APRIL 29TH, MRS. HANSEN

1 HAD TO GO AND TAKE OUT A LOAN?

2 A I HAVE SINCE DISCOVERED THAT, YES.

3 Q YOU'VE SINCE DISCOVERED THAT. AND IS THERE ANY  
4 PROVISION IN THE REGULATIONS OF THE COMMODITY FUTURES  
5 TRADING COMMISSION WHICH AUTHORIZES A SALES REPRESENTATIVE  
6 TO TAKE CUSTOMER "A'S" ACCOUNT AND TRADE IT AT THE INSTRUCTIONS OF CUSTOMER "B"?

8 A IT WOULD BE VERY UNLIKELY.

9 Q AS A MATTER OF FACT, IT WOULD PROBABLY BE A BASIS  
10 FOR SANCTION, WOULDN'T IT, MR. NICHOLS?

11 A IF IT WERE -- I DON'T BELIEVE IT WOULD BE IF IT WERE  
12 DONE WITH THE KNOWLEDGE OF BOTH PARTIES.

13 Q DID YOU HAVE ANY REASON TO THINK THAT MRS. HANSEN,  
14 FROM YOUR CONVERSATION WITH HER, HAD KNOWLEDGE, ACCORDING  
15 TO YOUR TESTIMONY?

16 A NO, I DO NOT BELIEVE SHE DID.

17 Q NO. SO YOU WERE DOING IT, THEN, WITHOUT MRS.  
18 HANSEN'S KNOWLEDGE, BUT TRADING HER MONEY AND LEAVING HER  
19 WITH A \$33,000 LIABILITY.

20 A I DID NOT KNOW ONE WAY OR THE OTHER WHETHER SHE  
21 KNEW OR NOT. ALL I TESTIFIED TO IS I DID NOT TELL HER.  
22 NOW, WHETHER MR. HUNT TOLD HER OR NOT, I WOULD NOT KNOW.

23 MR. COLE: NO FURTHER QUESTIONS, YOUR HONOR. WE  
24 ASK THE WITNESS BE EXCUSED.

25 THE COURT: ALL RIGHT, MR. NICHOLS. YOU ARE EXCUSED.

1     THANK YOU FOR YOUR TESTIMONY. I ASK ONLY THAT YOU NOT DIS-  
2     CUSS YOUR TESTIMONY WITH ANY OTHER POSSIBLE WITNESS IN THIS  
3     CASE UNTIL THE MATTER IS CONCLUDED.

4             HAVE A GOOD DAY.

5             THE WITNESS: THANK YOU, YOUR HONOR.

6             THE COURT: ALL RIGHT. WOULD COUNSEL LIKE BACK  
7     THE COPY OF THE INFORMATION THAT THEY KINDLY GAVE THE COURT.

8             NEXT WITNESS. WE WILL BEGIN, OF COURSE, AND THEN  
9     GO FOR ABOUT 20, 25 MINUTES, AND TAKE A LUNCHEON BREAK.

10            MR. COLE: YOUR HONOR, GOVERNMENT CALLS SAM HENRY.

11                    SAMUEL PATRICK HENRY

12     WAS CALLED AS A WITNESS AND, AFTER BEING FIRST DULY SWORN,  
13     WAS EXAMINED AND TESTIFIED AS FOLLOWS:

14            THE COURT: GOOD MORNING, MR. HENRY.

15            THE WITNESS: GOOD MORNING, YOUR HONOR.

16                    DIRECT EXAMINATION

17            BY MR. COLE:

18            Q     MR. HENRY, WOULD YOU PLEASE STATE YOUR FULL NAME,  
19     AND SPELL YOUR LAST NAME, FOR THE RECORD?

20            A     SAMUEL PATRICK HENRY, H-E-N-R-Y.

21            MR. COLE: YOUR HONOR, AT THIS TIME, AS WITH THE  
22     LAST WITNESS, COUNSEL IS LOOKING THROUGH SOME DOCUMENTS AND  
23     PREPARING TO SIGN A STIPULATION AS AGREED TO, AND I WOULD  
24     LIKE TO PUBLISH THAT TO THE JURY.

25            THE COURT: ALL RIGHT. FINE. AS SOON AS IT IS

1 DONE.

2 MR. COLE: WHILE THAT IS GOING ON, YOUR HONOR --

3 BY MR. COLE:

4 Q MR. HENRY, HOW ARE YOU EMPLOYED, SIR?

5 A I AM CURRENTLY A SENIOR VICE PRESIDENT AT THE  
6 INTERFIRST BANK, PARK CITIES, IN DALLAS, TEXAS.

7 Q HOW LONG HAVE YOU BEEN WITH INTERFIRST BANK?

8 A I'VE BEEN IN MY CURRENT LOCATION SINCE SEPTEMBER  
9 OF 1980.

10 Q PRIOR TO THAT, WHERE WERE YOU, SIR?

11 A PRIOR TO THAT, I WAS VICE PRESIDENT WITH THE FIRST  
12 NATIONAL BANK IN DALLAS, FROM 1971 UNTIL TAKING MY CURRENT  
13 POSITION IN 1980.

14 Q IN THE COURSE OF YOUR POSITION WITH THE FIRST  
15 NATIONAL BANK IN DALLAS, I WOULD LIKE TO DRAW YOUR ATTENTION  
16 TO THE YEAR 1977. WHERE WERE YOU ASSIGNED IN THAT BANK IN  
17 1977?

18 A I WAS ASSIGNED AS AN ACCOUNT RELATION OFFICER IN  
19 THE ENERGY DIVISION, THE OIL AND GAS AREA OF THE BANK.

20 Q AND IN YOUR DUTIES AS ACCOUNT RELATION PERSON, WHAT  
21 WOULD YOU DO?

22 A I WOULD MONITOR AND WORK WITH VARIOUS LOCAL DALLAS  
23 ACCOUNTS, AS WELL AS HAVING RESPONSIBILITY FOR TRAVELING THE  
24 NORTHEAST PART OF THE UNITED STATES.

25 Q WAS ONE OF YOUR ACCOUNTS THAT OF NELSON BUNKER HUNT?

1 A YES, IT WAS.

2 MR. COLE: YOUR HONOR, AT THIS TIME I WOULD LIKE  
3 TO PUBLISH A STIPULATION TO THE JURY, STIPULATION NO. 4:

4 "IT IS HEREBY AGREED AND STIPULATED BETWEEN THE  
5 UNITED STATES AND THE DEFENDANT, GEORGE V. HANSEN, THAT THE  
6 ATTACHED BANK RECORDS FROM FIRST NATIONAL BANK IN DALLAS ARE  
7 AUTHENTIC."

8 ATTACHED TO THIS STIPULATION ARE A LOAN APPLICATION  
9 DATED MAY 27, 1977, FOR THE ACCOUNT OF CONNIE HANSEN, A  
10 \$50,000 CHECK DATED MAY 27, 1977, MADE PAYABLE TO CONNIE  
11 HANSEN; A MEMORANDUM DATED JANUARY 4, 1978, FROM SAM HENRY  
12 TO THE LOAN REVIEW DEPARTMENT CONCERNING CONNIE HANSEN; A  
13 LOAN APPLICATION DATED NOVEMBER 28, 1978, CONNIE HANSEN AGAIN.  
14 A NOTE DATED MAY 26, 1978, FROM CONNIE HANSEN TO THE FIRST  
15 NATIONAL BANK IN DALLAS, FOR \$50,000.

16 A LETTER FROM SAM HENRY TO THE HONORABLE AND MRS.  
17 GEORGE HANSEN, DATED MARCH 18TH, 1980.

18 MEMORANDUM FROM SAM HENRY TO THE U. S. - CANADA  
19 ENERGY GROUP CREDIT REVIEW COMMITTEE, DATED JUNE 4, 1980,  
20 CONCERNING THE CONNIE HANSEN ACCOUNT.

21 AND A TWO-PAGE LEDGER SHEET FROM THE FIRST NATIONAL  
22 BANK IN DALLAS COVERING THE PERIOD MAY 27TH, 1977, TO  
23 JUNE 3RD, 1980, CONCERNING THE ACCOUNT OF CONNIE HANSEN.

24 THE COURT: ALL RIGHT, LADIES AND GENTLEMEN. AGAIN  
25 A STIPULATION HAS BEEN REACHED, AN AGREED-UPON STATEMENT

1 BETWEEN COUNSEL, THAT YOU MAY CONSIDER THOSE MATTERS REFERRED  
2 TO BY COUNSEL AS UNDISPUTED EVIDENCE.

3 BY MR. COLE:

4 Q MR. HENRY, I WOULD LIKE TO DRAW YOUR ATTENTION TO  
5 MAY 27TH, 1977. WERE YOU WORKING AT THE FIRST NATIONAL BANK  
6 OF DALLAS IN THAT PERIOD OF TIME?

7 A YES, I WAS.

8 Q MR. HENRY, I WOULD LIKE TO SHOW YOU WHAT HAS ALREADY  
9 BEEN ADMITTED IN EVIDENCE AS GOVERNMENT'S EXHIBIT 14 AND 15  
10 AND ASK YOU TO LOOK AT THOSE TWO PIECES AND TELL ME IF YOU  
11 KNOW WHAT THEY ARE.

12 A EXHIBIT 14 IS A COPY OF THE ORIGINAL MAY 27, 1977,  
13 PROMISSORY NOTE FOR \$50,000, WHICH WAS -- A LOAN WAS GRANTED  
14 TO CONNIE S. HANSEN.

15 Q EXHIBIT 15, IS THAT THE GUARANTEE FOR THAT LOAN?

16 A YES. EXHIBIT 15 IS THE GUARANTEE EXECUTED BY MR.  
17 HUNT.

18 Q MR. HENRY, WERE YOU INVOLVED WITH THIS LOAN?

19 A YES. I MADE THE LOAN.

20 Q YOU WERE THE OFFICER WHO GRANTED IT.

21 A YES.

22 Q HOW WERE YOU FIRST CONTACTED ABOUT IT?

23 A I RECEIVED A TELEPHONE CALL FROM A MR. JOHN GOODSON.

24 Q WHO IS MR. GOODSON, IF I MAY ASK?

25 A MR. GOODSON IS NOW RETIRED, BUT HE WAS THEN,

1 EFFECTIVELY, THE CHIEF FINANCIAL OFFICER AND CHIEF CONTACT  
2 THAT WE HAD ON THE HUNT RELATIONSHIP. HE WOULD MAKE CONTACT  
3 WITH US CONCERNING VARIOUS LOAN AND DEPOSIT RELATIONSHIPS.

4 Q WHAT WAS THE PURPOSE OF MR. GOODSON'S CALL THAT  
5 DAY? DO YOU RECALL THE DATE THAT HE CALLED?

6 A IT WAS MAY 27TH, 1977.

7 Q WHAT WAS THE PURPOSE OF MR. GOODSON'S CALL?

8 A HE CALLED AND INDICATED THAT MR. HUNT HAD  
9 REQUESTED THAT THE BANK MAKE A LOAN TO MRS. HANSEN WHICH HE  
10 WOULD GUARANTEE. AND MR. GOODSON WANTED TO KNOW IF HE COULD  
11 BRING MRS. HANSEN DOWN AND WE COULD GRANT THAT LOAN.

12 Q AND YOUR RESPONSE?

13 A WAS "YES".

14 A DID MRS. HANSEN COME DOWN THAT DAY?

15 A YES. MR. GOODSON AND MRS. HANSEN IMMEDIATELY CAME  
16 DOWN TO MY OFFICE, AT WHICH TIME WE VISITED AND PREPARED THE  
17 NOTE AND GRANTED THE LOAN, AND GAVE MRS. HANSEN A CASHIER'S  
18 CHECK, WHICH WAS THE PROCEEDS OF THE LOAN.

19 Q WAS THERE A LOAN APPLICATION MADE OUT THAT DAY?  
20 OR FILLED OUT IN THE RECORDS OF THE BANK?

21 A IT WAS FILLED OUT IN THE COURSE OF BUSINESS. I  
22 DON'T RECALL IF IT WAS EXACTLY THAT DAY; BUT IT WOULD HAVE  
23 BEEN DATED THAT DAY.

24 Q I WOULD LIKE TO SHOW YOU EXHIBIT 13 THAT HAS BEEN  
25 MARKED FOR IDENTIFICATION. IS THAT THE LOAN APPLICATION?

1           A     YES, IT IS. THIS IS THE LOAN APPLICATION THAT WENT  
2 INTO A CREDIT FILE, THE CREDIT RECORDS OF THE BANK.

3           Q     AND THAT'S A BANK RECORD?

4           A     YES.

5           Q     AND THE DATE ON THAT?

6           A     MAY 27TH, 1977.

7           MR. COLE: YOUR HONOR, I WOULD MOVE THAT INTO EVI-  
8 DENCE AT THIS TIME.

9           MR. LEWIN: NO OBJECTION.

10          THE COURT: IT IS NOW IN EVIDENCE.

11                               (GOVERNMENT'S EXHIBIT 13 WAS  
12                               RECEIVED IN EVIDENCE)

13          BY MR. COLE:

14          Q     MR. HENRY, THERE IS CERTAIN INFORMATION ON THAT  
15 LOAN APPLICATION, IS THAT CORRECT?

16          A     THAT'S CORRECT. IT BASICALLY DETAILS THE USE OF  
17 THE FUNDS AND WHAT LIQUIDATION AGREEMENT OR REPAYMENT AGREEMENT  
18 THERE IS BETWEEN THE BANK AND THE BORROWER. IT GIVES WHETHER  
19 IT IS SECURED OR UNSECURED, AND ANY OTHER COMMENTS THAT ARE  
20 PERTINENT.

21          Q     LET'S GO INTO A FEW OF THOSE THINGS, MR. HENRY.  
22 FIRST OF ALL, IT SAYS THE USE OF THE FUNDS. WHAT IS WRITTEN  
23 THERE?

24          A     "PERSONAL EXPENSES."

25          Q     AND WHO PROVIDED THAT INFORMATION?



1 A MRS. HANSEN. WE ARE REQUIRED TO DESIGNATE FOR ANY  
2 LOAN WHAT THE PURPOSE IS, AND WHEN ASKED THAT, SHE INDICATED  
3 IT WAS FOR PERSONAL EXPENSES.

4 Q AND THE TERMS OF THE LOAN -- THE LIQUIDATION AGREE-  
5 MENT, I BELIEVE YOU CALLED IT?

6 A RIGHT.

7 Q WHAT IS THAT?

8 A IT IS A ONE-YEAR NOTE WITH INTEREST PAYABLE  
9 QUARTERLY, WHICH IS EVERY 90 DAYS.

10 Q NOW, IS THAT 90 DAYS FROM THE DATE THE NOTE STARTS?

11 A CORRECT.

12 Q YOU SAID THERE'S COLLATERAL. THAT'S WHAT PEOPLE  
13 PUT UP FOR A NOTE?

14 A YES. TO SECURE THE --

15 Q WHAT IS PLEDGED?

16 A YES.

17 Q AND WHAT IS THE COLLATERAL IN THIS CASE?

18 A THIS WAS UNSECURED.

19 Q NOW, THERE IS ANOTHER COMMENT AFTER THAT,  
20 "GUARANTORS"?

21 A CORRECT.

22 Q AND THERE'S NOTATIONS AFTER THAT. WHAT ARE THOSE  
23 NOTATIONS?

24 A NOTATIONS INDICATE THAT NELSON BUNKER HUNT WAS THE  
25 GUARANTOR.

1 Q AND THERE ARE SOME NUMBERS AFTER THAT, WITH  
2 "N/W". WHAT DOES THAT INDICATE?

3 A STANDS FOR NET WORTH, OR CAPITAL.

4 Q WOULD THAT BE THE NET WORTH OF MR. HUNT?

5 A AS OF THE STATEMENT THAT WE HAD AS OF SEPTEMBER  
6 30, 1976, THAT'S CORRECT.

7 A WOULD YOU TELL THE JURY WHAT THE NET WORTH WAS OF  
8 MR. HUNT AS OF THAT DATE?

9 A IT SHOWS \$139,881,590.

10 Q THERE IS A SECTION OF "REMARKS" AS WELL. AND COULD  
11 YOU TELL THE JURY BRIEFLY WHAT THOSE REMARKS ARE?

12 A THESE REMARKS STATE THAT MRS. HANSEN IS THE WIFE  
13 OF CONGRESSMAN GEORGE HANSEN OF IDAHO AND FURTHER STATE --  
14 AND FOR INTERNAL PURPOSES WITHIN THE BANK, THAT THE LOAN WOULD  
15 BE OFFSET AGAINST A LINE OF CREDIT WHICH MR. HUNT HAD WITH  
16 THE BANK. IN OTHER WORDS, THIS LOAN WAS FUNDED AGAINST AN  
17 EXISTING COMMITMENT WHICH THE BANK HAD OUT TO MR. HUNT.

18 Q MR. HENRY, I WOULD LIKE TO SHOW YOU WHAT HAS BEEN  
19 MARKED GOVERNMENT EXHIBIT 16. DO YOU RECOGNIZE THAT, SIR?

20 A YES. THIS IS THE CASHIER'S CHECK WHICH WE ISSUED  
21 ON GRANTING THE LOAN TO MRS. HANSEN. IT IS PAYABLE TO  
22 CONNIE S. HANSEN IN THE AMOUNT OF \$50,000.

23 Q WOULD YOU TURN THAT CHECK OVER, SIR. IS THE CHECK  
24 ENDORSED?

25 A THE CHECK IS ENDORSED CONNIE S. HANSEN AND

1 GEORGE V. HANSEN.

2 Q THIS LOAN WAS ONLY TO CONNIE HANSEN, IS THAT CORRECT?

3 A THAT'S CORRECT.

4 Q MR. HENRY, I WOULD LIKE TO ASK YOU ABOUT THE PAYMENT  
5 HISTORY OF THIS NOTE. I SHOW YOU GOVERNMENT EXHIBIT 17. COULD  
6 YOU TELL ME WHAT THAT IS, SIR?

7 A THIS IS AN INTERNAL MEMORANDUM WRITTEN JANUARY 4TH,  
8 1978, TO OUR LOAN REVIEW DEPARTMENT. THIS IS AN INTERNAL  
9 CREDIT REVIEW DEPARTMENT THAT MONITORS THE LOANS WITHIN THE  
10 BANK.

11 Q WHO WROTE THE REPORT?

12 A I WROTE THE REPORT.

13 Q AND IS THIS PART OF YOUR BUSINESS IN THE BANK, TO  
14 WRITE REPORTS OF THIS NATURE?

15 A YES, IT IS.

16 Q AND IS IT COMMUNICATING TO THE LOAN REVIEW DEPART-  
17 MENT BUSINESS GOING ON IN THE BANK?

18 A THAT'S CORRECT. IT IS INDICATING SOMETHING IN  
19 REFERENCE TO THE CONNIE S. HANSEN LOAN.

20 Q AND THIS WAS MADE AT THE TIME THESE EVENTS RECOUNTED  
21 IN HERE HAPPENED?

22 A YES.

23 Q AND MEMOS OF THIS NATURE ARE KEPT AT THE BANK FOR  
24 A PERIOD OF TIME?

25 A YES, THEY ARE.

1 MR. COLE: YOUR HONOR, I SUBMIT GOVERNMENT'S  
2 EXHIBIT 17 INTO EVIDENCE.

3 MR. LEWIN: NO OBJECTION, YOUR HONOR.

4 THE COURT: IT IS NOW IN EVIDENCE.

5 (GOVERNMENT'S EXHIBIT 17 WAS  
6 RECEIVED IN EVIDENCE)

7 BY MR. COLE:

8 Q MR. HENRY, I WOULD LIKE TO ASK YOU ABOUT THE PAY-  
9 MENTS CONCERNING THIS LOAN, THIS \$50,000 LOAN --

10 THE COURT: EXCUSE ME. DO YOU HAVE THAT WHICH WAS  
11 JUST SUBMITTED INTO EVIDENCE? DOES THE WITNESS STILL HAVE  
12 IT, OR YOU HAVE IT?

13 MR. COLE: YES, HE STILL HAS IT, YOUR HONOR.

14 THE COURT: COULD I JUST SEE IT FOR A MOMENT, PLEASE?

15 BY MR. COLE:

16 Q MR. HENRY, WHILE HER HONOR IS LOOKING AT THAT, I  
17 WOULD LIKE YOU TO LOOK AT GOVERNMENT'S EXHIBIT 25, WHICH IS  
18 A LOAN LEDGER SHEET FROM THE FIRST NATIONAL BANK. PERHAPS  
19 THAT MAY BE OF SOME ASSISTANCE TO YOU IN THE NEXT QUESTIONS.

20 IS THAT A LOAN LEDGER SHEET FROM YOUR BANK CONCERN-  
21 ING THE CONNIE HANSEN LOAN?

22 A YES. IT IS CALLED A LIABILITY LEDGER SHEET, AND  
23 IT RECOUNTS THE TRANSACTIONS RELATIVE TO THIS LOAN FROM THE  
24 DATE THE LOAN WAS MADE, MAY 27, 1977, UNTIL THE NOTE WAS PAID.

25 MR. COLE: YOUR HONOR, I WOULD LIKE TO OFFER THAT

1 INTO EVIDENCE AT THIS TIME.

2 MR. LEWIN: NO OBJECTION.

3 THE COURT: IN EVIDENCE.

4 (GOVERNMENT'S EXHIBIT 25 WAS  
5 RECEIVED IN EVIDENCE)

6 MR. COLE: I HAVE A COPY FOR THE COURT, YOUR HONOR.

7 THE COURT: THANK YOU.

8 BY MR. COLE:

9 Q MR. HENRY, YOU SAID INTEREST WAS PAYABLE QUARTERLY.  
10 WHEN WAS THE FIRST INTEREST PAYMENT DUE ON THIS LOAN AFTER  
11 MAY 27, 1977?

12 A IT WOULD HAVE BEEN DUE 90 DAYS AFTER THAT PERIOD,  
13 WHICH WOULD HAVE MADE IT APPROXIMATELY THE END OF AUGUST, 1977.

14 Q DOES YOUR BANK HAVE A POLICY ABOUT SENDING NOTICES  
15 OUT FOR INTEREST PAYMENTS?

16 A YES. WE HAVE A COMPUTER-GENERATED NOTICE SYSTEM,  
17 AND THEY WOULD BE MAILED OUT TO THE ADDRESS ON THE NOTE ITSELF  
18 NORMALLY TEN DAYS PRIOR TO THE NOTE PAYMENT -- OR THE INTEREST  
19 PAYMENT BEING DUE.

20 Q WAS THERE ANY INTEREST PAYMENT MADE, FROM THESE  
21 RECORDS, THAT YOU CAN TELL, IN AUGUST OF 1977?

22 A NO, IT WAS NOT.

23 Q WHEN WOULD THE NEXT INTEREST PAYMENT BE DUE AFTER  
24 AUGUST?

25 A IT WOULD HAVE BEEN DUE APPROXIMATELY 90 DAYS LATER,

1 NOVEMBER, 1977.

2 Q WAS THERE ANY INTEREST PAYMENT MADE BETWEEN AUGUST  
3 AND THE END OF NOVEMBER, 1977?

4 A NO, THERE WAS NOT.

5 Q MR. HENRY, I AM GOING TO SHOW YOU AGAIN THE MEMORAN-  
6 DUM THAT YOU WROTE ON JANUARY 4, 1978, GOVERNMENT'S EXHIBIT  
7 17.

8 MR. COLE: IF I MAY, YOUR HONOR, I WILL SHOW HIM  
9 A COPY OF IT AT THE PRESENT TIME.

10 THE COURT: FINE.

11 BY MR. COLE:

12 Q DOES THAT REFLECT EFFORTS THAT YOU WENT THROUGH  
13 AND CONTACTS YOU HAD CONCERNING THE PAYMENT OF INTEREST ON  
14 THIS LOAN?

15 A YES, IT DOES. IT BASICALLY OUTLINES THE FACT THAT  
16 NOTICES WERE SENT OUT AUGUST AND NOVEMBER REQUESTING INTEREST  
17 PAYMENTS TO BE MADE.

18 Q ANYTHING ELSE SENT BESIDES JUST THE TWO NOTICES?

19 A WE SENT -- AFTER THE FIRST 90-DAY INTEREST NOTICE  
20 WENT OUT AND PRIOR TO THE SECOND, OR NOVEMBER NOTICE GOING  
21 OUT, I SENT A REGISTERED COPY OF THE FIRST NOTICE TO INSURE  
22 THAT MRS. HANSEN HAD RECEIVED THAT. I WAS SOMEWHAT CONFUSED  
23 BECAUSE, REALIZING THAT THERE WAS AN ARLINGTON, VIRGINIA,  
24 ADDRESS, AS WELL AS AN IDAHO RESIDENCE, WE WERE CONCERNED  
25 THAT PERHAPS THE ORIGINAL NOTICE HAD NOT BEEN RECEIVED BY

1 MRS. HANSEN.

2 Q SO YOU SENT A CERTIFIED REGISTERED NOTICE?

3 A CORRECT.

4 Q AND WHO WAS THAT ADDRESSED TO?

5 A IT WAS ADDRESSED TO MRS. HANSEN.

6 Q DID YOU GET ANY RESPONSE TO THAT NOTICE BEING SENT  
7 OUT?

8 A YES. OF COURSE, WE GOT THE RETURN RECEIPT BACK.  
9 BUT AFTER THAT, CONGRESSMAN HANSEN CALLED ME TO INDICATE THAT  
10 HE WOULD PUT A CHECK IN THE MAIL TO COVER THE INTEREST PAYMENT  
11 THAT WAS DUE.

12 Q THIS IS CONGRESSMAN HANSEN; NOT MRS. HANSEN?

13 A THAT'S CORRECT.

14 Q HAD YOU SENT THE LETTER TO CONGRESSMAN HANSEN?

15 A NO. THE LETTER HAD BEEN ADDRESSED TO MRS. HANSEN.

16 Q DID THE CHECK EVER COME?

17 A NO.

18 Q WHAT HAPPENED AT THIS POINT? WHAT EFFORTS DID YOU  
19 MAKE AT THIS POINT AS FAR AS COLLECTING INTEREST WHICH IS  
20 NOW, I GUESS, TWO QUARTERS OVERDUE ON THE NOTE?

21 A I AT THAT POINT HAD CONVERSATION BACK WITH MR.  
22 GOODSON, MR. HUNT'S FINANCIAL OFFICER, AS WE WERE OBVIOUSLY  
23 CONCERNED WITH THE LATE PAYMENT, OR THE NONPAYMENT, RATHER,  
24 OF THE INTEREST. AND --

25 Q WHAT DID MR. -- GO AHEAD.

1           A     IN CONVERSATION WITH MR. GOODSON, HE INDICATED THAT  
2 HE FELT THE SITUATION WOULD BE CLEARED UP SHORTLY, ALTHOUGH  
3 HE DID NOT INDICATE HOW. AND WE AGREED TO DO NOTHING UNTIL  
4 THE END OF JANUARY OF 1978, TO ALLOW TIME FOR PAYMENT TO COME  
5 IN.

6           Q     MR. GOODSON DIDN'T INDICATE HOW THINGS WOULD BE  
7 TAKEN CARE OF. DID HE INDICATE AT ALL THE SOURCE OF HOW THINGS  
8 MIGHT BE TAKEN CARE OF, WHERE THE MONEY MIGHT COME FROM?

9           A     NO.

10          Q     DID PAYMENT FINALLY COME IN, MR. HENRY?

11          A     YES. WE DID FINALLY RECEIVE AN INTEREST PAYMENT  
12 IN FEBRUARY OF 1978.

13          Q     MR. HENRY, HOW LONG DOES YOUR BANK, IN YOUR  
14 EXPERIENCE, USUALLY LET A LOAN GET OVERDUE BEFORE YOU START  
15 TAKING, SHALL WE SAY MORE DRASTIC MEASURES THAN SENDING A  
16 REGISTERED LETTER?

17          A     THE CREDIT EXTENSION THAT WE MADE TO MRS. HANSEN  
18 WAS BASED SOLELY ON MR. HUNT'S GUARANTEE, AND WE FELT VERY  
19 SECURE AND COMFORTABLE FROM THE START THAT WE WOULD ULTIMATELY  
20 GET REPAID IN FULL. AS A RESULT, WE ALLOWED AN INORDINATE  
21 AMOUNT OF TIME TO GO WITHOUT MAKING SOME CONTACT WITH THE  
22 BORROWER TO TRY TO GET THIS PAYMENT MADE. NORMALLY, YOU  
23 WOULD ALLOW TEN DAYS, UP TO 30 DAYS, DEPENDING ON THE SITUA-  
24 TION. IN THIS CASE, IT WAS AN OUT-OF-TOWN AND OUT-OF-STATE  
25 BORROWER, AND WE REALIZE THAT SOME THINGS TAKE MORE TIME.



1 BUT TYPICALLY, YOU WOULD ATTEMPT TO CONTACT THE BORROWER  
2 WITHIN TEN DAYS OF THE PAYMENT BEING PAST DUE.

3 Q BUT YOU DIDN'T IN THIS CASE; IS THAT CORRECT?

4 A NO.

5 Q AND THAT WAS BECAUSE MR. HUNT'S GUARANTEE WAS  
6 PRESENT?

7 A THAT'S CORRECT.

8 Q WOULD THIS LOAN HAVE BEEN MADE WITHOUT MR. HUNT'S  
9 GUARANTEE?

10 A WE WOULD HAVE HAD NO REASON TO EXTEND THE CREDIT  
11 WITHOUT MR. HUNT'S GUARANTEE. MRS. HANSEN WAS NOT A CUSTOMER  
12 OF THE BANK AND WAS NOT IN OUR MARKET AREA.

13 Q THERE WAS ANOTHER INTEREST PAYMENT MADE ON THIS  
14 LOAN IN OCTOBER OF 1978?

15 A THAT'S CORRECT.

16 Q AND THAT WAS ALSO PURSUANT TO A PAST-DUE NOTICE?

17 A YES.

18 Q THERE WAS A RENEWAL ON THIS LOAN; IS THAT CORRECT?

19 A THE ONE-YEAR NOTE WAS RENEWED EFFECTIVE MAY OF 1978.

20 Q WHEN DID THE ACTUAL RENEWAL TAKE PLACE, HOWEVER?

21 A IT TOOK PLACE IN JANUARY OF 1979.

22 Q MR. HENRY, I WOULD LIKE TO SHOW YOU WHAT HAVE BEEN  
23 MARKED GOVERNMENT'S EXHIBITS 18 AND 19 AND ASK YOU IF YOU  
24 RECOGNIZE THOSE DOCUMENTS.

25 A EXHIBIT 18 IS ANOTHER INTERNAL LOAN APPLICATION FORM

1 WHICH WAS PLACED IN THE CREDIT FILE, WHICH INDICATES THE  
2 ONE-YEAR EXTENSION OF THE ORIGINAL \$50,000 NOTE FOR AN  
3 ADDITIONAL YEAR, WHICH WOULD HAVE BEEN TO MAY OF 1979.

4 Q NOW, THIS IS ALSO FOR COINIE HANSEN'S ACCOUNT?

5 A YES.

6 Q AND AGAIN, MR. HUNT GUARANTEES THE LOAN?

7 A YES. SAME IDENTICAL WORDING IS ON THIS LOAN  
8 APPLICATION FORM AS WAS ON THE ORIGINAL.

9 Q WHAT IS THE DATE ON THIS LOAN APPLICATION?

10 A NOVEMBER 28, 1978.

11 Q AND WHAT IS THE DATE OF HAVING BEEN RECEIVED IN  
12 THE CREDIT DEPARTMENT STAMPED ON THE LOAN?

13 A FEBRUARY 2ND, 1979.

14 Q ASIDE FROM THE LOAN APPLICATION, WHAT IS THE OTHER  
15 DOCUMENT I HAVE GIVEN YOU?

16 A EXHIBIT 19 IS A COPY OF THE MAY 1978 RENEWAL NOTE,  
17 WHICH HAS A MATURITY DATE OF MAY 25TH, 1979.

18 MR. COLE: YOUR HONOR, I WOULD MOVE EXHIBITS 18  
19 AND 19 INTO EVIDENCE AT THIS TIME.

20 MR. LEWIN: NO OBJECTION.

21 THE COURT: THEY ARE IN EVIDENCE.

22 (GOVERNMENT'S EXHIBITS 18 AND 19  
23 WERE RECEIVED IN EVIDENCE)

24 BY MR. COLE:  
25

1 Q NOW, MR. HENRY, YOU STATED THAT THE ACTUAL RENEWAL  
2 TOOK PLACE IN JANUARY OF '79; IS THAT CORRECT?

3 A YES.

4 Q AND IT WAS BACK-DATED TO MAY?

5 A THAT'S CORRECT.

6 Q WAS THERE A PAYMENT MADE AT THE TIME TO ALLOW  
7 RENEWAL IN JANUARY?

8 A THE PAYMENT THAT WAS MADE IN FEBRUARY AND AGAIN  
9 IN OCTOBER, 1978, DID PAY INTEREST CURRENT THROUGH THE MAY  
10 1978 ORIGINAL MATURITY OF THE NOTE. SO, SINCE THE INTEREST  
11 PAYMENT WAS CURRENT THROUGH MAY OF '78, WE WERE ABLE TO RENEW  
12 THIS LOAN.

13 Q ACCORDING TO THE LEDGER, WAS THERE ANY PAYMENT MADE  
14 IN 1979 AFTER THE RENEWAL?

15 A THERE WAS AN ADDITIONAL -- WELL, ON THE 10TH OF  
16 JANUARY, 1979, THERE WAS ADDITIONAL INTEREST PAID ON THE LOAN.

17 Q BUT THAT'S THE INTEREST YOU JUST DESCRIBED THAT  
18 BROUGHT THE ACCOUNT CURRENT AND ALLOWED THE RENEWAL?

19 A YES.

20 Q AFTER THAT, THERE WAS NO INTEREST PAID?

21 A AFTER THAT, THERE WAS NO INTEREST PAID UNTIL THE  
22 NOTE WAS PAID OFF AT THE BANK IN JUNE OF 1980.

23 Q BETWEEN JANUARY OF 1979 AND JUNE OF 1980, DID YOU  
24 MAKE FURTHER CONTACTS TO TRY AND GET THIS NOTE PAID OFF?

25 A YES, I DID.

1 Q AND WHO DID YOU CONTACT?

2 A I CONTACTED CONGRESSMAN HANSEN.

3 Q DID YOU EVER TALK TO MRS. HANSEN ABOUT THIS NOTE  
4 DURING THAT TIME?

5 A I DO NOT RECALL EVER TALKING TO MRS. HANSEN AFTER  
6 SHE WAS ORIGINALLY IN MY OFFICE TO EXTEND THE CREDIT IN MAY  
7 OF '77.

8 Q YOU DIDN'T TALK TO HER SINCE MAY OF '77?

9 A NO, SIR.

10 Q HOW MANY CONTACTS DID YOU HAVE WITH CONGRESSMAN  
11 HANSEN CONCERNING THE PAYOFF ON THIS NOTE?

12 A AFTER HIS INITIAL PHONE CALL TO ME, I CANNOT RECALL  
13 SPECIFICALLY, BUT I BELIEVE I HAD CONTACT WITH HIM ONE OR  
14 TWO OTHER TIMES.

15 Q WHAT WOULD HE SAY DURING THESE CONTACTS?

16 A HE WOULD GENERALLY INDICATE THAT HE WOULD ATTEMPT  
17 TO SEE THAT SOMETHING WAS DONE TO TAKE CARE OF THE PAYMENTS.

18 Q DID PAYMENTS COME IN PURSUANT TO HIS STATEMENTS?

19 A NO.

20 Q DID YOU SEND OUT ANY LETTERS, MR. HENRY, DURING  
21 THAT TIME?

22 A YES. WE EVENTUALLY SENT LETTERS REQUESTING PAYMENT  
23 OF THE NOTE IN FULL.

24 Q DID YOU HAVE CONTACT WITH MR. HUNT, AS WELL, DURING  
25 THIS PERIOD OF TIME?

1 A YES. EITHER WITH MR. HUNT OR WITH MR. GOODSON.

2 Q MR. HENRY, I WOULD LIKE TO SHOW YOU GOVERNMENT'S  
3 EXHIBIT 20, WHICH IS ALREADY IN EVIDENCE, A LETTER DATED  
4 JANUARY 17TH, 1980, TO NELSON BUNKER HUNT; EXHIBIT NO. 22,  
5 WHICH IS ALREADY IN EVIDENCE, A MARCH 18 LETTER TO MR. HUNT,  
6 BOTH FROM YOU; AND EXHIBIT NO. 21, WHICH HAS BEEN MARKED FOR  
7 IDENTIFICATION, A MARCH 18TH LETTER FROM YOU TO THE HONORABLE  
8 AND MRS. GEORGE HANSEN.

9 DID YOU PREPARE ALL THOSE LETTERS, SIR?

10 A YES, I DID.

11 Q DID YOU SIGN ALL THOSE LETTERS?

12 A YES, I DID.

13 Q IN THE LETTER TO MR. HUNT IN JANUARY, DO YOU DESCRIBE  
14 THE EFFORTS THAT YOU HAVE BEEN MAKING AND THE CONTACTS YOU'VE  
15 BEEN HAVING CONCERNING COLLECTION ON THIS LOAN?

16 A YES. IN THIS LETTER, BASICALLY TO PUT ON RECORD  
17 TO MR. HUNT THE FACT THAT WE WERE HAVING DIFFICULTY GETTING  
18 PAYMENTS, INTEREST PAYMENTS, BEING MADE ON A TIMELY BASIS,  
19 INDICATE THAT THE LOAN HAD CONTINUALLY BEEN PAST DUE, AND --

20 Q IN SPECIFIC, MR. HENRY, DO YOU INDICATE WHO YOU  
21 HAD CONTACT WITH CONCERNING THE PAYMENTS ON THESE LOANS BETWEEN  
22 MR. OR MRS. HANSEN?

23 A I INDICATE THAT WE SENT NOTICES TO MRS. HANSEN,  
24 SINCE SHE WAS THE ONE THAT MADE THE NOTE, AND THAT WE HAD  
25 HAD -- THOSE HAD GONE UNANSWERED, AND HAD MADE DIRECT CONTACTS

1 WITH CONGRESSMAN HANSEN.

2 Q NOW, THESE NOTICES THAT YOU SENT AND THE DIRECT  
3 CONTACTS YOU HAD WITH CONGRESSMAN HANSEN, THEY WOULD HAVE  
4 BEEN DURING THE YEARS 1978 AND 1979?

5 A THAT'S CORRECT.

6 Q AND POSSIBLY EVEN 1980?

7 A YES.

8 Q NOW, ON MARCH 18TH, YOU SENT TWO LETTERS. I WOULD  
9 LIKE TO NOW DIRECT YOUR ATTENTION TO THE MARCH 18TH LETTER  
10 TO THE HONORABLE AND MRS. GEORGE HANSEN. YOU WROTE THIS LETTER,  
11 SIR?

12 A YES. THIS IS MARKED AS EXHIBIT 21, AND IT'S --  
13 EXCUSE ME.

14 MR. COLE: YOUR HONOR, GOVERNMENT WOULD MOVE  
15 EXHIBIT 21 INTO EVIDENCE AT THIS TIME.

16 MR. LEWIN: NO OBJECTION.

17 THE COURT: IN EVIDENCE.

18 (GOVERNMENT'S EXHIBIT 21 WAS  
19 RECEIVED IN EVIDENCE)

20 BY MR. COLE:

21 Q MR. HENRY, IN THIS LETTER YOU ARE CONTACTING THE  
22 HANSENS AND ASKING FOR PAYMENT, IS THAT CORRECT?

23 A THAT'S CORRECT. IT IS BASICALLY A DEMAND LETTER  
24 REQUESTING FULL PAYMENT OF THE NOTE.

25 Q AND YOU CC'D THAT LETTER OR SENT A COPY OF IT TO

1 SOMEONE ELSE?

2 A I SENT A COPY OF THAT LETTER TO MR. HUNT.

3 Q AND YOU ALSO SENT A LETTER TO MR. HUNT, IS THAT

4 CORRECT?

5 A AND I SENT A COVER LETTER WITH THAT, AND INDICATE  
6 IN THAT LETTER THAT IF WE RECEIVE NO PAYMENT FROM THE HANSENS,  
7 WE WILL HAVE NO OPTIONS BUT TO CALL ON HIM FOR PAYMENT UNDER  
8 HIS GUARANTEE AGREEMENT.

9 Q WAS THE GUARANTEE ULTIMATELY FULFILLED?

10 A YES, IT WAS.

11 Q AND WHEN WAS THAT?

12 A THAT WAS DONE IN JUNE OF 1980. JUNE 3RD, 1980.

13 Q I SHOW YOU EXHIBIT NO. 24. IS THAT A MEMO CONCERN-  
14 ING THAT PAYOFF?

15 A THIS IS AN INTERNAL MEMORANDUM ADDRESSED TO OUR  
16 CREDIT REVIEW COMMITTEES SAYING EFFECTIVE JUNE 3RD, 1980,  
17 MR. HUNT PURCHASED OUR \$50,000 NOTE TO MRS. HANSEN AND PAID,  
18 IN ADDITION TO THE FULL PRINCIPAL, THE FULL ACCRUED INTEREST  
19 OF \$11,503.42.

20 Q SO THAT AMOUNTED TO \$61,503.42. IS THAT CORRECT?

21 A THAT'S CORRECT.

22 MR. COLE: YOUR HONOR, I WOULD MOVE THAT INTO EVIDENCE  
23 AT THIS TIME.

24 THE COURT: THAT IS EXHIBIT NUMBER --

25 THE WITNESS: 24.

1 THE COURT: 24? THANK YOU.

2 MR. LEWIN: NO OBJECTION.

3 THE COURT: WITHOUT OBJECTION. ALL RIGHT, IT'S  
4 IN EVIDENCE.

5 (GOVERNMENT'S EXHIBIT 24 WAS  
6 RECEIVED IN EVIDENCE)

7 MR. COLE: YOUR HONOR, AT THIS TIME I WOULD LIKE  
8 TO SHOW COUNSEL THE REMAINING ENTRIES FOR THE CHART WE HAVE  
9 BEEN USING SO FAR.

10 THE COURT: ALL RIGHT. I TAKE IT THIS WILL TAKE  
11 ALL ABOUT FIVE MINUTES OR SO, AND THEN WE WILL RELEASE THE  
12 JURY FOR LUNCH. I JUST DON'T WANT THE JURORS TO GET RESTIVE,  
13 SINCE WE USUALLY BREAK AT THIS TIME. FIVE OR TEN MORE MINUTES  
14 MAKES NO DIFFERENCE, IF WE CAN COMPLETE SOMETHING.

15 MR. COLE: MY INQUIRY OF MR. HENRY WILL BE DONE  
16 WITH THAT, YOUR HONOR.

17 THE COURT: I THOUGHT PERHAPS SO. ALL RIGHT.

18 THAT MEANS, LADIES AND GENTLEMEN, ABOUT FIVE  
19 MINUTES, PERHAPS TEN, AND THEN LUNCHEON.

20 MR. COLE: YOUR HONOR, I WOULD REQUEST PERMISSION  
21 TO PLACE THESE PLAQUES ON THE CHART.

22 THE COURT: MR. LEWIN?

23 MR. LEWIN: SUBJECT TO OUR --

24 THE COURT: SUBJECT TO YOUR CONTINUING OBJECTION?

25 MR. LEWIN: RIGHT.



1 THE COURT: ALL RIGHT. ON THE CHART.

2 MR. COLE: FOR THE RECORD, YOUR HONOR, THE FIRST  
3 ENTRY IS MAY 27TH, 1977: "MRS. HANSEN TRAVELS TO DALLAS AND  
4 BORROWS \$50,000 FROM FIRST NATIONAL BANK IN ONE-YEAR NOTE."

5 THE SECOND ENTRY, THE SAME DATE OF MAY 27TH, 1977:  
6 "LOAN IS GUARANTEED BY NELSON BUNKER HUNT."

7 THE COURT: MA'AM, YOU'RE HAVING DIFFICULTY SEEING?

8 JUROR NO. 2: YES. THE STAND IS IN THE WAY.

9 THE COURT: OH. THE STAND IS APPARENTLY IN THE  
10 WAY. I WONDER IF IT COULD BE SLIGHTLY ARRANGED SO ALL OF  
11 OUR JURORS CAN SEE IT, MR. COLE.

12 MR. COLE: CERTAINLY. I MIGHT BE ABLE TO RAISE  
13 IT A LITTLE FURTHER.

14 THE COURT: CAN YOU ALL SEE IT BETTER NOW? YOU  
15 STILL ARE BEING BLOCKED FROM YOUR VISION.

16 MR. COLE: HOW ABOUT IF I PUT IT UP HERE, YOUR HONOR,  
17 AND COUNSEL CAN COME AROUND.

18 THE COURT: DO YOU WISH TO COME AROUND, MR. LEWIN?

19 MR. LEWIN: I'VE SEEN IT.

20 THE COURT: ALL RIGHT. FINE AND GOOD. THANK YOU  
21 SO MUCH. THAT'S BETTER. I CAN SEE THE NODS OF BETTERMENT.  
22 ALL RIGHT.

23 MR. COLE: THE NEXT ENTRY IS NOVEMBER TO DECEMBER,  
24 1977: "GEORGE HANSEN CALLS HENRY IN RESPONSE TO REQUEST FOR  
25 PAYMENT OF OVERDUE INTEREST."

1 WE NEXT GO TO 1979. JANUARY 10: "\$50,000 LOAN  
2 TO MRS. HANSEN FROM FIRST NATIONAL BANK IN DALLAS IS RENEWED  
3 AND BACK-DATED TO MAY 26, 1978."

4 THE SAME DATE, "RENEWED LOAN IS GUARANTEED BY  
5 NELSON BUNKER HUNT."

6 WE NOW MOVE TO 1980, JUNE 3RD OF THAT YEAR:  
7 "NELSON BUNKER HUNT FULFILLS GUARANTEE AND PAYS OFF LOAN FOR  
8 \$61,503.42 -- \$50,000 IN PRINCIPAL PLUS \$11,503.42 IN INTEREST."

9 WE HAVE NO FURTHER QUESTIONS FOR THIS WITNESS AT  
10 THIS TIME, YOUR HONOR.

11 THE COURT: LADIES AND GENTLEMEN, WE ARE GOING TO  
12 HAVE OUR LUNCHTIME RECESS AT THIS TIME. MR. HENRY WILL BE  
13 BACK WITH US THIS AFTERNOON FOR A CONTINUATION AND POSSIBLE  
14 COMPLETION OF THE TESTIMONY.

15 IT'S ABOUT TWENTY AFTER 12:00. LET'S SAY THE ODD  
16 HOUR OF 1:35. I'M TRYING TO GIVE YOU ABOUT AN HOUR AND  
17 FIFTEEN MINUTES FOR LUNCHEON, AND I KNOW THE MARSHALS WILL  
18 ACCOMMODATE US AS CLOSELY AS POSSIBLE TO THAT HOUR. SIMILARLY  
19 FOR THE COUNSEL AND MR. HANSEN.

20 MR. HENRY, YOU ARE IN THE MIDST OF YOUR TESTIMONY.  
21 I WOULD ASK THAT YOU NOT DISCUSS IT WITH ANYONE AT THIS TIME  
22 UNTIL THIS MATTER IS COMPLETED.

23 THE WITNESS: FINE, YOUR HONOR.

24 THE COURT: ALL RIGHT. HAVE A GOOD LUNCHEON, ALL.  
25 THERE ARE SOME EXHIBITS, I BELIEVE, UP HERE ON THE

1 WITNESS TABLE. I WOULD ASK THAT COUNSEL SEE THAT THEY ARE  
2 BACK WITH THE CLERK.

3 MR. COLE: VERY WELL, YOUR HONOR.

4 (WHEREUPON, AT 12:23 P.M., THE TRIAL WAS RECESSED,  
5 TO RECONVENE AT 1:35 P.M., THE SAME DAY.)  
6  
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AFTERNOON SESSION

THE COURT: COUNSEL ALL READY?

MR. COLE: THE GOVERNMENT IS READY, YOUR HONOR.

THE COURT: BRING IN THE JURY, THEN.

(WHEREUPON, AT 1:46 P.M., THE JURY ENTERS.)

THE COURT: GOOD AFTERNOON, LADIES AND GENTLEMEN. WE WILL CONTINUE WITH OUR CASE. COUNSEL MAY PROCEED, AND OUR WITNESS IS IN THE WITNESS ROOM, MR. HENRY. THE DEPUTY MARSHAL WILL HELP US BRING HIM IN. MR. HENRY, IF YOU WOULD RESUME THE STAND. YOU ARE OF COURSE, STILL UNDER OATH. WHEREUPON,

SAMUEL PATRICK HENRY

WITNESS CALLED BY THE GOVERNMENT, HAVING BEEN PREVIOUSLY SWORN, WAS EXAMINED AND TESTIFIED AS FOLLOWS:

CROSS EXAMINATION

BY MR. BRAGA:

Q. GOOD AFTERNOON MR. HENRY, I HOPE YOU HAD A NICE LUNCH?

A. I DID.

Q. A COUPLE QUESTIONS FOR YOU. FIRST OF ALL, THIS WAS NOT THE FIRST TIME THAT MR. HUNT HAD EVER SENT SOMEONE DOWN TO YOUR OFFICE FOR A LOAN OF THIS TYPE, WAS IT?

A. NO, IT WAS NOT. WE HAVE MADE -- DURING THE COURSE OF THE TIME THAT I HANDLED THE HUNT RELATIONSHIP, MADE A COUPLE OF OTHER LOANS SIMILARLY GUARANTEED BY MR. HUNT, BASED ON HIS CREDIT.

1 Q. NOW, WHEN MR. HUNT'S EMPLOYEE, MR. GOODSON, FIRST  
2 EMPLOYED YOU AND SAID CONNIE HANSEN IS IN HIS OFFICE; HE WOULD  
3 LIKE TO BRING HER DOWN FOR A LOAN, HE DIDN'T IN ANY WAY MENTION  
4 CONGRESSMAN HANSEN, DID HE?

5 A. HE DID NOT.

6 Q. IN FACT, YOU ONLY LEARNED THAT CONNIE HANSEN'S HUSBAND  
7 WAS A CONGRESSMAN THROUGH INCIDENTAL CONVERSATION WITH HER WHEN  
8 SHE WAS FILLING OUT THE LOAN APPLICATION, ISN'T THAT CORRECT?

9 A. WHEN TRYING TO DETERMINE WHAT ADDRESS TO USE ON THE  
10 NOTE, SHE INDICATED -- SHE HESITATED FOR A MOMENT AS TO  
11 WHETHER TO USE VIRGINIA ADDRESS OR HER IDAHO ADDRESS.

12 Q. SHE TOLD YOU SHE HAD TWO ADDRESSES BECAUSE HER HUSBAND  
13 WAS AS CONGRESSMAN, RIGHT?

14 A. YES.

15 Q. NOW, ON THAT DAY IN YOUR OFFICE, CONNIE HANSEN SIGNED  
16 THE LOAN DOCUMENTS WHICH, I BELIEVE, ARE GOVERNMENT'S EXHIBIT  
17 13 AND 14, WHICH SHOULD BE IN FRONT OF YOU?

18 A. THAT IS CORRECT.

19 Q CONGRESSMAN HANSEN NEVER SIGNED ANY DOCUMENT IN  
20 CONNECTION WITH THIS LOAN, DID HE?

21 A. NO, HE DID NOT.

22 Q. HE WAS NEVER ASKED TO SIGN ANY DOCUMENTS, WAS HE?

23 A. NO.

24 Q. NOW, IF YOU LOOK AT GOVERNMENT EXHIBIT 16, WHICH I  
25 BELIEVE IS THE CHECK FOR THE LOAN. IT SHOULD BE RIGHT THERE IN

1 FRONT OF YOU. THAT IS MADE PAYABLE TO CONNIE S. HANSEN, IS  
2 THAT NOT CORRECT?

3 A. THAT IS CORRECT.

4 Q. YOU CAN FLIP IT OVER. I BELIEVE THE GOVERNMENT HAD  
5 YOU LOOK AT IT AND YOU SAID GEORGE HANSEN HAD ENDORSED IT?

6 A. YES.

7 Q. WHERE'S MR. HANSEN'S ENDORSEMENT ON THAT IN RELATION  
8 TO CONNIE HANSEN'S ENDORSEMENT?

9 A. IT IS BELOW HER ENDORSEMENT.

10 Q. USING YOUR EXPERIENCE AS A BANKER, DOES THAT TELL YOU  
11 ANYTHING ABOUT WHO MIGHT HAVE ENDORSED THAT CHECK FIRST?

12 A. I WOULD ASSUME THAT SHE DID, BUT THAT IS STRICTLY AN  
13 ASSUMPTION ON MY PART.

14 Q. THAT IS FINE. IN FACT, THERE ARE A NUMBER OF  
15 LEGITIMATE, PERFECTLY PROPER REASONS WHY CONGRESSMAN HANSEN  
16 MIGHT HAVE ENDORSED THAT CHECK, AREN'T THERE, SUCH AS THE FACT  
17 THAT HE MIGHT BE --

18 THE COURT: HAD YOU FINISHED YOUR QUESTION OR WAS IT  
19 GOING ON?

20 MR. BRAGA: NO, IT WAS GOING TO GO ON AND GIVE AN  
21 EXAMPLE.

22 THE COURT: WELL, LET IT GO ON.

23 BY MR. BRAGA:

24 Q. SUCH AS THE FACT THAT HE MIGHT HAVE BEEN DELIVERING  
25 THAT CHECK TO THE BANK FOR DEPOSIT?

1 A. I ASSUME THAT IS POSSIBLE.

2 Q. NOW, THE GOVERNMENT ASKED YOU SOME QUESTIONS ABOUT THE  
3 INTEREST PAYMENTS THAT WERE DUE, I BELIEVE, EVERY 90 DAYS ON  
4 THE LOAN, IS THAT CORRECT?

5 A. YES.

6 Q. AND YOU TESTIFIED ON DIRECT I BELIEVE THAT YOUR BANK  
7 COMPUTER WOULD SPIN OUT THESE NOTICES ADDRESSED TO THE PERSON  
8 WHO WAS ON THE LOAN APPLICATION FORM?

9 A. ON THE NOTE ITSELF, YES.

10 Q SO IN THIS CASE, ALL THOSE INTEREST NOTICES WOULD HAVE  
11 BEEN SENT TO CONNIE S. HANSEN?

12 A. THAT IS CORRECT.

13 Q. NOW, THOSE INTEREST NOTICES CAME EVERY 90 DAYS, I  
14 THINK THE FIRST ONE IN AUGUST OF 1977?

15 A. THAT IS CORRECT.

16 Q. SO, RIGHT, IN HERE SOMEWHERE, MAY 27TH, THERE SHOULD  
17 BE A LITTLE NOTATION THAT SAYS INTEREST NOTICE SENT TO CONNIE  
18 HANSEN? THAT IS WHERE IT WOULD FIT IN?

19 A. THAT IS WHERE IT FITS CHRONOLOGICALLY.

20 Q. THE NEXT ONE WOULD BE IN NOVEMBER OF 1977?

21 A. YES.

22 Q. AND THAT SHOULD BE RIGHT IN HERE, RIGHT ABOUT WHERE  
23 THIS IS?

24 MR. COLE: YOUR HONOR, IF HE IS ASKING THE WITNESS  
25 WHERE THESE THINGS SHOULD BE ON OUR CHART. THEY ARE CLEARLY

1 NOT ON OUR CHART AND I DON'T THINK THE WITNESS KNOWS, WHERE  
2 THESE SHOULD BE ON OUR CHART.

3 THE COURT: PERHAPS IT COULD BE EXPRESSED A LITTLE  
4 DIFFERENTLY TO MAKE THE SAME POINT, MR. BRAGA.

5 MR. BRAGA: THAT IS FINE.

6 BY MR. BRAGA:

7 Q. IN ANY EVENT, THROUGHOUT THE PERIOD WE ARE TALKING  
8 ABOUT FROM THE MAY 27, 1977, LOAN UNTIL MR. HUNT PURCHASES THE  
9 NOTES IN JUNE, 1980, YOUR BANK IS CONTINUALLY SENDING INTEREST  
10 DUE NOTICES TO CONNIE HANSEN, INTEREST DUE NOTICES?

11 A. THAT IS CORRECT.

12 Q. AND IF WE WERE TO REFLECT ALL OF THAT ACTIVITY HAPPENING  
13 ON THIS LOAN, IT SHOULD ALL BE ON THAT CHART?

14 A. WELL, CHRONOLOGICALLY, THEY WOULD HAVE OCCURRED.

15 Q. YES. IN NOVEMBER OF 1977, YOU TESTIFIED THAT YOU SENT  
16 A REGISTERED LETTER?

17 A. YES.

18 Q. AND THAT WAS ADDRESSED TO CONNIE HANSEN?

19 A. YES.

20 Q. I BELIEVE THAT LETTER IS -- YOU SAID THAT YOU RECEIVED  
21 THE RETURN RECEIPT BACK IN DALLAS FOR THAT LETTER? DO YOU HAVE  
22 ANY IDEA WHO SIGNED FOR THAT LETTER WHEN IT WAS DELIVERED IN  
23 WASHINGTON?

24 A. NO, I DO NOT.

25 Q. YOU TESTIFIED THAT CONGRESSMAN HANSEN CALLED YOU IN



1 RESPONSE TO THAT LETTER, IS THAT RIGHT?

2 A. THAT IS RIGHT.

3 Q. DO YOU RECALL THE SUBSTANCE OF THAT CONVERSATION?

4 A. I DO NOT SPECIFICALLY RECALL WHAT THE CONGRESSMAN SAID.  
5 HE WAS, I ASSUME, RESPONDING TO THE REGISTERED LETTER AND THE  
6 FACT THAT IT HAD BEEN RECEIVED, AND HE INDICATED THAT, TO THE  
7 BEST OF MY RECOLLECTION, HE INDICATED THAT HE WOULD SEE THAT  
8 THE PAYMENT WAS MADE THAT WAS DUE, WHICH WOULD HAVE BEEN THE  
9 INTEREST PAYMENT.

10 Q. IS THAT YOUR INDEPENDENT RECOLLECTION OR IS THAT WHAT  
11 YOU RECOLLECT FROM LOOKING AT THE DOCUMENT THAT THE GOVERNMENT  
12 HAS GIVEN YOU, I BELIEVE EXHIBIT 17, IF YOU WILL TAKE A LOOK AT  
13 IT?

14 A. THAT IS WHAT I PUT ON THE PAPER IN JANUARY OF 1978 AS  
15 BEING THE RECOLLECTION OF THAT. OF COURSE, AT THAT POINT, IT  
16 WAS A VERY SHORT TIME.

17 Q. SURE. BUT RIGHT HERE TODAY ARE YOU TESTIFYING FROM  
18 YOUR OWN RECOLLECTION OR FROM THAT DOCUMENT YOU REVIEWED BEFORE  
19 YOUR TESTIMONY?

20 A. REFRESHED BY THIS, THAT IS MY RECOLLECTION.

21 Q. ISN'T IT TRUE THAT CONGRESSMAN HANSEN INDICATED TO YOU  
22 IN THAT CONVERSATION THAT HE THOUGHT MRS. HANSEN HAD ALREADY  
23 MADE THE INTEREST PAYMENT?

24 A. I DO NOT RECALL THE SPECIFICS OF MY CONVERSATION.

25 Q. AND ISN'T IT TRUE THAT THAT CONVERSATION WAS THE ONLY

1 SINGLE TIME THAT GEORGE HANSEN EVER CALLED YOU ABOUT THIS LOAN?

2 A. I BELIEVE THAT IS THE ONLY TIME HE CALLED ME DIRECT.

3 Q. IN THE COURSE OF YOUR BUSINESS OR PERHAPS EVEN  
4 PERSONAL DEALING, IS THAT UNUSUAL FOR A HUSBAND OR A WIFE TO  
5 CALL ABOUT ANOTHER SPOUSES OBLIGATION?

6 A. NO, I WOULD NOT THINK OF IT IS A BEING UNUSUAL.

7 Q. MR. HENRY, IF YOU COULD LOOK AT THE LEDGER SHEET,  
8 WHICH I BELIEVE IS GOVERNMENT EXHIBIT 25.

9 A. O. K..

10 Q. THAT, BASICALLY, SHOWS EVERYTHING THAT HAPPENED ON  
11 THIS LOAN, IS THAT CORRECT?

12 A. THAT IS CORRECT.

13 Q. AND THAT REFLECTS THAT THE FIRST INTEREST PAYMENT WAS  
14 MADE IN FEBRUARY OF 1978?

15 A. THAT IS CORRECT.

16 Q. SECOND INTEREST PAYMENT IN OCTOBER OF 1978?

17 A. YES.

18 Q. AND THEN A THIRD INTEREST PAYMENT ON JANUARY 10, 1979?

19 A. THAT IS CORRECT.

20 Q. AND THAT LAST DATE WAS WHEN THE NOTE WAS RENEWED?

21 A. YES, THAT IS WHEN THE RENEWAL WAS PROCESSED, BACK  
22 EFFECTIVE TO MAY OF 1978.

23 Q. MR. COLE ASKED YOU ON DIRECT IF THERE HAD BEEN AN  
24 INTEREST PAYMENT NEEDED, I GUESS, TO EFFECT THAT RENEWAL, TO  
25 BRING THE NOTE CURRENT TO THE TIME OF RENEWAL, AND YOU SAID

1 LOOKING AT THE LEDGER THAT THAT JANUARY 10, 1979, INTEREST  
2 PAYMENT WOULD BE THE ONE THAT DID THAT, IS THAT CORRECT?

3 A. I DON'T KNOW IF THAT SPECIFIC PAYMENT BROUGHT IT  
4 CURRENT OR IF IT WAS ALREADY CURRENT THROUGH THE END OF MAY  
5 BASED ON THE AMOUNT OF INTEREST THAT HAD PREVIOUSLY BEEN PAID.

6 Q. DO YOU KNOW WHO MADE THAT LAST PAYMENT ON JANUARY 10,  
7 1979?

8 A. NO, I DO NOT.

9 MR. BRAGA: YOUR HONOR, I WOULD LIKE TO HAVE THIS  
10 MARKED AS DEFENSE EXHIBIT NUMBER 9. I WILL GIVE A COPY TO THE  
11 GOVERNMENT.

12 SHOWING IT TO COUNSEL, YOUR HONOR.

13 THE DEPUTY CLERK: DEFENDANT'S EXHIBIT 9 MARKED FOR  
14 IDENTIFICATION.

15 (WHEREUPON, THE DOCUMENT REFERRED TO ABOVE WAS  
16 MARKED DEFENDANT'S EXHIBIT NO.9 FOR  
17 IDENTIFICATION.)

18 BY MR. BRAGA:

19 Q. MR. HENRY, IF YOU COULD LOOK AT THIS EXHIBIT, JUST THE  
20 BOTTOM HALF OF IT AND COMPARE IT WITH THE LEDGER SHEET AND SEE  
21 IF THAT ISN'T THE INTEREST CHECK REFLECTED ON THE LEDGER SHEET?

22 A. IT IS A CHECK IN THE SAME AMOUNT AS THE AMOUNT OF  
23 INTEREST THAT WAS CREDITED TO THE NOTE ON JANUARY 10, THE CHECK  
24 IS DATED JANUARY 4, 1979.

25 Q SO, IT MAY HAVE BEEN MAILED FROM WASHINGTON ON THAT

1 DATE?

2 A. YES.

3 Q. DID THIS CHECK IN FACT ARRIVE AT THE BANK THE SAME  
4 TIME AS THE RENEWAL LOAN APPLICATION DID?

5 A. I DON'T RECALL IF IT DID ARRIVE AT THE SAME TIME.

6 Q. BUT THE LEDGER SHEET REFLECTS THAT THE RENEWAL WAS  
7 EFFECTED ON JANUARY 10?

8 A. YES.

9 Q. SO, WHEN MR. COLE ASKED YOU ON DIRECT THE DATE THAT  
10 THE RENEWAL APRIL WAS STAMPED BY YOUR CREDIT DEPARTMENT, AND  
11 YOU SAID I BELIEVE IT WAS SOME DATE IN FEBRUARY -- YES,  
12 FEBRUARY 2ND, 1979. IF YOU LOOK AT --?

13 A. YES, I REMEMBER.

14 Q. GOVERNMENT EXHIBIT 18. THAT DATE THE FEBRUARY 2ND  
15 DATE IS IRRELEVANT, THE DATE IT WAS RECEIVED BY YOUR CREDIT  
16 DEPARTMENT; THAT IS AN INTERNAL DATE?

17 A. YES, THAT'S CORRECT.

18 Q. SO THE DATE THAT MATTERS HERE IS JANUARY 10, 1979?

19 A. YES.

20 Q. CAN YOU READ TO THE LADIES AND GENTLEMEN OF THE JURY  
21 THAT CHECK?

22 THE COURT: ARE YOU MOVING THAT INTO EVIDENCE?

23 MR. BRAGA: YES, WE WOULD LIKE TO MOVE THIS INTO  
24 EVIDENCE.

25 THE COURT: ANY OBJECTION?

1 MR. COLE: NO OBJECTION.

2 THE COURT: HAS COUNSEL SEEN THIS? ALL RIGHT, IT IS  
3 IN EVIDENCE. WOULD YOU LIKE TO READ IT?

4 THE WITNESS: JUST THE CHECK ITSELF?

5 BY MR. BRAGA:

6 Q. YES.

7 A. IT IS " PAY TO THE ORDER OF FIRST NATIONAL BANK OF  
8 DALLAS, DATED JANUARY 4, 1979. THE AMOUNT: ONE THOUSAND ONE  
9 HUNDRED AND TWENTY DOLLARS AND FOURTEEN CENTS SIGNED BY CONNIE  
10 S. HANSEN. CHECK NUMBER 141, DRAWN ON IDAHO STATE BANK

11 Q. CAN YOU READ THE MEMO PORTION OF THAT CHECK, TOO?

12 A. IT SAYS, " INTEREST TO 5/26/78."

13 Q. THANK YOU. WHEN THIS LOAN WAS RENEWED IN JANUARY OF  
14 1979, THAT WAS PRIMARILY YOUR WORK, GETTING THIS LOAN RENEWED,  
15 WASN'T IT?

16 IN OTHER WORDS, YOU FILLED OUT THE RENEWAL LOAN  
17 APPLICATION?

18 A. YES.

19 Q. DID YOU FILL OUT THE TOP PART OF THE RENEWAL NOTE?

20 A. YES, MY OFFICE WOULD HAVE COMPLETED THAT.

21 Q. SO, ALL THAT WAS LEFT ON THE RENEWABLE NOTE FOR CONNIE  
22 HANSEN WAS FOR HER TO SIGN IT AND SEND IT BACK?

23 A. YES, CORRECT.

24 Q. SO, WHEN THIS CHART SAYS THE NOTE WAS BACKDATED TO  
25 MAY 26, 1978, THAT WAS SOMETHING YOUR BANK DID, IS THAT CORRECT?

1       A.    THAT WAS THE ORIGINAL MATURITY DATE OF THE ORIGINAL  
2 NOTE.

3       Q.    THAT'S RIGHT.  THERE IS NOTHING IMPROPER WITH THAT  
4 DATE?

5       A.    NO.

6       Q.    THAT'S THE DATE THAT INTEREST STARTS TO RUN?

7       A.    IF THE INTEREST HAD BEEN PAID TO JANUARY 4TH, OR 10TH  
8 OR WHATEVER DATE, 1979, THEN THE NOTE COULD HAVE BEEN DATED  
9 JANUARY OF 1979.  BUT THE INTEREST WAS ONLY PAID THROUGH THE  
10 MAY 26, 1978, MATURITY.

11      Q.    SO, THAT IS WHY THE BANK PUT THAT DATE ON THE TOP?

12      A.    YES.

13      Q.    MR. HENRY, IN THE COURSE OF YOUR DEALINGS WITH THE  
14 HANSENS ON THIS LOAN, YOU TESTIFIED THAT CONGRESSMAN HANSEN  
15 CALLED YOU ONCE, IS THAT CORRECT?

16      A.    YES.

17      Q.    YOU MIGHT HAVE CALLED HIM ONCE OR TWICE, I BELIEVE YOU  
18 SAID, ON DIRECT?

19      A.    UH HUH.

20      Q.    AND DID YOU MAKE EFFORTS TO CONTACT CONNIE HANSEN  
21 PERIODICALLY THROUGHOUT THIS PERIOD, ALSO?

22      A.    AFTER CONGRESSMAN HANSEN MADE DIRECT CONTACT WITH ME,  
23 I BELIEVE THE ONLY CONTACT BY PHONE OR CONVERSATION I ATTEMPTED  
24 TO HAVE WAS WITH HIM.

25      Q.    AND YOU CALLED HIM BECAUSE HE CALLED YOU?

1 A. THAT IS CORRECT.

2 Q. IT WOULD BE FAIR TO SAY THAT YOU FELT HE WAS A GOOD  
3 PERSON TO CONTACT TO TRY TO GET SOME RESPONSE ON THIS LOAN?

4 A. THAT IS RIGHT. THE PREVIOUS INTEREST NOTICES THAT HAD  
5 GONE TO MRS. HANSEN HAD GONE UNANSWERED, IN EFFECT, SO, HE WAS  
6 THE FIRST ONE THAT MADE COMMUNICATION WITH US.

7 Q. IN FACT, MR. HENRY, YOUR BANK NEVER CHANGED ITS  
8 POSITION ON WHO WAS LIABLE ON THEIR LOAN BECAUSE OF THE FACT  
9 YOU TALKED TO CONGRESSMAN HANSEN ONCE OR TWICE, DID IT?

10 A. THE LOAN WAS TO CONNIE HANSEN.

11 MR. BRAGA: THE COURT'S INDULGENCE FOR A MINUTE, YOUR  
12 HONOR.

13 THE COURT: YES.

14 MR. BRAGA: NO FURTHER QUESTIONS YOUR HONOR.

15 THE COURT: ALL RIGHT. DO YOU HAVE ANY REDIRECT?

16 MR. COLE: VERY BRIEFLY, YOUR HONOR.

17 REDIRECT EXAMINATION

18 BY MR. COLE:

19 Q. IF I MAY LOOK AT THE EXHIBITS ONE MOMENT? MR. HENRY,  
20 YOU STATED THAT YOU CALLED CONGRESSMAN HANSEN, OR CONGRESSMAN  
21 HANSEN CALLED YOU ONLY ONE TIME, THAT IS CORRECT?

22 A. TO THE BEST OF MY RECOLLECTION THAT IS CORRECT.

23 Q. AND YOU CALLED HIM SEVERAL TIMES AFTER THAT?

24 A. YES.

25 Q. AND WHY DID YOU CALL HIM?

1       A.    BECAUSE HE HAD MADE COMMUNICATION WITH THE BANK ABOUT  
2   THE LOAN.  OBVIOUSLY, AT THAT POINT, WE WERE HAPPY TO RECEIVE  
3   PAYMENT FROM ANYONE, SO --

4       Q.    MR. BRAGA JUST RECENTLY ASKED YOU INSOFAR AS WHO WOULD  
5   BE LIABLE ON THE LOAN SO FAR AS YOUR BANK WAS CONCERNED, AND I  
6   THINK YOU SAID CONNIE HANSEN.  SO FAR AS YOUR BANK WAS  
7   CONCERNED, WHO WERE YOU GOING TO GET PAYMENT FROM ON THE LOAN?

8       A.    THE NOTE WAS BASED INITIALLY ON THE CREDIT OF MR. HUNT,  
9   AND WE WERE FROM THE OUTSET LOOKING TO HIM SHOULD MRS. HANSEN  
10  FAIL TO MAKE PAYMENT.

11      Q.    DIRECTING YOUR ATTENTION AGAIN TO THAT JANUARY FOURTH  
12  MEMO, I BELIEVE THAT IS GOVERNMENT'S EXHIBIT?

13      A.    17.

14      Q.    17.  DIRECT YOUR ATTENTION TO THE LAST PARAGRAPH, THE  
15  SECOND TO THE LAST SENTENCE.  WOULD YOU READ THAT SECOND TO THE  
16  LAST SENTENCE FOR THE JURY?

17      A.    "I HAVE AGREED TO DO NOTHING UNTIL JANUARY 31, AT  
18  WHICH TIME GOODSON HAS SAID HE WILL GET BUNKER TO EITHER PAY  
19  INTEREST AND/OR THE NOTE.  IN VIEW OF BUNKER'S GUARANTEE, I DO  
20  NOT BELIEVE THE LOAN SHOULD BE PLACED ON NONACCRUAL OR CHARGED  
21  OFF."

22      Q.    MR. HENRY, THAT CHECK THAT CONNIE HANSEN PAID THAT  
23  INTEREST IN JANUARY, I WOULD LIKE YOU TO LOOK AT THAT AGAIN.  
24  WHAT KIND OF AN ACCOUNT IS INDICATED ON THAT CHECK THAT IT  
25  COMES FROM?



1           A.    IT IS A JOINT ACCOUNT.  HONORBLE GEORGE V. HANSEN AND  
2   CONNIE S. HANSEN.

3           Q.    THAT'S A JOINT ACCOUNT IN 1979?

4           A.    CORRECT.

5           Q.    ONE LAST QUESTION, MR. HENRY, IN ALL THE CONTACTS YOU  
6   HAD WITH CONGRESSMAN HANSEN CONCERNING THIS LOAN DID HE EVER  
7   SAY TO YOU IT WASN'T HIS LOAN, IT WAS HIS WIFE'S?

8           A.    NOT TO MY RECOLLECTION.

9           Q.    DID HE EVER AT ANY TIME MENTION TO YOU A PROPERTY  
10   SEPARATION AGREEMENT BETWEEN HE AND HIS WIFE?

11          A.    NO.

12          Q.    DID HE EVER AT ANY TIME MENTION THAT HE AND HIS WIFE  
13   HAD SEPARATEED THEIR PROPERTY AND HE WAS NOT LIABLE FOR HER  
14   DEBTS?

15          A.    NO, HE DID NOT.

16               MR. COLE:  THANK YOU VERY MUCH, MR. HENRY.

17               THE COURT:  ANYTHING FURTHER?

18               MR. BRAGA: NO, YOUR HONOR.

19               THE COURT:  MR. HENRY, YOU ARE EXCUSED.  WE ASK THAT  
20   YOU STEP DOWN CAREFULLY, AND WE ASK THAT YOU NOT DISCUSS YOUR  
21   TESTIMONY WITH ANY OTHER PERSON UNTIL THE TRIAL IS CONCLUDED.  
22   I BELIEVE THERE ARE EXHIBITS UP HERE.  RETRIEVE THEM BEFORE THE  
23   NEXT WITNESS, AND LET'S CALL THE NEXT WITNESS.

24               MR. COLE:  THE GOVERNMENT WOULD CALL MIKE MARENICK.

25               MR. LEWIN:  I WOULD APPRECIATE IT IF THIS CHART COULD

1 BE MOVED.

2 THE COURT: YOU MAY MOVE IT BACK.

3 MR. LEWIN: THERE ARE SOME CHARTS OVER THERE, BECAUSE  
4 IT CUTS OFF MY VIEW.

5 THE COURT: DO TELL US IF WE CUT YOUR VIEW OFF. WE  
6 CERTAINLY DON'T WANT TO DO SO. IS YOUR VIEW CUT-OFF NOW?

7 MR. LEWIN: NO, YOUR HONOR.

8 THE COURT: I TAKE IT WE DON'T HAVE A STIPULATION?

9 MR. COLE: NO, WE DO NOT, YOUR HONOR.

10 THE COURT: VERY WELL. COME AROUND HERE, PLEASE.  
11 THE OATH WILL BE ADMINISTERED.

12 WHEREUPON,

13 MICHAEL MARENICK

14 WITNESS CALLED BY THE GOVERNMENT, HAVING BEEN DULY SWORN  
15 ACCORDING TO LAW, WAS EXAMINED AND TESTIFIED AS FOLLOWS.

16 THE COURT: GOOD AFTERNOON, MR. MARENICK.

17 BY MR. COLE:

18 Q. MR. MARCH WOULD YOU PLEASE STATE YOUR FULL NAME AND  
19 SPELL YOUR LAST NAME?

20 A. MICHAEL A. MARENICK, (SPELLING) M A R E N I C K.

21 Q. SORRY FOR THE MISPRONUNCIATION. MR. MARENICK, WHERE  
22 DO YOU WORK?

23 A. I WORK FOR THE FIRST AMERICAN BANK OF VIRGINIA.

24 Q. HOW LONG HAVE YOU WORKED THERE?

25 A. WITH THE BANK WHICH IS A NEW ONE, SIX YEARS. I HAVE

1 BEEN WITH THE ASSOCIATED BANKS FOR 16.

2 Q. DID THE FIRST AMERICAN BANK EVER HAVE ANOTHER NAME?

3 A. IT DID.

4 Q. AND WAS WHAT WAS THAT NAME?

5 A. THERE WERE A COMBINATION OF 3 NAMES: ARLINGTON TRUST  
6 BANK AND TRUST COMPANY, AND ALEXANDRIA NATIONAL BANK OF  
7 VIRGINIA.

8 Q. WHAT ARE YOUR DUTIES AT THE PRESENT TIME AND YOUR  
9 POSITION WITH THE BANK?

10 A. I AM ASSISTANT VICE PRESIDENT, AND KEEPER OF THE  
11 RECORDS DESIGNATE.

12 Q. IN THAT CAPACITY, YOU ARE HERE TO TESTIFY ON BEHALF OF  
13 A SUBPOENA TO THE BANK?

14 A. I AM.

15 Q. MR. MARENICK, I WOULD LIKE TO SHOW YOU WHAT HAS BEEN  
16 MARKED GOVERNMENT EXHIBIT 27-A.

17 MR. LEWIN: CAN I SEE IT? TO CLARIFY, YOUR HONOR,  
18 ALTHOUGH WE HAVE GOTTEN THESE RECORDS, WE DID NOT HAVE COPIES  
19 OF THE PREMARKED EXHIBITS.

20 THE COURT: YOU HAVE THE RECORDS; YOU JUST DON'T HAVE  
21 THEM WITH THE MARKINGS ON?

22 MR. LEWIN: WE DON'T KNOW WHICH EXHIBITS THEY ARE.

23 THE COURT: WE UNDERSTAND.

24 MR. COLE: I'LL SHOW THEM TO COUNSEL, YOUR HONOR.

25 THE COURT: VERY GOOD.

1 BY MR. COLE:

2 Q. MR. MARENICK, I SHOW YOU 27-A, WOULD YOU TELL US WHAT  
3 THAT IS?

4 A. THAT IS THE SIGNATURE ACCOUNT CARD.

5 Q. AND IS THAT FROM YOUR BANK?

6 A. IT IS.

7 Q. AND WHAT ACCOUNT DOES IT RELATE TO?

8 A. THE HONORABLE GEORGE V. HANSEN OR CONNIE S. HANSEN.

9 Q. AND IS THAT A RECORD KEPT BY YOUR BANK IN THE NORMAL  
10 COURSE OF BUSINESS?

11 A. IT IS.

12 MR. COLE: YOUR HONOR, I WOULD MOVE 27-A INTO EVIDENCE.

13 MR. LEWIN: NO OBJECTION.

14 THE COURT: IT IS IN EVIDENCE WITHOUT OBJECTION.

15 (WHEREUPON, GOVERNMENT'S EXHIBIT 27-A WAS  
16 RECEIVED INTO EVIDENCE.)

17 BY MR. COLE:

18 Q. MR. MARENICK, WHEN WAS THAT ACCOUNT OPENED?

19 A. IT WAS OPENED 11/28/75.

20 Q. WHAT KIND OF ACCOUNT IS IT; IS IT JOINT, SINGLE; WHAT  
21 KIND OF ACCOUNT IS IT?

22 A. IT IS A JOINT CHECKING ACCOUNT.

23 Q TO YOUR KNOWLEDGE AND FROM YOUR REVIEW OF THE RECORDS  
24 OF YOUR BANK HAS THAT STATUS EVER CHANGED IN THE HISTORY OF THE  
25 ACCOUNT, IT BEING A JOINT ACCOUNT?

1 A. NEVER TO THE BEST OF MY KNOWLEDGE.

2 Q. IS THAT ACCOUNT STILL ACTIVE TODAY?

3 A. IT IS.

4 Q. AND IT IS A JOINT ACCOUNT OF GEORGE AND CONNIE HANSEN?

5 A. RIGHT.

6 Q. I WOULD NOW LIKE TO SHOW YOU WHAT HAS BEEN MARKED 27-B.  
7 I FIRST SHOW IT TO COUNSEL. COULD YOU TELL THE JURY, MR.  
8 MARENICK, WHAT 27-B IS?

9 A. IT IS A SUMMARY OF CHECKING ACCOUNT IN THE NAME OF  
10 HONORABLE GEORGE V. HANSEN AND CONNIE S. HANSEN.

11 Q. AND WHAT PERIOD OF TIME DOES THAT COVER?

12 A. THIS IS FOR THE MONTH OF 6-11-77 WHICH COVERS MAY AND  
13 JUNE OF 1977.

14 Q. THIS IS ALSO A RECORD KEPT IN THE NORMAL COURSE OF  
15 BUSINESS OF YOUR BANK?

16 A. IT IS.

17 MR. COLE: YOUR HONOR, I WOULD MOVE IT INTO EVIDENCE  
18 AT THIS TIME.

19 THE COURT: NO OBJECTION?

20 MR. LEWIN: NO OBJECTION.

21 THE COURT: IN EVIDENCE.

22 (WHEREUPON, GOVERNMENT'S EXHIBIT 27-B WAS  
23 RECEIVED INTO EVIDENCE.)

24 BY MR. COLE:

25 Q. MR. MARENICK, IS THERE REFLECTED IN THAT STATEMENT A

1 DEPOSIT ON THE 28TH OF MAY OF THAT YEAR?

2 A. YES.

3 Q. AND COULD YOU TELL THE JURY HOW MUCH THAT DEPOSIT IS  
4 FOR?

5 A. IT IS FOR 44 THOUSAND FIVE HUNDRED DOLLARS.

6 MR. COLE: YOUR HONOR, I AM NOW SHOWING 27-C TO  
7 COUNSEL.

8 BY MR. COLE:

9 Q. MR. MARENICK, I AM NOW HANDING YOU 27-C. COULD YOU  
10 TELL THE JURY WHAT 27-C IS?

11 A. IT IS A COPY OF THE DEPOSIT TICKET IN THE NAME OF  
12 HONORABLE GEORGE V. HANSEN AND MRS. CONNIE S. HANSEN, AND ALSO  
13 A COPY OF A CHECK DRAWN ON FIRST NATIONAL BANK OF DALLAS; IT'S  
14 A CASHIER'S CHECK.

15 Q. ARE THESE ALSO KEPT IN THE NORMAL COURSE OF BUSINESS  
16 OF YOUR BANK?

17 A. THEY ARE.

18 MR. COLE: YOUR HONOR, I WOULD MOVE 27-C INTO EVIDENCE.

19 MR. LEWIN: NO OBJECTION.

20 THE COURT: IN EVIDENCE.

21 (WHEREUPON, GOVERNMENT'S EXHIBIT 27-C  
22 WAS RECEIVED INTO EVIDENCE.)

23 BY MR. COLE:

24 Q. MR. MARENICK, WOULD YOU TELL THE JURY THE DATE UPON  
25 WHICH THAT DEPOSIT WAS MADE?

1 A. IT WAS MADE ON MAY 28, 1977.

2 Q. HOW MUCH IS THE CASHIER'S CHECK FOR?

3 A. IT IS FOR 50 THOUSAND DOLLARS.

4 Q IS THERE ANY INDICATION ON THE DEPOSIT SLIP THAT THERE  
5 WAS ANY CASH WITHDRAWN?

6 A. YES, IT IS WHAT IS KNOWN AS A SPLIT DEPOSIT. THE  
7 AMOUNT OF DEPOSIT; IT IS 50 THOUSAND DOLLARS, THAT IS, CASH OUT  
8 OF THE 50, FIVE HUNDRED DOLLARS, FOR A TOTAL DEPOSIT OF 44  
9 THOUSAND FIVE HUNDRED DOLLARS.

10 Q. WHEN THERE IS CASH OUT LIKE THAT, MR. MARENICK, WHAT  
11 HAPPENS TO THE CASH, DOES THAT GO TO THE CUSTOMER?

12 A. YES.

13 MR. COLE: YOUR HONOR, I AM NOW SHOWING COUNSEL,  
14 EXHIBIT 27-E.

15 BY MR. COLE:.

16 Q. MR. MARENICK, I AM NOT SURE I HEARD YOU. HOW MUCH WAS  
17 THAT CASHIER'S CHECK FOR DEPOSIT?

18 A. 50 THOUSAND DOLLARS.

19 Q. I'LL NOW SHOW YOU GOVERNMENT EXHIBIT 27-E, MADE UP OF  
20 SEVERAL ITEMS. ARE ALL OF THOSE ITEMS THAT YOU SEE THERE KEPT  
21 IN THE NORMAL COURSE OF BUSINESS IN YOUR BANK?

22 A. THEY ARE.

23 Q. AND DO THEY RELATE TO THE ACCOUNT WE ARE SPEAKING OF?

24 A. THEY DO.

25 Q. WOULD YOU BRIEFLY DESCRIBE WHAT THEY ARE?

1       A.    IT IS DEPOSIT TICKET IN THE AMOUNT OF 61 HUNDRED 65  
2 DOLLARS AND 50 CENTS COMPOSED OF TWO CHECKS, ONE FOR 40 DOLLARS  
3 AND 50 CENTS.

4               THIS ONE HERE IS FOR 40 THOUSAND DOLLARS.

5       Q.    NO, THAT I BELIEVE IS A DIFFERENT ITEM FROM THE  
6 DEPOSIT TICKET. IF YOU LOOK BEHIND THE DEPOSIT TICKET AS WELL,  
7 I THINK THERE IS ANOTHER ITEM.

8       A.    YES, THERE IS A CHECK HERE FOR 61, SIX THOUSAND ONE  
9 HUNDRED AND 25 DOLLARS. SORRY ABOUT THAT.

10       Q.    AND THAT CHECK FOR SIXTY-ONE TWENTY-FIVE IS PART OF  
11 THE DEPOSIT?

12       A.    IT IS.

13       Q.    NOW, THERE IS ANOTHER CHECK WITH 27-E. IS THAT A CHECK  
14 GOING OUT OF YOUR BANK?

15       A.    YES.

16       Q.    AND THAT IS FOR HOW MUCH?

17       A.    40 THOUSAND DOLLARS.

18               MR. COLE: YOUR HONOR, I WOULD MOVE 27-E, INTO  
19 EVIDENCE AT THIS TIME.

20               MR. LEWIN: I JUST ASK THE WITNESS A QUESTION. WHAT  
21 IS THAT YELLOW LITTLE SLIP OF PAPER?

22               THE WITNESS: IT IS INDICATION FROM OUR RESEARCH  
23 DEPARTMENT THAT CHECK FOR 40 DOLLARS AND 57 CENTS DRAWN ON  
24 UNION TRUST COMPANY OF D C WAS NOT AVAILABLE BECAUSE THE FILM  
25 WAS BROKEN AND LOST.



1 MR. LEWIN: AND HOW DO YOU KNOW IT WAS DRAWN ON THE  
2 UNION TRUST OF D C?

3 THE WITNESS: FROM RECORDS INVOLVED IN THE RESEARCH.  
4 WE WERE ABLE TO ASCERTAIN IT BUT WE WERE NOT ABLE TO PHOTOGRAPH  
5 THE ACTUAL ITEM.

6 MR. LEWIN: SO, THAT DOCUMENT, ITSELF, IS NOT PART OF  
7 THE BANK'S RECORDS?

8 THE WITNESS: IT IS JUST A PENCIL NOTATION.

9 THE COURT: NO OBJECTION?

10 MR. LEWIN: NO OBJECTION. I JUST WANT THE RECORD TO  
11 BE CLEAR THAT IT IS NOT A BANK RECORD.

12 THE COURT: THANK YOU. IS IN EVIDENCE.

13 (WHEREUPON, GOVERNMENT'S EXHIBIT NO. 27-E  
14 WAS RECEIVED INTO EVIDENCE.)

15 BY MR. COLE:

16 Q. MR. MARENICK, WOULD YOU TELL US WHO THE 40 THOUSAND  
17 DOLLARS CHECK IS TO?

18 A. IT IS PAYABLE TO MITCHELL HUTCHINS, INCORPORATED.

19 Q. AND WHO SIGNED THE CHECK

20 A. CONNIE S. HANSEN.

21 Q. AND THE 61 HUNDRED AND SOME ODD DOLLAR CHECK THAT WAS  
22 DEPOSITED, WHERE IS THAT FROM?

23 A. THAT IS FROM MITCHELL HUTCHINS, INCORPORATED.

24 Q. AND WHO IS IT TO?

25 A. CONNIE S. HANSEN.

1 Q. AND THE DATE OF THE CHECK FROM MITCHELL HUTCHINS?

2 A. FIVE, 31, 77.

3 Q. AND THE DATE OF THE DEPOSIT, SIR?

4 A. 6, 3, 77.

5 Q. AND THE DATE OF THE CHECK FROM MRS. HANSEN TO MITCHELL  
6 HUTCHINS?

7 A. MAY 27, 1977.

8 MR. COLE: YOUR HONOR, I AM NOW SHOWING EXHIBIT  
9 27-D TO COUNSEL.

10 MR. LEWIN: YOUR HONOR, I HATE TO DO THIS BUT WE WERE  
11 NOT TOLD IN ADVANCE WHICH EXHIBITS WERE TO BE USED OUT OF THIS  
12 ENTIRE SELECTION IN TERMS OF THE EXAMINATION OF THIS WITNESS.  
13 I WOULD LIKE TO BE ABLE TO CORRELATE THIS WITH THIS STACK OF  
14 CHECKS I HAVE HERE.

15 THE COURT: GO AHEAD. WE ARE SITTING HERE PATIENTLY.  
16 GO AHEAD.

17 MR. LEWIN: YOUR HONOR IN THE INTEREST OF SAVING THE  
18 COURT'S TIME, I'LL ACCEPT THE GOVERNMENT'S REPRESENTATION.  
19 THEY TELL ME THAT ALL OF THESE CHECKS THAT THEY ARE NOW SHOWING  
20 ME WERE IN THAT COLLECTION OF CHECKS THAT THEY GAVE ME COPIES  
21 OF.

22 THE COURT: MR. COLE?

23 MR. COLE: ABSOLUTELY, YOUR HONOR. THEY WERE PART OF  
24 THE PRODUCTION.

25 THE COURT: THANK YOU.

1 BY MR. COLE:

2 Q. MR. MARENICK, I SHOW A GROUP OF CHECKS WHICH HAVE BEEN  
3 MARKED EXHIBIT 27-D, AND ASK YOU IF YOU WOULD QUICKLY LOOK  
4 THROUGH THOSE; AND TELL ME WHETHER OR NOT THOSE WERE CHECKS  
5 WRITTEN ON YOUR BANK, AND ARE RECORDS KEPT IN THE COURSE OF  
6 YOUR BANK'S BUSINESS?

7 A. THEY ARE.

8 MR. COLE: YOUR HONOR, I WOULD MOVE THEM INTO EVIDENCE  
9 AT THIS TIME.

10 THE COURT: WITHOUT OBJECTION?

11 MR. LEWIN: I HAVE NO OBJECTION. I WONDER WHETHER THE  
12 GOVERNMENT HAS IN THAT FORM THE REMAINING --

13 THE COURT: THANK YOU, MR. LEWIN. YOU WANT TO  
14 APPROACH THE BENCH ON SOME OTHER MATTER?

15 MR. LEWIN: YES.

16 AT THE BENCH:

17 THE COURT: I ASSUME IT IS A MINISTERIAL THING.

18 MR. COLE: WE DO HAVE ALL OF THE OTHER CHECKS HERE AND  
19 THEY ARE AVAILABLE.

20 THE COURT: AND THERE ARE TWO OTHER COUNSEL AT THE  
21 TABLE, PERHAPS, THEY COULD DO SOME LOGGING TO SAVE TIME. I  
22 APPRECIATE MR. LEWIN'S SITUATION AND APPRECIATE THE COUNSEL  
23 HAVING COPIES HERE, AND PERHAPS YOU CAN GO AHEAD WITH MR.  
24 CAMPBELL AND MR. BRAGA DOING IT.

25 IN OPEN COURT:

1 MR. COLE: YOUR HONOR, AT THIS TIME, THE GOVERNMENT  
2 MOVES 27-D INTO EVIDENCE.

3 THE COURT: I TAKE IT THAT IS WITHOUT OBJECTION?

4 MR. LEWIN: NO OBJECTION.

5 THE COURT: IN EVIDENCE.

6 (WHEREUPON, GOVERNMENT'S EXHIBIT NO.27-D  
7 WAS RECEIVED INTO EVIDENCE.)

8 BY MR. COLE:

9 Q. MR. MARENICK, WOULD YOU PLEASE READ FOR THE JURY THE  
10 DATES OF THOSE CHECKS, THE AMOUNTS, WHO THEY ARE MADE OUT TO,  
11 AND WHO SIGNED THEM?

12 A. I HAVE A CHECK DATED APRIL 1, 1977, IN THE AMOUNT OF  
13 98 HUNDRED DOLLARS, PAYABLE TO GEORGE HANSEN, AND SIGNED, G. V.  
14 HANSEN.

15 ANOTHER CHECK DATED MAY THIRD, IN THE AMOUNT OF 95  
16 HUNDRED DOLLARS, PAYABLE TO GEORGE HANSEN, AND SIGNED, G. V.  
17 HANSEN.

18 I HAVE A CHECK DATED 5, 30, 77 IN THE AMOUNT OF 70  
19 DOLLARS AND 42 CENTS, PAYABLE TO AVIS, SIGNED, G. V. HANSEN.

20 I HAVE A CHECK DATED JUNE 22, 1977, IN THE AMOUNT OF 4  
21 THOUSAND DOLLARS, PAYABLE TO GEORGE HANSEN, SIGNED, G. V.  
22 HANSEN.

23 I HAVE A CHECK DATED JUNE 3, 1977. MADE OUT TO BOYCE  
24 & LEWIS, INCORPORATED, IN THE AMOUNT OF \$136.00. SIGNED,  
25 G. V. HANSEN.

1 CHECK DATED MAY 31, 1977, IN THE AMOUNT OF 35 HUNDRED  
2 DOLLARS, PAYABLE TO GEORGE HANSEN, SIGNED, G. V. HANSEN.

3 CHECK DATED APRIL 29, 1977, IN THE AMOUNT OF 96  
4 HUNDRED DOLLARS, PAYABLE TO GEORGE HANSEN, SIGNED G. V. HANSEN.

5 CHECK DATED 6, 11, 77, IN THE AMOUNT OF TWO HUNDRED  
6 DOLLARS PAYABLE TO CASH, SIGNED, G. V. HANSEN.

7 AND A CHECK DATED JUNE 4, 1977, IN THE AMOUNT OF 15  
8 DOLLARS AND 36 CENTS, PAYABLE TO WHAT APPEARS TO BE HIGH HAT  
9 CLEANERS, AND SIGNED, CONNIE S. HANSEN.

10 MR. COLE: THANK YOU, MR. MARENICK. NO FURTHER  
11 QUESTIONS AT THIS TIME, YOUR HONOR.

12 THE COURT: CROSS-EXAMINATION.

13 CROSS-EXAMINATION

14 BY MR. LEWIN:

15 Q. I AM SORRY. IT IS MR. MARENICK?

16 A. MARENICK.

17 Q. THE CHECKS THAT YOU HAVE JUST READ. I MISSED THE ONE  
18 OF JUNE 3RD, 1977. WHAT WAS THAT? DO YOU REMEMBER IT? DO YOU  
19 HAVE THAT BEFORE YOU?

20 A. YES, IT IS DATED 3, JUNE, 1977.

21 Q. YES, AND WHAT IS IT?

22 A. IT IS PAYABLE TO BOYCE-LEWIS, INCORPORATED, AND THE  
23 AMOUNTS A HUNDRED AND 36 DOLLARS.

24 Q. ALL RIGHT. MR. COLE SPECIFICALLY DIRECTED YOUR  
25 ATTENTION ON THAT PRIOR EXHIBIT, WHICH WAS THE BANK STATEMENT

1 TO THE DATE OF MAY 28, 1977, WHEN THE DEPOSIT WAS MADE OF 44  
2 THOUSAND FIVE HUNDRED DOLLARS, DO YOU RECALL THAT?

3 A. THAT IS CORRECT.

4 Q. AND TO THE CHECK IN THAT AMOUNT, THE CASHIER'S CHECK  
5 IN THAT AMOUNT?

6 A. YES.

7 Q. IF YOU WILL SEGREGATE OUT FROM THE CHECKS YOU HAVE  
8 BEFORE YOU ONLY THE CHECKS THAT ARE AFTER MAY 28, 1977?

9 A. THE CHECKS AFTER MAY 28?

10 Q. ONLY AFTER MAY 28, 1977, YES, PLEASE. YOU HAVE  
11 ELIMINATED FROM YOUR STACK THEN, 3 CHECKS, IS THAT CORRECT? IF  
12 YOU HAVE TAKEN ONLY THOSE AFTER MAY 28, 1977. YOU HAVE  
13 ELIMINATED. YOU HAVE PUT ASIDE 3 CHECKS, I THINK. WE ARE  
14 TALKING ABOUT AFTER MAY 28, 1977.

15 MR. COLE: I DON'T THINK THE WITNESS IS SURE WHICH  
16 QUESTION HE IS BEING ASKED. WHICH PILE IS AFTER MAY 28, I  
17 THINK IS UNCLEAR AT THIS TIME.

18 THE COURT: ALL RIGHT. IF YOU COULD MAKE IT A LITTLE  
19 CLEARER.

20 MR. LEWIN: ALL RIGHT.

21 BY MR. LEWIN:

22 Q. WE HAVE A TOTAL OF 1,2,3,4,5,6,7,8,9 CHECKS ALTOGETHER,  
23 IS THAT RIGHT, THAT THE GOVERNMENT GAVE YOU?

24 A. RIGHT. SIX AND 3.

25 Q. IF YOU TAKE ONLY THE CHECKS AFTER MAY 28, 1977, YOU

1 HAVE ELIMINATED 3 OF THOSE NINE, IS THAT RIGHT? THERE WERE 3  
2 CHECKS PRIOR TO MAY 28, 1977?

3 A. THAT IS CORRECT.

4 Q. ALL RIGHT. THAT IS ALL I WANTED. THOSE 3 CHECKS ARE  
5 IN FACT THE LARGEST CHECKS IN THAT BUNCH, THE CHECK OF APRIL 1,  
6 FOR 9 THOUSAND 8 HUNDRED DOLLARS, IS THAT CORRECT?

7 A. THAT IS CORRECT.

8 Q. THE CHECK FOR 9 THOUSAND FIVE HUNDRED DOLLARS AS OF  
9 MAY THIRD?

10 A. THAT IS CORRECT.

11 Q. AND THE CHECK OF 9 THOUSAND 6 HUNDRED DOLLARS AS OF  
12 APRIL 27, 1977?

13 A. THAT IS CORRECT.

14 Q. ALL RIGHT. SO THAT IF ONE WERE TO SAY WHAT CHECKS  
15 WERE DRAWN AGAINST MONIES THAT WERE DEPOSITED ON MAY 28, 1977,  
16 IT IS FAIR TO SAY THAT THOSE 3 CHECKS WERE NOT DRAWN AGAINST  
17 THE MAY 28, 1977, DEPOSIT, IS THAT CORRECT?

18 A. THAT IS CORRECT.

19 Q. AND WHAT IS LEFT ADDS UP TO APPROXIMATELY UNDER 8  
20 THOUSAND DOLLARS, ISN'T THAT RIGHT? THERE IS A CHECK FOR MAY  
21 OF 1977, FOR 35 HUNDRED DOLLARS, AND A CHECK IN JUNE OF '77 FOR  
22 FOUR THOUSAND DOLLARS?

23 A. THAT IS CORRECT.

24 Q. ALL RIGHT. THANK YOU. LET ME PLACE BEFORE YOU, SIR.  
25 MAYBE YOU BETTER SPELL YOUR NAME?

1 A. I SPELL IT M A R E N I C K.

2 Q. THANK YOU, MR. MARENICK, I AM SORRY. LET ME PLACE  
3 BEFORE YOU 3 OTHER DOCUMENTS FROM THIS FILE WHICH THE  
4 GOVERNMENT DID NOT SHOW YOU OR HAVE YOU IDENTIFY, AND ASK YOU  
5 WHETHER -- I AM SORRY. LET ME MARK THEM.

6 MR. COLE: MAY I SEE WHICH ONES THEY ARE?

7 THE COURT: OF COURSE. DEFENDANT'S NO. 10?

8 BY MR. LEWIN.

9 Q. BEFORE I SHOW YOU THOSE, LET ME SHOW YOU OTHER  
10 DOCUMENTS BESIDES THOSE 3. WELL, LET ME JUST MAKE A STACK OF  
11 THESE. LET ME JUST MAKE IT A COLLECTIVE EXHIBIT.

12 MR. LEWIN: 43 CHECKS.

13 THE COURT: ARE THESE TO BE MARKED DEFENDANT'S EXHIBIT  
14 NUMBER 10?

15 MR. LEWIN: YES. MAKE IT 42 CHECKS.

16 THE DEPUTY CLERK: DEFENDANT'S EXHIBIT NO. 10 MARKED  
17 FOR IDENTIFICATION.

18 (WHEREUPON, THE 42 CHECKS WERE MARKED  
19 DEFENDANT'S EXHIBIT NO. 10 FOR  
20 IDENTIFICATION.)

21 MR. COLE: YOUR HONOR, MAY WE KNOW WHAT IT IS THAT HE  
22 SHOWED THE WITNESS RIGHT NOW?

23 THE COURT: SURELY.

24 BY MR. LEWIN.

25 Q. I SHOW YOU WHAT HAS BEEN MARKED AS DEFENDANT'S



1 COLLECTIVE EXHIBIT NUMBER 10.

2 THE COURT: IS THERE A QUESTION BEFORE THE WITNESS?

3 MR. LEWIN: YES. THE WITNESS IS LOOKING AT THEM, I  
4 THINK.

5 THE COURT: PERHAPS IF YOU ASKED THE QUESTION, HE  
6 WOULD KNOW WHAT HE IS LOOKING FOR.

7 BY MR. LEWIN.

8 Q. WELL, ARE THESE ALL CHECKS, RECORDS, PHOTOSTATS OF THE  
9 CHECKS DRAWN ON YOUR BANK, AND ON THAT SAME ACCOUNT?

10 A. THEY ARE.

11 Q. AND THEY ARE, ARE THEY NOT, ALL CHECKS SIGNED BY  
12 CONNIE S. HANSEN?

13 A. TO THE BEST OF MY REVIEW, THEY ARE.

14 Q. AND DURING THE SAME PERIOD OF TIME COVERED BY THAT  
15 BANK STATEMENT?

16 A. THEY GO BEYOND THE STATEMENT CUT-OFF.

17 Q. THEY GO BEYOND? HOW MANY OF THEM GO BEYOND THE  
18 STATEMENT CUT-OFF?

19 THE COURT: WOULD COUNSEL HAVE ANY OBJECTION IF THE  
20 WITNESS CONTINUES COUNTING WHILE WE HAVE A CONFERENCE AT THE  
21 BENCH? YOU WOULDN'T MIND TAKING THOSE MATTERS DOWN THERE WITH  
22 YOU, WOULD YOU, SIR?

23 AT THE BENCH:

24 MR. COLE: IF MR. LEWIN WANT TO INTRODUCE ALL OF THE  
25 ITEMS COVERED IN THE STATEMENT WE INTRODUCED, WE HAVE TO OBJECT

1 TO THAT. PERHAPS HE CAN DO THAT AND PERHAPS WE CAN SAVE TIME  
2 BY JUST AGREEING THAT CAN BE DONE AND CLEARING THE MATTER AT  
3 ANOTHER TIME.

4 THE COURT: BUT EVEN SO, THE WITNESS SAYS THAT THERE  
5 ARE SOME BEYOND THE STATEMENT DATE. IF THOSE WERE REMOVED,  
6 WOULD THAT BE AGREEABLE?

7 MR. LEWIN: YES. I THINK THE WITNESS IS COUNTING THEM  
8 UP NOW. I JUST TOOK THE STACK THE GOVERNMENT GAVE ME.

9 THE COURT: THE QUESTION IS: IF THE WITNESS DELETES  
10 THOSE MATTERS THAT ARE NOT WITHIN THE STATEMENT PERIOD OF TIME  
11 WOULD YOU HAVE ANY OBJECTION TO THE ENTIRETY OF THE OTHERS  
12 COMING INTO EVIDENCE?

13 MR. LEWIN: I DON'T KNOW. I WOULD LIKE TO SEE WHAT  
14 HAPPENS WHEN HE SEGREGATES THEM OUT. I AM NOT SURE I AM  
15 OFFERING THEM IN EVIDENCE. THE POINT OF THE EXAMINATION, YOUR  
16 HONOR, SIMPLY IS THE GOVERNMENT PRODUCED ESSENTIALLY 6 CHECKS  
17 OF WHICH FIVE WERE -- THE GOVERNMENT PRODUCED NINE CHECKS.  
18 BUT 3 WERE CLEARLY BEFORE THE DEPOSIT. AND THE ONES FOR THAT  
19 PERIOD --

20 THE COURT: EXCUSE ME. THE DEPOSIT WAS WHAT DATE?  
21 WE HAVE ONE MAY 30, ONE ON THE THIRD, ONE ELEVENTH AND ONE JUNE  
22 FOURTH. WE HAVE FOUR CHECKS, DO WE NOT? MAY HAVE TAKEN DOWN  
23 THE WRONG DATES.

24 MR. LEWIN: I THOUGHT WE HAD SIX.

25 THE COURT: I THOUGHT THEY WERE FOUR AND FIVE.

1 MR. LEWIN: ALL RIGHT. THE POINT JUST IS THAT THERE  
2 ARE A NUMBER OF CHECKS THAT WERE SIGNED BY MRS. HANSEN, AND  
3 THAT IS THE POINT THAT I AM TRYING TO GET THIS ONTO THE RECORD  
4 SO I DON'T NEED THE CHECKS.

5 THE COURT: I THINK WE ALL UNDERSTAND THE POINT. DO  
6 YOU HAVE OBJECTION IF THIS WITNESS CONFINES IT TO THE SAME  
7 STATEMENT PERIOD THAT HAS BEEN UNDER DISCUSSION FOR WHICH WE  
8 HAVE EXHIBITS IN EVIDENCE AND THE ENTIRETY OF THEM COME IN  
9 EVIDENCE?

10 MR. LEWIN: I AM NOT SUGGESTING THAT I OFFER THEM IN  
11 EVIDENCE. I JUST WANT THE NUMBER.

12 THE COURT: LET'S SEE IF HE CAN GET THE NUMBER AND  
13 MOVE ALONG. WE JUST WANT TO EXPEDITE IT IF WE CAN.

14 IN OPEN COURT:

15 THE COURT: NOW, IF YOU WOULD REPEAT THE QUESTION, MR.  
16 LEWIN.

17 MR. LEWIN: YES, YOUR HONOR.

18 BY MR. LEWIN:

19 Q. NOW, HOW MANY OF CHECKS THAT I PLACED BEFORE YOU ARE  
20 ON THAT PERIOD COVERED BY THE STATEMENT WHICH I GATHER, WHAT,  
21 MAY AND JUNE OF '77? THAT IS THE PERIOD OF THE STATEMENT?

22 A. THAT IS IN FACT THE TIME. YOUR QUESTION IS WHAT? HOW  
23 MANY CHECKS?

24 Q. YES, THOSE THAT I PLACED BEFORE YOU WERE WITHIN THAT  
25 PERIOD OF TIME?

1 A. 21.

2 Q. AND THEY ARE ALL SIGNED BY CONNIE HANSEN?

3 A. YES.

4 Q. ALL RIGHT. SO, THE GOVERNMENT HAD PLACED BEFORE YOU  
5 ORIGINALLY A TOTAL OF 9 CHECKS OF WHICH 8 WERE SIGNED BY  
6 CONGRESSMAN HANSEN, AND ONE BY MRS. HANSEN. IN FACT, THERE  
7 WERE 21 OTHER CHECKS THAT YOU HAVE NOW IDENTIFIED IN THAT  
8 PERIOD OF TIME THAT WAS SIGNED BY MRS. HANSEN, IS THAT CORRECT?

9 A. THAT IS CORRECT.

10 MR. LEWIN: I HAVE NO FURTHER QUESTION, THANK YOU.

11 THE COURT: ANYTHING FURTHER?

12 MR. COLE: NO FURTHER. WELL, NO FURTHER QUESTIONS.

13 YOUR HONOR, I WOULD REQUEST THAT I BE ALLOWED TO PUT TWO MORE  
14 ENTRIES ON THE CHART AS A RESULT OF THIS WITNESS' TESTIMONY.

15 THE COURT: ALL RIGHT. BUT, SO FAR AS THIS WITNESS IS  
16 CONCERNED, HE MAY BE EXCUSED?

17 MR. COLE: YES, YOUR HONOR.

18 THE COURT: ALL RIGHT. SIR, YOU ARE EXCUSED. HAVE A  
19 GOOD DAY. PLEASE DO NOT DISCUSS ANY OF THE MATTERS YOU HAVE  
20 TESTIFIED TO WITH ANY OTHER POTENTIAL WITNESS UNTIL THE MATTER  
21 IS OVER.

22 ( WITNESS EXCUSED) .

23 MR. COLE: YOUR HONOR, AT THIS TIME, I WOULD LIKE TO  
24 PUT THE LAST TWO ENTRIES ON THE CHART WHICH WE HAVE BEEN  
25 BUILDING. THE CHART IS GOVERNMENT EXHIBIT 8-A.

1 WHEREUPON,

2 LESLIE MING

3 WITNESS CALLED BY THE GOVERNMENT, HAVING BEEN DULY SWORN, WAS  
4 EXAMINED AND TESTIFIED AS FOLLOWS.

5 THE COURT: GOOD AFTERNOON.

6 MR. COLE: I AM DONE, YOUR HONOR, I WOULD ASK AT THIS  
7 TIME, WE ADMIT THIS INTO EVIDENCE.

8 THE COURT: SUBJECT TO THE SAME MATTER, MR. LEWIN?

9 MR. LEWIN: YES, YOUR HONOR.

10 THE COURT: ALL RIGHT. OVER OBJECTION, IT IS IN  
11 EVIDENCE.

12 (WHEREUPON, GOVERNMENT'S EXHIBIT 8-A WAS  
13 RECEIVED INTO EVIDENCE.)

14 DIRECT EXAMINATION

15 BY MR. WEINGARTEN:

16 Q. YOUR NAME, SIR?

17 A. LESLIE L. MING.

18 Q. AND FOR THE RECORD, SPELL YOUR LAST NAME.

19 A. M I N G.

20 Q. MR. MING, WHERE DO YOU LIVE, SIR?

21 A. OKLAHOMA CITY.

22 Q. HOW ARE YOU EMPLOYED?

23 A. SELF-EMPLOYED.

24 Q. AND WHAT DO YOU DO FOR A LIVING?

25 A. I AM A REGISTERED INVESTMENT ADVISOR WITH THE SECURITY

1 AND EXCHANGE COMMISSION. AND I AM AN N A S D BROKER-DEALER.

2 Q. MR. MING, WHAT DO THOSE INITIALS STAND FOR?

3 A. NATIONAL ASSOCIATION OF SECURITY DEALERS. I AM A  
4 FORMER. -- I HAVE A FIRM CALLED MING COMMODITY SERVICES WHICH  
5 IS FORMALLY A " C F T C " FIRM.

6 Q. MR. MING, SOME OF US ARE NOT FAMILIAR WITH THE  
7 NOMENCLATURE. WHAT IS CFTC?

8 A. COMMODITIES FUTURES TRADING COMMISSION.

9 I AM FORMERLY A REGISTERED COMMODITY ADVISOR. I AM  
10 FORMERLY A REGISTERED COMMODITY POOL OPERATOR.

11 Q. HOW LONG HAVE YOU SOLD, HOW LONG HAVE YOU BEEN A  
12 COMMODITIES OR SECURITIES BROKER?

13 A. SINCE MARCH, 1965.

14 Q. AND HAS IT ALWAYS BEEN IN OKLAHOMA CITY?

15 A. YES.

16 Q. MR. MING, DO YOU KNOW A GENTLEMAN NAMED NELSON BUNKER  
17 HUNT?

18 A. I DO.

19 Q. AND HOW LONG HAVE YOU KNOWN HIM?

20 A. 37 YEARS.

21 Q. AND WHEN DID YOU FIRST MET HIM?

22 A. IN SPRING OF 1947.

23 Q. AND WOULD THAT BE AT THE UNIVERSITY?

24 A. SOUTHERN METHODIST UNIVERSITY.

25 Q. IS HE A FRIEND OF YOURS?

1 A. HE IS A BUSINESS ASSOCIATE.

2 YES.

3 Q. AND WHEN DID YOUR BUSINESS RELATIONSHIP WITH HIM FIRST  
4 DEVELOP?

5 A. SAY IT AGAIN.

6 Q. WHEN DID YOUR BUSINESS RELATIONSHIP WITH MR. HUNT  
7 BEGIN?

8 A. IN 1967-68.

9 Q. IN WHAT CAPACITY?

10 A. IN THE SECURITIES AREA.

11 Q. AND HOW LONG DID YOUR BUSINESS RELATIONSHIP WITH HIM  
12 CONTINUE?

13 A. IT CONTINUED UP UNTIL MARCH OF 1980.

14 Q. AND IS IT FAIR TO SAY FOR THOSE 12 YEARS FROM 1968  
15 UNTIL 1980, YOU SERVED AS A BROKER FOR MR. HUNT?

16 A. THAT'S CORRECT.

17 Q. AND DID YOU ALSO DEVELOP A BUSINESS RELATIONSHIP WITH  
18 OTHER MEMBERS OF THE HUNT FAMILY?

19 A. THAT IS CORRECT.

20 Q. AND WHAT MEMBERS WOULD THEY BE?

21 A. HOUSTON HUNT.

22 Q. WHO WOULD HE BE IN RELATION TO NELSON BUNKER HUNT?

23 A. BUNKER'S SON. ELLEN HUNT FLOWERS, HIS DAUGHTER, MARY --

24 Q. MAYBE I CAN CUT THROUGH THIS. HIS CHILDREN?

25 A. THESE ARE ALL HIS CHILDREN. YES.

1           AND HERBERT HUNT.

2           Q.    AND HERBERT HUNT WOULD BE HIS BROTHER?

3           A.    YES, TO A LIMITED EXTENT.

4           Q.    WOULD IT BE FAIR TO SUMMARIZE THAT FOR THE 12 YEARS  
5 YOU SERVED AS BROKER, YOU ALSO HAD A BUSINESS RELATIONSHIP WITH  
6 NELSON BUNKER HUNT'S CHILDREN AND NELSON BUNKER HUNT'S BROTHER,  
7 IS THAT CORRECT?

8           A.    AMONG OTHERS, THAT IS CORRECT.

9           Q.    NOW, DIRECTING YOUR ATTENTION TO AROUND JANUARY OF  
10 1979, WERE YOU SERVING AS A COMMODITIES BROKER FOR NELSON  
11 BUNKER HUNT AT THAT TIME?

12          A.    I HAD A FIRM, MING COMMODITY SERVICES AND I WAS DOING  
13 BUSINESS WITH BUNKER HUNT AT THAT TIME.

14          Q.    I KNOW IT IS DIFFICULT TO RELATE BACK TO 1979, BUT CAN  
15 YOU ESTIMATE WHAT PERCENTAGE OF YOUR BUSINESS AT THAT TIME WAS  
16 HUNT-RELATED?

17          A.    IN MING COMMODITY SERVICES, IT WAS PROBABLY CLOSE TO A  
18 HUNDRED PER CENT, 90 TO A HUNDRED PER CENT.

19          Q.    YOU RECALL BACK IN JANUARY OF 1979 IF YOU WERE BUYING  
20 ONE PARTICULAR COMMODITY FOR NELSON BUNKER HUNT, OR WERE THERE  
21 MANY COMMODITIES, WERE YOU SPECIALIZING IN ANY ONE?

22          A.    WELL, WE PURSUED INVESTMENTS WHERE THE OPPORTUNITIES  
23 LIE.

24          Q.    AND DIRECTING YOUR ATTENTION TO JANUARY?

25          A.    AT THAT PARTICULAR TIME, WE WERE BUYING, OR, WE WERE



1 INTERESTED IN SILVER.

2 Q. O. K. IT IS FAIR TO SAY THAT DURING YOUR HISTORY WITH  
3 MR. HUNT, YOU BOUGHT OTHER COMMODITIES FOR HIM AS WELL?

4 A. OH, YES, WE HAVE BEEN INVOLVED IN VIRTUALLY ALL  
5 COMMODITIES.

6 Q. BUT IN JANUARY 1979, YOU WERE PRIMARILY INTERESTED IN  
7 BUYING SILVER?

8 A. AS I RECALL THAT'S BYE AND LARGE CORRECT.

9 Q. DO YOU KNOW GEORGE VERNON HANSEN, THE GENTLEMAN SEATED  
10 AT COUNSEL TABLE HERE?

11 A. I MET HIM THE OTHER MORNING.

12 Q. PRIOR TO THIS MORNING HAD YOU EVER MET HIM?

13 A. NO.

14 Q. PRIOR TO JANUARY 16, 1979, HAD YOU EVER EVEN HEARD OF  
15 HIM?

16 A. NO.

17 Q. WHAT ABOUT HIS WIFE, CONNIE HANSEN? PRIOR TO JANUARY  
18 16, 1979, HAD YOU EVER HEARD OF HER?

19 A. NO.

20 Q. HAD YOU EVER MET HER?

21 A. NO.

22 Q. HAVE YOU MET HER TO THIS DAY?

23 A. NO.

24 Q. NOW, DIRECTING YOUR ATTENTION TO JANUARY, 1979, DID  
25 YOU HAVE A ROUTINE WITH MR. HUNT, AS FAR AS YOUR BUSINESS

1 RELATIONSHIP WITH HIM? AND, BY THAT I MEAN THE KIND OF  
2 COMMUNICATION YOU WOULD HAVE WITH MR. HUNT ON A GIVEN DAY?

3 A. YES, I DID.

4 Q. AND WOULD YOU EXPLAIN THAT, PLEASE?

5 A. I WOULD ARRIVE AT MY OFFICE APPROXIMATELY 8:15 TO 8:30.  
6 I WOULD NOTE THE SILVER STOCK, WAREHOUSE STOCKS.

7 Q. JUST SO WE ARE CLEAR ON THIS, OF COURSE, YOU LIVE IN  
8 OKLAHOMA CITY?

9 A. THAT IS RIGHT.

10 Q. AND YOUR OFFICE IS IN OKLAHOMA CITY?

11 A. THAT IS RIGHT.

12 Q. AND MR. NELSON BUNKER HUNT LIVES IN?

13 A. DALLAS. I WOULD NOTE THE WAREHOUSE STOCKS PRIMARILY  
14 ON THE COMMODITIES EXCHANGE WHICH IS NEW YORK. I WOULD MAKE A  
15 NOTE OF THE LONDON GOLD FIX. I WOULD CONTACT CARGILL  
16 INVESTORS' SERVICES WHICH IS A FIRM I CLEARED THROUGH.

17 Q. MR. MING, NOT EVERYONE UNDERSTANDS THAT PROCESS.  
18 SPELL CARGILL?

19 Q C A R G I L L.

20 Q. WHAT DOES IT MEAN TO CLEAR THROUGH SOMEONE?

21 A. I AM A REGISTERED COMMODITY REPRESENTATIVE, AND I AM  
22 REGISTERED WITH THE CFTC, AND THAT ENABLES ME TO CLEAR THROUGH  
23 A MEMBER FIRM IF WE HAVE AN AGREEMENT, WHICH I DID AT THAT TIME  
24 HAVE AN AGREEMENT WITH CARGILL.

25 Q. JUST TO SUMMARIZE, IS IT FAIR TO SAY FOR YOU TO

1 CONDUCT BUSINESS ON ONE OF THE BOARD OF TRADES, YOU NEED A  
2 CLEARING HOUSE.

3 A. THAT'S CORRECT. I WAS NOT A MEMBER OF THE VARIOUS  
4 EXCHANGES. CARGILL ENABLED ME TO TRADE ON THESE VARIOUS  
5 EXCHANGES. THAT IS A COMMON ARRANGEMENT THAT VARIOUS MEMBERS  
6 OF FIRMS HAVE WITH VARIOUS BROKERS AROUND THE COUNTRY.

7 Q. PLEASE CONTINUE?

8 A. WHERE DID I LEAVE OFF? GOLD -- THE LONDON GOLD FIX,  
9 WAREHOUSE STOCKS. I WOULD BE IN CONTACT WITH CARGILL REGARDING  
10 ANY VARIATION REQUIREMENTS FOR THE ACCOUNTS IN QUESTION.

11 VARIATION MEANS WHETHER THE ACCOUNT MADE MONEY THE DAY  
12 BEFORE, OR LOST MONEY THE DAY BEFORE, AND GENERAL INFORMATION  
13 OF THAT NATURE.

14 I WOULD BE CHECKING THE FLOOR OF THE EXCHANGE. AT  
15 THAT TIME, I BELIEVE THE MARKET OPENED 20 MINUTES TO NINE, 8:40.

16 Q. OKLAHOMA TIME OR NEW YORK?

17 A. OKLAHOMA TIME. I WOULD GET A PICTURE OF THE MARKET.

18 Q. WHAT WOULD YOU DO WITH ALL THIS INFORMATION THAT YOU  
19 WERE ACCUMULATING?

20 A. I WOULD DISTILL IT, ANALYZE IT, EVALUATE IT.

21 Q. AND THEN YOU WOULD HAVE CONTACT WITH MR. HUNT?

22 A. THEN I WOULD CONTACT BUNKER AND RELATE THIS TO HIM.

23 Q. AND THAT WAS IN YOUR CAPACITY, OF COURSE, AS HIS  
24 BROKER?

25 A. THAT IS RIGHT.

1 Q. DO YOU RECALL AS YOU SIT HERE WHEN YOU MAY HAVE CALLED  
2 MR. BUNKER HUNT'S ON JANUARY 16, 1979?

3 A. YOU HAVE A LOG OF MY -- NOTATION OF NOT EVERYTHING I  
4 DID BUT A GOOD MANY THINGS.

5 Q. WOULD THAT HELP YOU RECALL IT FOR US?

6 A. IT WOULD.

7 MR. WEINGARTEN: STIPULATION NUMBER FIVE. IT IS  
8 HEREBY AGREED AND STIPULATED BETWEEN THE UNITED STATES AND THE  
9 DEFENDANT, GEORGE V. HANSEN, THAT THE ATTACHED TELEPHONE  
10 RECORDS OF LESLIE L. MING ARE AUTHENTIC RECORDS.

11 THE COURT: LADIES AND GENTLEMEN, YOU MAY CONSIDER  
12 THAT STIPULATION AS UNDISPUTED EVIDENCE.

13 BY MR. WEINGARTEN:

14 Q. I HAND YOU --

15 A. THIS IS NOT WHAT I HAVE REFERENCE TO.

16 Q. I'LL GIVE YOU THE NOTES AS WELL?

17 A. O. K..

18 Q. DO YOU RECOGNIZE THOSE AS YOUR TELEPHONE CALL RECORDS,  
19 SIR?

20 A. I BELIEVE THEY ARE.

21 Q. AND IS THE DATE, JANUARY 16, 1979, INCLUDED IN THAT  
22 GOVERNMENT EXHIBIT?

23 A. IT IS.

24 MR. WEINGARTEN: I MOVE THAT GOVERNMENT EXHIBIT INTO  
25 EVIDENCE AT THIS TIME, YOUR HONOR.

1 MR. LEWIN: NO OBJECTION.

2 THE COURT: IN EVIDENCE.

3 (WHEREUPON, THE DOCUMENT

4 REFERRED TO ABOVE WAS

5 ADMITTED INTO EVIDENCE.)

6 BY MR. WEINGARTEN:

7 Q. LOOK AT JANUARY 16, 1979, MR. MING. DO YOU HAVE IT?

8 A. YES.

9 Q. WHAT IS THE FIRST CALL NOTED ON THAT DAY?

10 A. DALLAS, 8:55.

11 Q. DO YOU RECOGNIZE THE TELEPHONE NUMBER?

12 A. YES.

13 Q. AND WHOSE NUMBER WOULD THAT BE?

14 A. BUNKER'S. BUNKER HUNT.

15 Q. IS THAT TYPICAL? IF WE LOOK THROUGH THE REST OF THE  
16 TOLL RECORDS WE FIND A LOT OF CALLS AT THE BEGINNING OF THE DAY  
17 TO NELSON BUNKER HUNT BY YOU?

18 A. WELL, THERE WAS THAT ONE.

19 Q. I MEAN ON THAT DATE. WAS IT UNUSUAL FOR YOU TO FIND  
20 CALLS TO NELSON BUNKER HUNT AT 8:55 IN THE MORNING ON JANUARY  
21 16?

22 A. NO, IT WAS NOT UNUSUAL.

23 Q. WOULD YOU LOOK THROUGH THE REST OF THE DAY JUST SO WE  
24 HAVE SOME IDEA OF YOUR BUSINESS RELATIONSHIP, TO SEE IF THERE  
25 ARE OTHER CALLS TO MR. HUNT.

- 1 A. WELL, ON THE ELEVENTH.
- 2 Q. ON THE 16TH?
- 3 A. OH, ON THE 16TH? ASK THE QUESTION AGAIN.
- 4 Q. ARE THERE OTHER CALLS TO MR. HUNT ON THE 16TH?
- 5 A. YES.
- 6 Q. COULD YOU JUST GIVE US AN IDEA HOW MANY? WHY DON'T YOU
- 7 JUST RECITE WHAT CALLS ARE MADE TO MR. HUNT THAT DAY?
- 8 A. WELL, AT 9:34 THERE WAS ONE.
- 9 Q. HOW LONG?
- 10 A. TWO MINUTES.
- 11 Q. HOW LONG WAS THAT FIRST CALL?
- 12 A. FOUR MINUTES.
- 13 Q. ALL RIGHT. WOULD YOU PLEASE CONTINUE?
- 14 A. THERE WAS ANOTHER ONE AT 10:36.
- 15 Q. HOW LONG WOULD THAT BE?
- 16 A. 3 MINUTES.
- 17 Q. PLEASE CONTINUE?
- 18 A. THERE WAS ANOTHER ONE AT 10:49.
- 19 Q. HOW LONG WOULD THAT ONE BE?
- 20 A. 7 MINUTES.
- 21 Q. ARE THERE ANY OTHERS?
- 22 A. THERE IS ONE AT 11:15.
- 23 Q. HOW LONG WOULD THAT BE?
- 24 A. 8 MINUTES.
- 25 Q. JUST STOP THERE FOR THE TIME BEING. DO YOU RECALL

1 WHAT THE CONTENT WAS OF THE FIRST CALL, THE FIRST CONVERSATION  
2 YOU HAD WITH MR. HUNT THAT DAY?

3 A. IF YOU WOULD GIVE ME MY NOTES I COULD BE MORE PRECISE.

4 Q. ALL RIGHT. I HAND YOU WHAT HAS BEEN MARKED GOVERNMENT  
5 EXHIBIT 31. I ASK YOU, SIR, CAN YOU IDENTIFY THAT?

6 A. YES, THESE ARE FROM MY LOG THAT I KEEP ON A DAILY  
7 BASIS.

8 Q. WHAT IS THE NATURE OF THE LOG? WHAT PURPOSE DOES IT  
9 SERVE?

10 A. OH, JUST NOTATIONS DURING THE DAY OF WHO I TALKED TO,  
11 INSTRUCTIONS. IT IS NOT MEANT TO BE NOR IS IT A TOTALLY  
12 COMPLETE REVELATION OF EVERYTHING THAT TOOK PLACE.

13 Q. IT IS KEPT FOR YOU, YOU USE IT FOR YOUR OWN PURPOSE.

14 A. USE FOR MY OWN PURPOSES, SORT OF A DIARY.

15 MR. WEINGARTEN: WE MOVE GOVERNMENT EXHIBIT 31 INTO  
16 EVIDENCE, YOUR HONOR.

17 THE COURT: ANY OBJECTION?

18 MR. LEWIN: NO OBJECTION.

19 THE COURT: ALL RIGHT. IT IS IN EVIDENCE WITHOUT  
20 OBJECTION.

21 (WHEREUPON, GOVERNMENT'S EXHIBIT NO. 31 WAS  
22 RECEIVED INTO EVIDENCE.)

23 THE COURT: NOW, YOU CAN TELL US.

24 MR. LEWIN: A QUESTION, PLEASE? THERE ARE SOME YELLOW  
25 MARKINGS ACROSS THERE?

1 THE WITNESS: THAT IS CORRECT.

2 MR. LEWIN: SORT OF HIGHLIGHTS. WHAT ARE THOSE?

3 THE WITNESS: THESE ARE COMMENTS THAT I WAS REQUESTED  
4 TO HIGHLIGHT BY EITHER THE F B I OR THE JUSTICE DEPARTMENT. I  
5 DON'T REMEMBER WHICH. ANYTHING THAT MIGHT HAVE REFERENCE TO  
6 BUNKER HUNT OR ANY MEMBER OF THE HUNT FAMILY, OR I BELIEVE ALSO  
7 MR. -- WELL, I THINK IT IS BUNKER. IT MIGHT ALSO HAVE  
8 REFERENCE TO MR. HANSEN.

9 MR. LEWIN: AND THOSE ARE ESSENTIALLY PAGES THAT  
10 WERE TORN OUT OF A BOOK, IS THAT IT?

11 THE WITNESS: A SPIRAL NOTEBOOK.

12 MR. LEWIN: THAT YOU KEPT ON YOUR DESK AND YOU WOULD  
13 OCCASIONALLY WRITE IN THAT IN THE COURSE OF A DAY?

14 THE WITNESS: YES.

15 THE COURT: WITHOUT OBJECTION. IT IS IN EVIDENCE.

16 BY MR. WEINGARTEN:

17 Q. JUST SO WE ARE CLEAR, MR. MING, WERE YOU REQUESTED TO  
18 HIGHLIGHT ANY NOTATION IN YOUR DIARY THAT HAD ANYTHING TO DO  
19 WITH THE JANUARY 1979 SILVER TRANSACTION INVOLVING THE HANSENS?

20 A. SAY THAT AGAIN.

21 Q. INVOLVING THE HANSENS, WAS THAT THE INSTRUCTION?

22 A. INVOLVING BOTH MR. HUNT AND THE HANSENS, OR ANYTHING  
23 THAT COULD HAVE.

24 Q. O. K.. LET'S GET BACK TO THE 8:55 CALL TO MR. HUNT  
25 THAT YOU MADE ON JANUARY 16. IS THERE ANYTHING IN YOUR NOTES



1 THAT HELP YOU RECALL THE CONTENT OF THAT CONVERSATION?

2 A. WELL, AS I NOTED, IT HAS JUST EXACTLY THE INFORMATION  
3 THAT I REFLECTED THAT I WOULD NORMALLY REFLECT. THE FIRST  
4 COMMENT HAS " ROLL G TO J. " WHICH MEANS FEBRUARY TO APRIL.

5 Q. GENERALLY SPEAKING, WHAT DOES THAT MEAN?

6 A. THAT ROLLS A SILVER POSITION AS I RECALL BUNKER HAD IN  
7 FEBRUARY, WHICH IS TRADED ON THE CHICAGO BOARD OF TRADE TO  
8 APRIL, WHICH IS ALSO TRADED ON THE CHICAGO BOARD OF TRADE.  
9 THIS, BEING JANUARY THE 16TH, THE FIRST NOTICE DAY WOULD HAVE  
10 BEEN APPROACHING IN APPROXIMATELY PLUS OR MINUS TWO WEEKS.

11 AND HE WANTED TO ROLL THAT UNTIL APRIL TO MAINTAIN HIS  
12 POSITION.

13 Q. IS THAT A TECHNICAL TERM OR IS THAT A TERM THAT HAS TO  
14 DO WITH THE SILVER MARKET?

15 A. IT IS A COMMON COMMODITIES TERM USED IN THE FUTURES  
16 MARKET. IT IS EITHER CALLED ROLL OR SWITCH. THERE'S TWO  
17 MARKETS GOING ON AT ALL TIMES IN ANY COMMODITY.

18 Q. WITHOUT GETTING INTO THOSE KINDS OF TECHNICALITIES,  
19 DID YOU RECEIVE ANY OTHER INSTRUCTIONS FROM MR. HUNT?

20 A. ROLL FEBRUARY TO APRIL; BUY TWO HUNDRED MARCH MARKET  
21 NOT HELD. SELL AT 8 CENTS.

22 Q. INTERPRET THAT IF YOU WILL. WHAT WAS MR. HUNT  
23 INSTRUCTING YOU TO DO?

24 A. HE WAS INSTRUCTING ME TO BUY TWO HUNDRED MARCH, SILVER,  
25 MARKET NOT HELD, WHICH MEANS THAT I HAVE THE DISCRETION TO BUY

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1 IT AT ANY PRICE I SO CHOOSE IN MY JUDGMENT UP TO TWO HUNDRED  
2 CONTRACTS. NO MORE THAN TWO HUNDRED CONTRACTS. I COULD BUY  
3 LESS THAN TWO HUNDRED CONTRACTS, BUT I COULDN'T BUY ANY MORE,  
4 AND I COULD PAY WHATEVER I IN MY JUDGMENT FELT WOULD BE PRUDENT  
5 AND PROPER, AND WHEN WE MADE 8 CENTS IN ANY OR ALL OF THEM,  
6 SELL IT FOR 8 CENTS PROFIT.

7 Q. WHAT DOES IT MEAN TO MAKE 8 CENTS?

8 A. 8 CENTS PROFIT.

9 Q. 8 CENTS IN RELATION TO WHAT, PER OUNCE?

10 A. PER OUNCE PER CONTRACT.

11 Q. HOW MANY OUNCES IN A CONTRACT?

12 A. FIVE THOUSAND.

13 Q. SO, WHEN THE PROFIT REACHED 8 CENTS AN OUNCE PER  
14 CONTRACT OR 8 CENTS AN OUNCE, YOU WERE TO SELL?

15 A. YES.

16 Q. AND THERE WERE FIVE THOUSAND OUNCES IN A CONTRACT?

17 A. THAT'S RIGHT. FURTHER, IT SAID FEBRUARY TO APRIL, AND  
18 THAT IS QUOTED PRICE OF EIGHT, EIGHTY TO 9 HUNDRED. THAT MEANS  
19 8 POINT 8 CENTS TO NINE CENTS. THAT IS A SWITCH PREMIUM.

20 Q. GETTING BACK TO THAT INSTRUCTION INVOLVING MARCH  
21 SILVER, DID HE MENTION THAT YOU WERE TO CONTACT ANYBODY IN  
22 REFERENCE TO THAT PURCHASE?

23 A. HE SAID HE HAD A FRIEND, GEORGE HANSEN, WHO MAY BE  
24 INTERESTED IN SILVER.

25 Q. WHAT ELSE?

1       A.    IF HE WANTED THEM, IF HE WANTED THE MARCH CONTRACTS HE  
2    COULD HAVE THEM; IF HE DIDN'T WANT THEM, GO AHEAD AND BUY THEM  
3    FOR ME AND CARRY OUT THE OTHER INSTRUCTIONS.

4       Q.    JUST SO WE ARE CLEAR, HAD YOU EVER HEARD THAT NAME,  
5    GEORGE HANSEN, PRIOR TO THAT MOMENT?

6       A.    NO.

7       Q.    AND WHAT DID YOU --

8       A.    HE TOLD ME IT WAS AN UNITED STATES CONGRESSMAN,  
9    HOWEVER.

10      Q.    IT IS AN IMPORTANT PIECE OF EVIDENCE, MR. MING.  WHAT  
11   EXACTLY DID MR. HUNT SAY?

12      A.    JUST CALL GEORGE HANSEN.  HE IS A CONGRESSMAN FROM  
13   IDAHO.  I THINK HE HAS SOME INTEREST IN SILVER.  THAT IS ALL.  
14   IF HE WANTS THESE, HE CAN HAVE THEM.  IF HE DOESN'T WANT THEM  
15   GO AHEAD AND BUY THEM FOR ME, AND I'LL TAKE THEM.

16      Q.    SO WE ARE CLEAR ON YOUR RELATIONSHIP TO MR. HUNT, HAD  
17   HE EVER MADE SUCH A REQUEST TO YOU BEFORE?

18      A.    YES.

19      Q.    WITH WHOM?

20      A.    WITH MEMBERS OF HIS FAMILY.

21      Q.    WITH ANYONE OUTSIDE OF HIS FAMILY?

22      A.    NO, BECAUSE I DON'T TRADE WITH ANYONE OUTSIDE OF HIS  
23   FAMILY.

24      Q.    JUST SO WE ARE CLEAR NEVER WITH A CONGRESSMAN?

25      A.    NO.

1 Q. PURSUANT TO THAT INSTRUCTION, WHAT DID YOU DO, SIR?

2 A. WELL, TO THE BEST OF MY RECOLLECTION, I PRICED THE  
3 MARKET -- AND YOU DON'T BUY YOUR POSITIONS ALL AT ONCE.  
4 ANYONE WHOSE TRYING TO USE GOOD JUDGMENT IN BUYING ANY  
5 COMMODITY WHETHER IT IS SILVER OR SOYBEANS OR WHAT HAVE YOU,  
6 ACCUMULATES THAT POSITION AT THE BEST PRICE POSSIBLE. IN OTHER  
7 WORDS, YOU VIRTUALLY GO SHOPPING.

8 AND I THINK YOU HAVE SOME ORDER TICKETS WITH SOME TIME  
9 STAMPS THAT WOULD REFLECT THAT I INITIALLY PUT IN BUY ORDERS  
10 FOR SOMETHING ON THE ORDER OF 15 TO 20 CONTRACTS -- IT MAY  
11 HAVE BEEN MORE, IT MAY HAVE BEEN LESS -- WITH SOME PRICE  
12 PARAMETERS, SOME PRICE LIMITATIONS, SIX, 17, SIX, 18. THAT  
13 MEANS 6 DOLLARS AND 17 CENTS OR 6 DOLLARS AND 18 CENTS AN OUNCE.

14 Q. LET ME STOP YOU FOR ONE SECOND?

15 A. IF YOU HAVE THAT, I CAN TELL YOU MORE PRECISELY ABOUT  
16 EXACTLY WHAT I DID.

17 Q. YES, SIR.

18 MR. WEINGARTEN: STIPULATION NUMBER 6. REQUEST  
19 PERMISSION TO PUBLISH TO THE JURY, YOUR HONOR.

20 THE COURT: PERMISSION GRANTED.

21 MR. WEINGARTEN: STIPULATION NUMBER SIX. IT IS HEREBY  
22 AGREED AND STIPULATED BETWEEN THE UNITED STATES AND DEFENDANT,  
23 GEORGE V. HANSEN, THAT THE ATTACHED COMMODITY FUTURES RECORD  
24 WITH CARGILL INVESTORS' SERVICES, INC. ARE AUTHENTIC RECORDS.  
25 RESPECTFULLY SUBMITTED, THE PARTIES.

1 THE COURT: YOU MAY CONSIDER THAT, LADIES AND  
2 GENTLEMEN OF THE JURY, AS UNDISPUTED EVIDENCE. IT IS A  
3 STIPULATION.

4 BY MR. WEINGARTEN:

5 Q. I HAND YOU 30 A AND 30 B AND ASK YOU IF YOU CAN  
6 IDENTIFY THEM?

7 A. THIS IS A P AND S SHEET FROM CARGILL.

8 Q. WHAT DOES THAT MEAN?

9 A. PURCHASE AND SALES. IT IS A RECAP.

10 MR. WEINGARTEN: WE MOVE INTO EVIDENCE NOW THOSE  
11 GOVERNMENT EXHIBITS, YOUR HONOR.

12 MR. LEWIN: NO OBJECTION.

13 THE COURT: IN EVIDENCE, 30 A AND B.

14 (WHEREUPON, GOVERNMENT'S EXHIBIT 30A AND 30B  
15 WERE RECEIVED INTO EVIDENCE.)

16 BY MR. WEINGARTEN:

17 Q. IS IT FAIR TO SAY THAT SUBSEQUENT OR FOLLOWING THE  
18 INSTRUCTION FROM BUNKER HUNT TO GO OUT AND BUY TWO HUNDRED AND  
19 GIVE GEORGE HANSEN, HIS FRIEND, ANYTHING HE MAY BE INTERESTED  
20 IN, YOU WENT OUT AND BOUGHT SOME SILVER?

21 A. WELL, YOU HAVEN'T GIVEN ME WHAT I ASKED FOR.

22 Q. WELL, MAYBE YOU CAN ANSWER MY QUESTION FIRST?

23 A. O. K..

24 Q. THAT DAY, JANUARY 16, DID YOU GO OUT AND BUY SOME  
25 SILVER PURSUANT TO THAT INSTRUCTION?

1 A. YES.

2 Q. JUST SO WE GET THE OVERVIEW OF THAT. WHAT PURCHASES  
3 DID YOU MAKE?

4 A. IF YOU GIVE ME THE TICKET, I CAN TELL YOU.

5 Q. IS IT NOT REFLECTED IN THE DOCUMENT I JUST GAVE YOU?

6 A. NO, IT IS NOT. IT IS NOT REFLECTED HOW MUCH I BOUGHT,  
7 WHEN I BOUGHT, AND WHAT PRICES I PAID FOR IT.

8 Q. MAY I SEE THAT DOCUMENT?

9 A. WHAT I AM TALKING ABOUT HAS A TIME STAMP ON IT.

10 Q. WE ARE NOT INTERESTED IN TIME NOW. THE QUESTION IS:  
11 DID YOU ON JANUARY 16TH GO OUT AND PURCHASE SILVER CONTRACTS  
12 PURSUANT TO YOUR INSTRUCTIONS FROM NELSON BUNKER HUNT?

13 THE WITNESS: YOUR HONOR, I HAVE TO ANSWER THAT  
14 CONDITIONALLY. I COMMENCED BUYING SILVER, AND I ALSO -- IN MY  
15 BEST RECOLLECTION, AND IT HAS BEEN FIVE YEARS AGO -- THAT I  
16 GAUGED THE MARKET IMMEDIATELY UPON RECEIVING THE ORDER OF TWO  
17 HUNDRED CONTRACTS OF MARCH SILVER, MARKET NINE. I GAVE THE  
18 CLERK AN ORDER TO BUY SOME SILVER. IT WOULD BE REFLECT ON THE  
19 TIME STAMP OF MY ORDER TICKET, WHICH IS WHAT I AM REQUESTING.  
20 HAVING DONE THAT, WHILE HE WORKED THAT ORDER, TO THE BEST OF MY  
21 RECOLLECTION, I THINK I PUT IN A PERSON TO PERSON CALL TO  
22 CONGRESSMAN HANSEN'S OFFICE.

23 MR. WEINGARTEN: YOUR HONOR, I AM GOING TO INTERJECT  
24 ONE THING. I WOULD REQUEST THAT I BE PERMITTED TO ASK THIS  
25 WITNESS QUESTIONS. IF THE QUESTIONS ARE NOT FAIR, I AM SURE

1 THERE WILL BE OBJECTIONS FROM DEFENSE COUNSEL. IF DEFENSE  
2 COUNSEL WANT TO CLEAR SOMETHING UP, HE IS CAPABLE OF DOING IT.  
3 I WOULD MUCH PREFER QUESTION AND ANSWER SESSION RATHER  
4 NARRATIVE.

5 THE COURT: WHAT COUNSEL IS SAYING TO YOU, MR. MING,  
6 AND IT IS THE CUSTOMARY PROCEDURE, THAT COUNSEL WOULD ASK YOU A  
7 QUESTION AND YOU WOULD ANSWER SPECIFICALLY TO THAT QUESTION AND  
8 ANOTHER QUESTION WOULD BE ASKED AND THE SAME THING WOULD HAPPEN  
9 ON BOTH SIDES FO THE TABLE.

10 THAT WOULD BE HELPFUL, AND IT WOULD HELP MOVE IT ALONG.  
11 IF YOU DON'T KNOW THE ANSWER TO THE QUESTION, BY ALL MEANS, YOU  
12 CAN TELL US SO.

13 THE WITNESS: ALL RIGHT.

14 BY MR. WEINGARTEN:

15 Q. WE WILL GET THE TIMES. HOW MANY CONTRACTS OF SILVER  
16 WERE PURCHASED THAT DAY?

17 A. 125.

18 Q. IN WHAT AMOUNTS? WAS THERE JUST ONE PURCHASE OF 125 OR  
19 WERE THERE SEVERAL PURCHASES?

20 A. THERE WAS A SERIES OF PURCHASES.

21 Q. HOW MANY CONTRACTS WERE PURCHASED IN THAT SERIES? CAN  
22 YOU JUST RECITE IT FROM THAT DOCUMENT?

23 A. 125.

24 Q. WHAT WAS THE BREAKDOWN?

25 A. YOU MEAN PRICE BREAKDOWN?

1 Q. YES, HOW MANY -- FIRST, HOW MANY CONTRACTS WERE  
2 PURCHASEDED FOR WHAT RICE AND CONTINUE UNTIL WE GET TO 125?

3 A. WELL THAT IS WHAT I AM TRYING TO MAKE CLEAR. THIS ONE  
4 CONTRACT OF MARCH NEW YORK SILVER AT 6, 17, FIFTY MAY HAVE BEEN  
5 THE LAST CONTRACT I PURCHASEDED.

6 Q. I AM NOT CONCERNED WITH THAT.

7 A. ALL RIGHT. AS LONG AS WE UNDERSTAND THEY ARE NOT  
8 SEQUENTIAL. ONE MARCH NEW YORK SILVER AT SIX SEVENTEEN FIFTY.  
9 21 AT 6, 18, 50. SIX, AT 6, NINETEEN FIFTY, THIRTY-FIVE AT SIX  
10 TWENTY- HUNDREDTHS. 62 AT 6, TWENTY-ONE, FIFTY. TOTAL 125.

11 Q. JUST START WITH THE FIRST SO THOSE OF US WHO ARE NOT  
12 FAMILIAR WITH THE NUMBERS. ONE CONTRACT OF MARCH SILVER FOR  
13 SIX, 17, FIFTY REPRESENTS WHAT?

14 A. IT REPRESENTS FIVE THOUSAND OUNCES OF TRIPLE NINE FINE  
15 SILVER AT SIX DOLLARS AND 17 AND A HALF CENTS PER OUNCE.

16 Q. AND IF WE WANTED TO KNOW THE TOTAL VALUE THAT  
17 CONTRACT? IF SOMEONE WERE ACTUALLY TO BUY THE SILVER ITSELF,  
18 HOW WOULD WE FIND IT?

19 A. FIVE THOUSAND TIMES 6 DOLLARS 17 AND A HALF CENTS.

20 Q. PRIOR TO YOUR TESTIFYING TODAY, DID I ASK YOU TO  
21 ENGAGE IN SOME HIGHER MATH AND SEE IF YOU CAN COME OUT WITH A  
22 TOTAL FIGURE?

23 A. LACKING A CALCULATOR, I WOULD LIKE TO SAY THIS IS  
24 APPROXIMATELY CORRECT.

25 THE COURT: MR. LEWIN, WOULD YOU LIKE TO LOOK AT THE



1 YELLOW PIECE OF PAPER THAT IS BEING OPENED AT THE MOMENT?

2 DID I UNDERSTAND YOU TO SAY, MR. MING, THE ONE  
3 CONTRACT YOU REFERRED TO IS FIVE THOUSAND OUNCES?

4 THE WITNESS: ALL CONTRACTS, JUDGE, ARE FIVE THOUSAND  
5 OUNCES.

6 THE COURT: THAT YOU MULTIPLIED THE SIX POINT ONE 7  
7 AND A HALF CENTS BY THAT FIVE THOUSAND?

8 THE WITNESS: YES, MA'AM.

9 THE COURT: AND COME TO SOME FIGURE?

10 THE WITNESS: YES, THAT FIGURE COMES TO 30 THOUSAND 8  
11 HUNDRED AND 75 DOLLARS.

12 BY MR. WEINGARTEN:

13 Q. THAT WOULD BE FOR THE ONE CONTRACT?

14 A. THAT'S RIGHT.

15 Q. AND DID I ALSO ASK YOU TO ADD UP THE TOTAL IF YOU  
16 WOULD?

17 A. THAT IS RIGHT. THAT IS CORRECT. MY TOTAL COMES TO 3  
18 MILLION 8 HUNDRED AND SEVENTY-SIX THOUSAND, 8 HUNDRED DOLLARS.

19 Q. AND THAT REPRESENTS, IF SOMEONE ACTUALLY WANTED TO  
20 TAKE POSSESSION OF THAT SILVER DOWN THE ROAD WHAT THOSE  
21 CONTRACTS WOULD COST?

22 A. THAT REFLECTS THE VALUE.

23 Q. THANK YOU. MR. MING, YOU WERE TESTIFYING BEFORE ABOUT  
24 WHEN YOU WOULD HAVE PURCHASED THESE CONTRACTS AND, OF COURSE,  
25 THERE IS A RECORD THAT INDICATES. WHAT RECORDS ARE KEPT? OR

1 HOW COULD WE CHECK AS TO WHEN CONTRACTS ARE BOUGHT AND SO FORTH?

2 A. I WRITE OUT A TICKET AND EVERY TIME I GIVE MY FLOOR  
3 CLERK IN NEW YORK AN ORDER, I NOTE THE NUMBER OF CONTRACTS THAT  
4 I GIVE HIM AT WHAT PRICE AND I TIME STAMP IT, AND AS HE  
5 EXECUTES THEM, I WRITE DOWN THE EXECUTION PRICES, AND I TIME  
6 STAMP IT AGAIN. THERE ARE NUMEROUS TIME STAMPS ON THAT TICKET.

7 Q. THERE ARE TIME STAMPS IN YOUR OFFICE IN OKLAHOMA,  
8 THERE ARE TIME STAMPS IN CARGILL'S OFFICE IN NEW YORK, AND  
9 THERE ARE TIME STAMPS IN CARGILL'S OFFICE IN CHICAGO. THERE  
10 ARE A LOT OF WAYS TO CHECK?

11 A. THERE ARE TIME STAMPS HIMSELF AT FORLENZA IN NEW YORK.

12 Q. WHO IS FORLENZA?

13 A. FORLENZA IS THE FLOOR BROKER FROM WHOM I PURCHASED  
14 THESE CONTRACTS.

15 Q. WHAT WOULD HIS RELATIONSHIP BE WITH CARGILL?

16 A. HE EXECUTES THE TRADES FOR ME, AND IN TURN SENDS THOSE  
17 TRADES TO CARGILL WITH AN IDENTIFYING NUMBER. CARGILL IN TURN  
18 KNOWS THAT NUMBER IS FROM MING COMMODITY SERVICES JUST BECAUSE  
19 OF THE NUMBER, AND THEY TAKE IT INTO THEIR SYSTEM ON MY BEHALF.

20 Q. AND SO, IS FORLENZA THE FLOOR BROKER IN NEW YORK WHO  
21 ACTUAL EXECUTES THE CONTRACT?

22 A. THAT IS CORRECT. CARGILL DOES NOT ACTUALLY EXECUTE  
23 THE ORDER.

24 Q. CARGILL IS THE CLEARING HOUSE?

25 A. CARGILL IS THE CLEARING HOUSE.

1 Q. MR. MING, YOU RECALL THERE CAME A TIME IN AUGUST OF  
2 1982 WHEN WE SAT DOWN WITH ALL THE DOCUMENTS TRYING TO FIND OUT  
3 WHEN YOU PURCHASED THE SILVER?

4 A. I THINK SO, YES.

5 Q. YOU REMEMBER TESTIFYING ABOUT THAT VERY SUBJECT IN THE  
6 GRAND JURY?

7 A. YES.

8 Q. YOU RECALL NOW WHEN YOU WOULD HAVE PURCHASED THAT  
9 SILVER, WHEN THE FINAL SALE WOULD HAVE BEEN FOR THE 125  
10 CONTRACTS?

11 A. I WOULD HAVE TO LOOK AT THE CONTRACTS.

12 Q. WOULD IT HELP IF YOU LOOKED AT THE GRAND JURY WHEN YOU  
13 TESTIFIED IN WASHINGTON AFTER HAVING GONE THROUGH ALL THAT?

14 MR. LEWIN: YOUR HONOR, WE OBJECT TO THAT. MAY WE  
15 APPROACH THE BENCH?

16 THE COURT: YES.

17 AT THE BENCH:

18 MR. LEWIN: YOUR HONOR, WE OBJECT. I DON'T KNOW OF  
19 ANY BASIS FOR AN ATTORNEY SIMPLY SAYING TO A WITNESS WHO IS UP  
20 THERE TESTIFYING AND IT IS HIS WITNESS-- LET ME SHOW YOU SOME  
21 PRIOR TESTIMONY YOU HAVE GIVEN SO YOU CAN TESTIFY CONSISTENTLY  
22 WITH IT.

23 IF THE WITNESS IS GOING TO BE ASKED, HE CAN BE SHOWN  
24 THE EXHIBITS WHICH HE USED IN THE GRAND JURY AND ASKED TO  
25 TESTIFY FROM THOSE EXHIBITS, BUT TO SAY-- HERE'S YOUR GRAND

1 JURY TESTIMONY. YOU ARE GOING TO ACCEPT YOUR GRAND JURY  
2 TESTIMONY. I OBJECT.

3 MR. WEINGARTEN: FIRST OF ALL, HE SAID HE HAD NO MEMORY.  
4 I CAN ACCEPT THAT. IT TURNS OUT THAT THESE ORDERS ARE  
5 INCREDIBLY COMPLICATED, A FLOOD OF PAPER. HE TESTIFIED CLEARLY  
6 IN THE GRAND JURY, AND HE DOESN'T REMEMBER NOW. I CAN REFRESH  
7 HIS RECOLLECTION.

8 MR. LEWIN: YOUR HONOR, NOT BY SHOWING HIM GRAND JURY  
9 TESTIMONY. THAT IS SOMETHING THAT EVERY PROSECUTOR COULD  
10 SIMPLY GO AROUND AND AVOID ANY QUESTION ALSO OF POSSIBLE  
11 CONFLICT BY SHOWING HIM GRAND JURY TESTIMONY.

12 THE COURT: WHY DON'T YOU ASK HIM WHAT WOULD BE THE  
13 MOST HELPFUL TO HIM IN REFRESHING HIS MEMORY SO WE CAN WITH THE  
14 GREATEST DEAL OF EXPEDITIOUSNESS AND THE LESS CLOUD OF PAPER BE  
15 ABLE TO MOVE THIS ALONG.

16 ON THE OTHER HAND, THE GENTLEMEN SEEMS TO BE QUITE  
17 PRECISE AND HE KEEPS WANTING TO REFER TO CERTAIN STAMPED DATES  
18 AND NUMBERS. AND MAYBE HE MAY FEEL HE WANTS TO LOOK AT THOSE  
19 DOCUMENTS NO MATTER HOW INCREDIBLY COMPLICATED IT IS.

20 NONE OF US WANTS IT ANY MORE COMPLICATED THAN THE  
21 COMMODITY FUTURES MAKE IT.

22 MR. WEINGARTEN: I WANT TO PRESENT TO THE COURT HE IS A  
23 VERY HOSTILE WITNESS TO THE GOVERNMENT.

24 THE COURT: MAYBE SO, BUT HE MAY NOT BE PARTICULARLY  
25 HAPPY TO BE HERE. THAT MAY BE JUST THE SITUATION IN GENERAL.

1 MR. WEINGARTEN: WHEN IS THE COURT PLANNING TO TAKE A  
2 RECESS?

3 THE COURT: IN 15 MINUTES. WE HAVE COFFEE ORDERED FOR  
4 3:30. THE NURSE IS GOING TO CHECK THE LADY. OTHERWISE, WE  
5 HAVE TO WAIT FOR EVERYTHING TO OCCUR. LET'S SEE WHAT HE NEEDS  
6 TO JOG HIS MEMORY. I HAVE TO AGREE WITH MR. LEWIN, THAT AT  
7 THIS TIME, I AM NOT SAYING FOREVER, BUT AT THIS TIME TO SHOW  
8 HIM HIS GRAND JURY TAKES A LITTLE OFF THE EDGE OR SOMETHING.  
9 THAT MIGHT HAPPEN SUBSEQUENTLY. THE WAY IT WAS. LET'S SEE WHAT  
10 HE NEEDS TO REFRESH HIS MEMORY. ONE AT A TIME, MR. CAMPBELL,  
11 REMEMBER?

12 AL RIGHT.

13 IN OPEN COURT

14 THE COURT: MR. MING, WOULD YOU KINDLY COME BACK TO  
15 THE WITNESS CHAIR?

16 LET ME ASK THE LADIES AND GENTLEMEN OF THE JURY. CAN  
17 YOU HOLD FOR ABOUT ANOTHER 15 MINUTES OR DO YOU HAVE TO HAVE  
18 YOUR BREAK RIGHT NOW? CAN WE WAIT ANOTHER 15 MINUTES? GOOD.  
19 LET'S DO THAT.

20 MR. WEINGARTEN: I WOULD ASK THAT THIS BE MARKED AS  
21 GOVERNMENT EXHIBIT 59.

22 THE DEPUTY CLERK: GOVERNMENT EXHIBIT 59 MARKED FOR  
23 IDENTIFICATION.

24 (WHEREUPON, THE DOCUMENT REFERRED TO ABOVE  
25 WAS MARKED GOVERNMENT'S EXHIBIT NO. 59 FOR

1 IDENTIFICATION.)

2 Q. MR. MING, I HAND YOU WHAT HAS BEEN MARKED GOVERNMENT  
3 EXHIBIT 59. IT IS TOUGH TO READ. CAN YOU IDENTIFY THAT?

4 A. IT IS BETTER THAN NOTHING.

5 Q. WHAT IS IT, SIR?

6 A. THIS IS THE ORIGINAL, A COPY OF AN ORIGINAL TICKET, OR  
7 ONE OF THE COPIES OF AN ORIGINAL TICKET, FROM WHICH I WROTE MY  
8 ORDERS OUT.

9 Q. HAVE YOU REFERRED TO IT IN THE PAST AS YOUR  
10 RECAPITULATION OR YOUR RECAP?

11 A. THIS IS A RECAP. THIS DOES NOT REFLECT EXACTLY WHEN  
12 THE ORDERS WERE EXECUTED OR, IN OTHER WORDS, IT DOESN'T REFLECT  
13 THE SEQUENTIAL ORDER IN WHICH THEY ARE REFLECTED. AS I  
14 UNDERSTAND. IN RECOLLECTING OUR CONVERSATION, MR. WEINGARTEN,  
15 THAT AUGUST YOU WERE TALKING ABOUT THAT, AS I RECALL, YOU HAVE  
16 TO CORRELATE THIS WITH SOME INFORMATION THAT I UNDERSTOOD YOU  
17 HAD OR IF YOU DON'T, IT IS AVAILABLE, OR WAS AVAILABLE. IT IS  
18 CALLED TIME AND PRICE INFORMATION.

19 Q. MR. MING, IF WE WERE INTERESTED IN THE TIME WHEN ALL  
20 THE CONTRACTS WERE PURCHASED WOULD THAT BE REFLECTED ON THAT  
21 DOCUMENT YOU HAVE?

22 A. YES.

23 Q. WOULD YOU TELL US WHEN THAT WOULD BE, SIR?

24 A. WHEN IT WAS COMPLETED.

25 Q. YES. MY UNDERSTANDING IS-- AREN'T THERE TIMES STAMPED

1 ON THAT RECAP STATEMENT? I KNOW THEY ARE TOUGH TO MAKE OUT.

2 A. I COULDN'T TELL YOU FROM THIS. I WOULD HAVE TO HAVE A  
3 VERY MINUTE EXAMINATION. THERE ARE TIME STAMPS ON HERE FROM  
4 9:17, 9:05. THIS IS ALL OKLAHOMA TIME. THERE ARE SOME TIME  
5 STAMPS HERE YOU CAN'T MAKE OUT. THERE'S ONE HERE, 10:10.

6 Q. MR. MING, IS THAT NOT THE TIME YOU WENT OUT AND  
7 PURCHASED THOSE SILVER CONTRACTS?

8 A. OH, YES.

9 Q. FROM WHAT YOU CAN SEE THERE, SIR, WHAT WOULD BE THE  
10 LATEST TIME ON THAT DOCUMENT?

11 A. IT LOOKS LIKE 10:10 MAY HAVE BEEN. BUT I CAN'T TELL.  
12 I COULDN'T -- THERE IS ONE THAT IS 10 SOMETHING. BUT, THE ONE  
13 THAT I CAN MAKE OUT WOULD APPEAR TO BE 10:10, BUT THERE ARE  
14 SEVERAL TIME STAMPS THAT ARE ILLEGIBLE.

15 Q. HOW MANY TIME STAMPS CAN YOU READ THERE, SIR?

16 A. WELL, LET'S SEE. IT LOOKS LIKE APPROXIMATELY 8 OR 9.

17 Q. MAY I SEE THAT DOCUMENT, PLEASE?

18 A. THERE ARE 8 OR NINE TIME STAMPS.

19 Q. WHAT DO THE TIME STAMPS INDICATE?

20 A. THEY WOULD INDICATE THE TIME THAT I SPOKE TO MY FLOOR  
21 BROKER. HE REFLECTED INFORMATION TO ME, AND I GAVE HIM AN  
22 ORDER. OR, IT ALSO, AND IT ALSO REFLECTS HIS REPORTING THE  
23 EXECUTIONS TO ME, AND I WOULD TIME STAMP IT AT THAT TIME, ALSO.

24 Q. FROM WHAT YOU CAN TELL, IS THERE ANY TIME ON THAT  
25 SHEET LATER THAN 10:10 IN THE MORNING?

1 A. NO, FROM WHAT I CAN TELL.

2 Q. AS YOU SIT HERE NOW, DO YOU HAVE A RECOLLECTION WHEN  
3 THE CONTRACT PURCHASE FOR THE 125 WAS COMPLETED?

4 A. NO.

5 Q. ALL RIGHT. AND DO YOU RECALL US LOOKING AT THOSE TIME  
6 AND SALE SHEETS BACK IN AUGUST OF 1982?

7 A. YES. AS I RECALL, THE TIME AND PRICE SHEETS WOULD  
8 REFLECT AT APPROXIMATELY WHAT TIME THE SILVER WAS TRADING IN  
9 THESE PRICE PARAMETERS.

10 Q. AND DO YOU RECALL BEING ASKED AFTER WE REVIEWED THOSE  
11 IN THE GRAND JURY WHEN YOU HAD COMPLETED THE PURCHASE OF THE  
12 125 CONTRACTS?

13 A. YES.

14 MR. LEWIN: YOUR HONOR?

15 THE COURT: WHY DON'T YOU COME UP HERE.

16 AT THE BENCH:

17 THE COURT: LET ME ASK A QUESTION, BECAUSE MAYBE THIS  
18 CAN SHORTCIRCUIT: ARE THESE TIMES CRITICALLY IMPORTANT?

19 MR. LEWIN: YES.

20 THE COURT: IF THEY ARE, OBVIOUSLY, WE ARE GOING TO  
21 HAVE TO WORK OUR WAY TO GET TO THAT POINT. IF THEY ARE NOT OF  
22 SUCH CRITICAL IMPORTANCE, THE TIMES, THAT IS, PERHAPS YOU  
23 GENTLEMEN COULD AGREE UPON SOME TIME FACTOR THERE. THERE ARE  
24 FIVE EXHIBITS. FIVE SEPARATE TRANSACTIONS. I ASSUME THERE ARE  
25 AT LEAST FIVE TIMES WE ARE TALKING ABOUT.



1 MR. LEWIN: I THINK THE QUESTION HAS TO BE ADDRESSED TO  
2 THE PROSECUTION. FROM OUR VANTAGE POINT, OF COURSE, THE ENTIRE  
3 TRANSACTION -- THOSE FACTORS ARE NOT THAT RELEVANT.

4 THE GOVERNMENT'S THEORY, AS I UNDERSTAND IT, HOWEVER,  
5 IS THAT ALL OF THESE TRANSACTIONS WERE COMPLETED BEFORE THERE  
6 WAS A CONVERSATION WITH MRS. HANSEN. WE THINK THAT IS NOT TRUE.  
7 BUT THAT IS THEIR THEORY. CONSEQUENTLY, THE PRECISE TIMES I  
8 THINK VERY CRITICAL TO THE PROSECUTION THEORY.

9 THE COURT: HAVE YOU HAD AN OPPORTUNITY TO LOOK OVER  
10 THOSE TIME RECORDS THAT MR. WEINGARTEN HAS DISCUSSED WITH THE  
11 WITNESS?

12 MR. LEWIN: NO. THE TIME AND SALES RECORDS THAT HE IS  
13 TALKING ABOUT. I HAVE NEVER SEEN THOSE. I HAVE SEEN THE  
14 LITTLE DOCUMENT WITH THE STAMPS ON IT. BUT ALL I AM OBJECTING  
15 TO RIGHT NOW IS -- MR. WEINGARTEN SAID YOU RECALL BEING ASKED  
16 BY THE GRAND JURY ABOUT THIS AND HE SAID YES.

17 THE COURT: I UNDERSTAND YOUR OBJECTION BUT SOMEHOW WE  
18 HAVE TO GET TO THIS POINT. WE CAN TAKE THE HOUR OR WHATEVER TO  
19 GO THROUGH ALL OF THESE MATTERS. AND, OF COURSE, WE CAN'T  
20 COMPLETE THIS WITNESS' TESTIMONY TODAY. AND WE WILL  
21 UNDOUBTEDLY COME UP WITH, IF IT IS IMPORTANT FOR THE TIME STAMP,  
22 SOME COLLECTIVE INFORMATION ABOUT WHEN THESE TRANSACTIONS TOOK  
23 PLACE. AND, OF COURSE, THERE IS THE FACT THAT MR. WEINGARTEN,  
24 ACCORDING TO HIS THEORY, IF YOU ARE CORRECT, WOULD HAVE TO TIE  
25 IT IN. BUT IF THESE PARTICULAR TIMES DO NOT HAVE SIGNIFICANCE

1 OF THEMSELVES, AND YOU WOULD NOT HAVE A DISPUTE THAT THIS WAS  
2 THE TIME THAT WAS STAMPED ON A PARTICULAR PIECE OF PAPER, CAN  
3 WE NOT SAVE TIME AND COME TO AN AGREEMENT?

4 CAN WE NOT COME TO A STIPULATION, WHETHER IT IS IN THE  
5 GRAND JURY OR SOME PLACE WHERE HE LAST PREVIOUSLY TESTIFIED OR  
6 THAT THEY HAVE COME TO THIS CONCLUSION THAT THESE ARE THE DATES  
7 AND TIMES?

8 MR. LEWIN: ALL RIGHT. BUT I THINK YOUR HONOR --  
9 THE COURT: ALL I AM TRYING TO DO IS SAVE TIME.

10 MR. LEWIN: I UNDERSTAND BUT WE ARE CERTAINLY PREPARED  
11 TO STIPULATE TO THE TIMES THAT ARE PRINTED ON THAT PIECE OF  
12 PAPER.

13 HOWEVER, IF THE WITNESS RECALLS THAT THERE WAS A TIME  
14 THAT HE TESTIFIED TO IN THE GRAND JURY, HE SHOULD BE ASKED WHAT  
15 WAS THAT TIME. IF IT IS INCONSISTENT WITH HIS GRAND JURY  
16 TESTIMONY.

17 MR. WEINGARTEN: HE HAS NO MEMORY.

18 THE COURT: GO YOU WANT MR. WEINGARTEN TO ASK HIM WHAT  
19 TIME HE TESTIFIED TO IN THE GRAND JURY?

20 MR. LEWIN: YES. I WANT HIM TO SAY, YOU RECALL YOU  
21 WERE ASKED, AND DO YOU RECALL WHAT TIME.

22 THE COURT: AND IF HE SAYS YES, OF COURSE, HE SHOULD  
23 TELL US THE TIME. IF HE SAYS NO?

24 MR. LEWIN: IF HE SAYS NO, I AGREE. AT THAT POINT,  
25 MR. WEINGARTEN CAN SAY IF YOU DON'T RECALL LOOK AT THAT

1 DOCUMENT.

2 THE COURT: VERY GOOD. WE COULD HAVE SHORTCIRCUITED  
3 THIS. THAT IS WHAT I THOUGHT WE WOULD DO UP HERE. THANK YOU,  
4 GENTLEMEN, WE HAVE SAVED A GREAT DEAL OF TIME WITH  
5 COMMUNICATION.

6 IN OPEN COURT:

7 BY MR. WEINGARTEN:

8 Q. MR. MING, I BELIEVE YOU TESTIFIED THAT YOU RECALL THAT  
9 YOUR SECOND GRAND JURY APPEARANCE, I ASKED YOU WHEN YOU  
10 COMPLETED PURCHASING THE 125 CONTRACTS, IS THAT CORRECT?

11 A. THAT IS CORRECT.

12 Q. YOU REMEMBER YOUR ANSWER?

13 A. NO, SIR.

14 MR. WEINGARTEN: ALL RIGHT. MAY I APPROACH THE  
15 WITNESS, YOUR HONOR?

16 THE COURT: YOU MAY.

17 MR. LEWIN: WHAT PAGE?

18 MR. WEINGARTEN: 38.

19 MR. LEWIN: OF THE GRAND JURY APPEARANCE WHICH DATE?

20 MR. WEINGARTEN: AUGUST 18.

21 THE WITNESS: IT WOULD APPEAR THAT I STOPPED ON THE  
22 10:10 TIME STAMP.

23 BY MR. WEINGARTEN:

24 Q. IS THAT WHAT YOU TESTIFIED IN THE GRAND JURY?

25 A. I SAID THAT THE LATEST TIME STAMP THAT I SEE, THERE

1 MAY BE ONE LATER, BUT APPROXIMATELY 10 MINUTES PAST 10.

2 Q. ALL RIGHT. WERE YOU TESTIFYING AS BEST YOU COULD IN  
3 THE GRAND JURY?

4 A. THAT IS CORRECT.

5 Q. NOW, MR. MING, DID YOU IN FACT CONTACT THE HANSENS, OR  
6 DID YOU IN FACT CALL GEORGE HANSEN PURSUANT TO MR. BUNKER  
7 HUNT'S INSTRUCTION?

8 A. I DID.

9 Q. WHAT WERE THE CIRCUMSTANCES OF THAT CALL?

10 A. I PUT IN THE CALL TO MR. HANSEN. IT ISN'T REFLECTED  
11 ON MY TELEPHONE LOG, SO I MUST ASSUME THAT I PUT A PERSON TO  
12 PERSON CALL IN TO HIM, AND HE WAS UNAVAILABLE, AND HE RETURNED  
13 MY CALL. I IDENTIFIED MYSELF, TOLD HIM THAT I WAS CALLING AT  
14 THE SUGGESTION OF BUNKER HUNT THAT HE MIGHT HAVE SOME INTEREST  
15 IN SILVER.

16 Q. MR. MING, YOU SAY THAT THE CALL IS NOT REFLECTED ON  
17 YOUR TOLL RECORDS. YOU HAVE JANUARY 16, 1979, BEFORE YOU, SIR?

18 A. THAT IS CORRECT.

19 Q. IS THERE A CALL THAT DAY REFLECTED FROM YOUR OFFICE TO  
20 CONGRESSMAN HANSEN'S OFFICE IN WASHINGTON, D. C.?

21 A. YES, IT IS.

22 THE COURT: IS THAT EXHIBIT 32?

23 MR. WEINGARTEN: YES, YOUR HONOR.

24 EXHIBIT 32.

25 THE COURT: ALL RIGHT.

1 BY MR. WEINGARTEN:

2 Q. WHAT TIME IS THAT CALL, SIR?

3 A. 10:49 OKLAHOMA TIME.

4 Q. OKLAHOMA TIME? WHAT IS THE HOUR DIFFERENCE BETWEEN  
5 OKLAHOMA TIME?

6 A. ONE HOUR.

7 Q. IT WOULD BE 11:49 WASHINGTON TIME?

8 A. IT IS.

9 Q. THAT CALL IS REFLECTED ON YOUR TELEPHONE RECORDS?

10 A. ONE MINUTE, RIGHT.

11 Q. IS THERE A SUBSEQUENT CALL REFLECTED JANUARY 16, 1979  
12 FROM YOU TO CONGRESSMAN HANSEN'S OFFICE?

13 A. 1:22, OKLAHOMA TIME.

14 Q. HOW LONG A CALL WOULD THAT BE?

15 A. 7 MINUTES.

16 Q. IS THERE A THIRD CALL TO CONGRESSMAN HANSEN'S OFFICE?

17 A. 2:22.

18 Q. HOW LONG A CALL IS THAT?

19 A. TWO MINUTES.

20 Q. NOW, ARE YOU TESTIFYING, SIR, THAT IN ADDITION TO  
21 THOSE 3 CALLS, YOU SPOKE TO CONGRESSMAN HANSEN OR SOMEONE IN  
22 HIS OFFICE A FOURTH TIME?

23 A. ABSOLUTELY.

24 Q. AND WHEN WOULD THAT CALL HAVE BEEN, SIR?

25 A. THAT CALL WOULD HAVE BEEN PRIOR TO THE FIRST CALL

1 REFLECTED ON THIS LOG OF 10:59 OKLAHOMA TIME.

2 Q. WOULD IT HAVE BEEN BEFORE OR AFTER YOUR CALL FROM  
3 NELSON BUNKER HUNT?

4 A. IT WOULD HAVE BEEN AFTER MY FIRST CALL TO BUNKER AT  
5 8:55.

6 Q. BUT BEFORE YOUR CALL TO WASHINGTON, D. C., 10:49?

7 A. YES.

8 Q. AND AGAIN, WHY IS IT NOT REFLECTED ON YOUR TOLL  
9 RECORDS, SIR?

10 A. I BELIEVE I CALLED CONGRESSMAN HANSEN PERSON TO PERSON  
11 OR HE MAY HAVE CALLED ME BECAUSE I AM INFORMED THAT HE HAD MY  
12 PHONE NUMBER.

13 Q. WELL, YOU TESTIFIED IN THE GRAND JURY SEVERAL TIMES,  
14 DID YOU NOT, THAT YOU PLACED THE FIRST CALL?

15 A. I BELIEVE I DID. I AM JUST SAYING HE POSSIBLY COULD  
16 HAVE. I AM REASONABLY CERTAIN THAT I CALLED CONGRESSMAN HANSEN  
17 AND I CALLED HIM PERSON TO PERSON. HE WAS NOT AVAILABLE AND I  
18 LEFT WORD AND HE RETURNED MY CALL.

19 Q. WHY DID YOU CALL HIM PERSON TO PERSON?

20 A. BECAUSE I DIDN'T KNOW CONGRESSMAN HANSEN; I DIDN'T  
21 KNOW THE ROUTINE OF HIS OFFICE; I DIDN'T KNOW HOW CALLS WOULD  
22 BE HANDLED IN HIS OFFICE; AND A PERSON TO PERSON CALL SEEMED TO  
23 BE THE LOGICAL THING TO DO.

24 Q. OF COURSE, YOU DIDN'T CALL HIM PERSON TO PERSON THE  
25 NEXT 3 TIMES.

1       A.    NO, BECAUSE I HAD TALKED TO MRS. HANSEN, HAD  
2   ESTABLISHED CONTACT, AND WAS ADVISED TO CALL HER IN THE MATTER  
3   JUST DIRECT DIAL.

4       Q.    SO, YOU ARE SAYING BETWEEN THE 8:55 CALL TO BUNKER  
5   HUNT AND THE 10:49 CALL TO CONGRESSMAN HANSEN'S OFFICE THAT YOU  
6   HAD TWO CONVERSATIONS WITH CONGRESSMAN HANSEN AND MRS. HANSEN?

7       A.    NO, I DIDN'T SAY TWO.

8       MR. LEWIN:   THAT'S NOT --

9       BY MR. WEINGARTEN:

10      Q.    LET RESTATE IT. YOU CALLED THE OFFICE AND THEY CALLED  
11   YOU BACK?

12      A.    THAT'S CORRECT.

13      Q.    AND YOU SAY THAT OCCURRED BETWEEN 8:55 IN THE MORNING  
14   AND 10:49 IN THE MORNING?

15      A.    YES.

16      Q.    WHAT WERE THE NATURE OF THOSE CALLS, SIR?

17      A.    AS I SAID, I CALLED CONGRESSMAN HANSEN AT THE  
18   SUGGESTION OF BUNKER, IDENTIFIED MYSELF, AND I VERY DISTINCTLY  
19   RECALL, " I UNDERSTAND YOU HAVE AN INTEREST IN TRADING  
20   SILVER." HIS RESPONSE WAS, " NO, I DON'T, BUT MY WIFE,  
21   CONNIE HANSEN DOES. HOLD A MOMENT AND I'LL TRANSFER YOU TO  
22   MRS. HANSEN. "

23           HE DID SO, MRS. HANSEN PICKED UP THE PHONE. I AGAIN  
24   IDENTIFIED MYSELF, AND THAT I WAS CALLING AT THE SUGGESTION OF  
25   BUNKER HUNT WITH THE UNDERSTANDING THAT SHE HAD AN INTEREST IN

1 TRADING SILVER FUTURES. SHE REPLIED IN THE AFFIRMATIVE.

2 Q. MR. MING, ALL THE WHILE YOU ARE CALLING NEW YORK TO  
3 FORLENZA TO BUY THE 125 CONTRACTS OF SILVER, IS THAT NOT  
4 CORRECT?

5 A. I HAD VARIOUS AMOUNTS BEING WORKED AT THAT TIME. IT  
6 WOULD NOT HAVE BEEN THE ENTIRE 125 CONTRACTS.

7 Q. ALL RIGHT. HOW MANY CALLS DID YOU MAKE THAT ARE  
8 REFLECTED ON YOUR TOLL RECORDS BETWEEN THE BUNKER HUNT CALL AND  
9 THE 10:49 WASHINGTON, D. C. CALL?

10 A. I THINK I HAVE A TOLL FREE LINE TO FORLENZA.

11 Q. BUT YOU ALSO MAKE SOME TOLL CALLS DURING THAT PERIOD,  
12 DO YOU NOT?

13 A. YES.

14 Q. HOW MANY, SIR?

15 A. TO NEW YORK, THERE SEEMS TO BE TWO.

16 Q. HOW ABOUT TOTAL? TOTAL TELEPHONE CALLS BETWEEN THE  
17 FIRST HUNT CALL AND THE FIRST WASHINGTON CALL REFLECTED ON YOUR  
18 TOLL RECORDS?

19 A. FOUR, FIVE, 13 IT APPEARS.

20 Q. AND YOU ALSO HAVE A TOLL FREE LINE TO THE FLOOR IN NEW  
21 YORK TO MAKE YOUR SILVER PURCHASES?

22 A. AS I RECALL I DID. IT HAS BEEN FIVE YEARS AGO.

23 Q. AND YOU WERE RECEIVING CALLS FROM NEW YORK AT THAT  
24 TIME AS WELL FROM THE FLOOR?

25 A. THAT IS CORRECT.



1 Q. MR. MING, ISN'T IT A FACT THAT THE CONTRACTS, THE 125  
2 CONTRACTS WERE PURCHASED PRIOR TO YOU CONTACTING THE HANSENS?

3 A. ABSOLUTELY NOT.

4 Q. YOU STILL MAINTAIN, THAT THERE WERE TWO TELEPHONE  
5 CONVERSATIONS IN THAT HOUR AND A HALF WHEN YOU MADE 13  
6 TELEPHONE CALLS AND BOUGHT 125 CONTRACTS OF SILVER?

7 A. NINE OR 10. 10 PHONE CALLS TO NEW YORK PRIOR TO THE  
8 FIRST RECORDED CALLS FROM WASHINGTON. 10, I BELIEVE. NINE,  
9 NINE TELEPHONE CALLS.

10 Q. MR. MING, THE IMPORTANT QUESTION IS THIS. IS IT YOUR  
11 TESTIMONY THAT THE CONTRACTS WERE PURCHASED BEFORE YOU  
12 CONTACTED THE HANSENS, YES OR NO?

13 A. SOME.

14 MR. WEINGARTEN: IT IS A LOGICAL TIME FOR A BREAK, YOUR  
15 HONOR.

16 THE COURT: ALL RIGHT. WE WILL BE BREAKING, LADIES AND  
17 GENTLEMEN. IT IS AS CLOSE TO 3:30 AND WE COULD MUSTER. I  
18 UNDERSTAND THERE IS SOME COFFEE WAITING FOR YOU BACK THERE.  
19 PLEASE REMEMBER THE CONTINUING ADMONITION NOT TO DISCUSS THE  
20 CASE WITH ANYONE. WE WILL HAVE A 10 MINUTE RECESS.

21 MR. MING, YOU ARE OF COURSE IN THE MIDST OF YOUR TESTIMONY. I  
22 ASK YOU TO DISCUSS IT WITH NO ONE IN THE PERIOD OF TIME. WE  
23 WILL GIVE YOU FURTHER INSTRUCTIONS WHEN YOU HAVE COMPLETED YOUR  
24 TESTIMONY.

25 (WHEREUPON, AT 3:35, A 10-MINUTE RECESS WAS TAKEN.)

1 THE COURT: May I see counsel at the bench, please?

2 (Bench conference)

3 THE COURT: You could tell, when I pulled this piece  
4 of paper out, what was going to happen.

5 MR. WEINGARTEN: One of the jurors died of boredom?

6 THE COURT: Ms. Mills has just vomited. I have to  
7 give you all this diagnostic detail. She has not been feeling  
8 well. She is now beginning to run a temperature. We have both  
9 of our nurses out there, to whom I have been talking.

10 MR. WEINGARTEN: Is she No. 5?

11 THE COURT: I believe No. 5.

12 DEPUTY CLERK: No. 5, Your Honor.

13 THE COURT: She says she feels a little better now  
14 that she has vomited. Nonetheless, she doesn't feel very well.  
15 I think we are down to this, I am most reluctant to release  
16 here but she says, "I don't feel I am up to it." I think the  
17 combination of taking her blood pressure medicine, which she  
18 had not taken for several days even though she had been under.  
19 doctor's orders to so do, and now taking her first valium which  
20 she apparently takes every night but had not taken for several  
21 days, all of these matters combined, plus I assume general  
22 excitement of something new, such as we are now confronted with,  
23 has just come to mean that we will have to lose Juror No. 5 and  
24 seat Alternate No. 1 in her place. Do you agree?

25 MR. LEWIN: Yes.

1 MR. WEINGARTEN: The first one on the list is what?

2 THE COURT: Alternate No. 1 is Harriett Wright. Yes,  
3 she is Harriett Wright. She is a cook in the D.C. Public  
4 Schools, 58 years of age.

5 MR. WEINGARTEN: I think on the list -- I might be  
6 wrong about it.

7 MR. LEWIN: I think what happened was probably she  
8 took the seat of Alternate No. 1 and Alternate No. 1 was  
9 stricken. That is what happens. So I don't know what the  
10 sequence is, whether it goes by seat or whether it goes by  
11 selection of alternate.

12 MR. WEINGARTEN: It is six of one half dozen of the  
13 other. It turns out if you are going by the list, she is not  
14 the one who is next up.

15 THE COURT: The one who is listed here, Harriett  
16 Wright, is not the one?

17 MR. WEINGARTEN: She is lower on the list than  
18 Barbara Robinson.

19 THE COURT: When we selected them, we selected  
20 Harriett Wright to be No. 1 and Alt. No. 2 to be Blondell Davis  
21 and Alt. No. 3 to be Barbara Robinson. Who is physically  
22 sitting in the seat, I wouldn't dream of telling you at this  
23 moment. That is who was selected.

24 MR. LEWIN: That is the list.

25 THE COURT: That is the list. That is my clerk's

1 list. That is my list and I assume you people all kept your  
2 own independent lists. Okay?

3 MR. LEWIN: Yes.

4 (End of bench conference)

5 THE COURT: Why don't you bring Ms. Mills back in  
6 here. I will tell her she is excused from the jury and we will  
7 bring the jury back in here.

8 Counsel, I think it might be more humane if we do it  
9 up at the bench, because of the details of the problem, rather  
10 than do it at large, as long as we have it on the record.

11 (Bench conference)

12 THE COURT: Ms. Mills, you are Evelyn Mills, am I  
13 correct, and you are Juror No. 5?

14 MS. MILLS: Yes.

15 THE COURT: You have been sitting most attentively  
16 during the course of this trial to date but I do understand and  
17 I have been aware that you have not been feeling well, am I  
18 correct?

19 MS. MILLS: Yes.

20 THE COURT: Am I correct that you have a general  
21 problem of high blood pressure.

22 MS. MILLS: Yes, I do.

23 THE COURT: For some time you had not been taking  
24 your blood pressure medicine, at least the last few days?

25 MS. MILLS: That is correct.

1 THE COURT: Even prior to coming here to court for  
2 this jury trial?

3 MS. MILLS: Yes, ma'am.

4 THE COURT: We have contacted your doctor, through my  
5 staff, through the nurse, and you have just, perhaps today or  
6 yesterday, begun to take your blood pressure medicine?

7 MS. MILLS: That is correct.

8 THE COURT: Am I also correct you have had an  
9 opportunity to re-start your valium in the evening, your one  
10 valium you take every night and you have been taking for the  
11 last seven years?

12 MS. MILLS: That is correct.

13 THE COURT: But that, too, you had not been taking  
14 for some time immediately prior to coming to court?

15 MS. MILLS: That is correct.

16 THE COURT: Just a few moments ago, within the last  
17 10 or 15 minutes, you had an upset stomach, am I right?

18 MS. MILLS: I did.

19 THE COURT: My marshal tells me you feel a little bit  
20 better now than you did before but not very good, is that  
21 correct?

22 MS. MILLS: That is correct.

23 THE COURT: Counsel and I have talked about your  
24 situation and much as we regret it, we are going to excuse you  
25 from service in this case and you will not be serving on this

1 case any more. The marshals will accommodate you to get your  
2 belongings so that you can go home.

3 One thing I do ask of you, Ms. Mills, and I trust it  
4 is with the consent and acquiescence of counsel, is that until  
5 this case is completed, we would ask that you not discuss any  
6 matters that have occurred about this case with anyone.

7 MS. MILLS: I won't.

8 THE COURT: Now, after the case is over, and we have  
9 a decision, that is up to you, ma'am. All right?

10 MS. MILLS: Okay.

11 THE COURT: All right. Do counsel agree to that?

12 MR. LEWIN: Yes.

13 MR. COLE: Yes, Your Honor.

14 THE COURT: We wish you much better health and maybe  
15 in the next few days you will call my chambers and leave a  
16 message with my secretary, which I hope is, you are feeling  
17 much better.

18 MS. MILLS: Thank you.

19 THE COURT: I will be able to tell the counsel that.

20 Ms. Mills is excused from her service in this case  
21 and we will be substituting Ms. Harriett Wright, Alternate No.  
22 1, in her place in the fifth chair.

23 (End of bench conference).

24 (Jury present at 4:00)

25 THE COURT: Ladies and gentlemen of the jury, as you

1 can see, we have substituted our Alternate No. 1, Ms. Harriett  
2 Wright, in place of Ms. Mills, who as you all are very much  
3 aware was not feeling very well and we have excused her from  
4 her service in this case in light of her situation, and the  
5 diagnosis by the nurse, and the acquiescence of her doctor and  
6 the consent of counsel.

7 We ask that you continue, and we ask that you all  
8 stay in the best of health, as we progress as rapidly as we are  
9 able to in this case. We hope that you are comfortable, Ms.  
10 Wright.

11 MS. WRIGHT: Sure am.

12 THE COURT: Good. We shall continue.

13 Mr. Ming, we will have some more examination now.

14 BY MR. WEINGARTEN:

15 Q. Mr. Ming, when we broke for lunch, I believe we were  
16 discussing when you first contacted George Hansen.

17 A. Yes.

18 Q. Is that first contact reflected on your diary?

19 A. It is not.

20 Q. Is there a contact with George Hansen that is  
21 reflected on your diary on January 16th, 1979?

22 A. No.

23 Q. Why don't you look at 2:36 p.m., sir.

24 A. Over on the next page? I have a 2:36 comment, "George  
25 Hansen", with no comment.

1 Q. Do you recall what that would have been about, sir?

2 A. I have no idea.

3 Q. Why wouldn't you have indicated contact with George  
4 Hansen earlier, if it had taken place, on your diary?

5 A. This isn't a complete sequential of events that took  
6 place that day. This is just comments or notes that I put down.  
7 I can see a lot of reasons for what I did that day, although it  
8 was five years ago, possible reasons, probable reasons.

9 Q. What about the 2:36 p.m. notation "George Hansen"?

10 A. As I said, I have no idea.

11 Q. You did not think it was significant enough to note  
12 the first time you talked to Congressman Hansen?

13 A. He may have called me, because the last call I have  
14 to Washington is 2-24.

15 Q. That is right.

16 A. I don't know. I have no idea.

17 Q. As you sit here now, do you know why you didn't note  
18 on your diary your first contact with Congressman Hansen?

19 A. No. I would not necessarily have.

20 Q. Is there any reflection of contact with Congressman  
21 Hansen in your notation relating to Bunker Hunt and the 200  
22 contract purchase order?

23 A. No.

24 Q. Mr. Ming, when you did make contact with the Hansens,  
25 what was the nature of the conversation?



1       A.    As I indicated to you, when I talked to Congressman  
2 Hansen, I identified myself and made the statement that I  
3 understood he had some interest in the silver market. He  
4 immediately said, "No, I don't, but my wife, Mrs. Hansen, does."

5       Q.    Did you ever learn how Mr. Bunker Hunt could have  
6 mistaken the two and asked you to call George Hansen first?

7       A.    Well, no, I wouldn't seek to --

8       Q.    Did you ultimately have a conversation with Connie  
9 Hansen?

10      A.    Yes.

11      Q.    What was the nature of that conversation, sir?

12      A.    Again, I identified myself and told her the reason  
13 for my call, who referred me to her and understood she had an  
14 interest in silver futures, and she replied that she did.

15      Q.    Do you have any obligation as a broker to explain the  
16 risks inherent in a commodities purchase?

17      A.    I do.

18      Q.    Did you in fact do that?

19      A.    I did.

20      Q.    How long did the conversation take place?

21      A.    I would think it would have had to have lasted, plus  
22 or minus, ten minutes or more.

23      Q.    You still say you squeezed that conversation in  
24 between 9:00 in the morning and 10:49 in the morning?

25      A.    Very much.

1 Q. Even though you made how many calls?

2 A. Between 9:05 in the morning and 10:59 my time, yes,  
3 absolutely.

4 Q. How many calls again did you have in that period of  
5 time?

6 A. To New York?

7 Q. To anywhere.

8 A. Well, I don't know. Do you want me to count them?

9 Q. Didn't you count them before?

10 A. You asked me to count the number of calls I had in  
11 New York.

12 Q. No, I am talking about total calls.

13 A. They may not all be mine. There were other people.

14 Q. Do you recognize your calls in there? Can you tell?

15 A. Well, there are a couple of calls that I probably  
16 didn't make. The rest of them I probably did make.

17 Q. There are at least eight or nine calls to the floor  
18 in New York to buy silver, is that not right?

19 A. I talked to the floor a lot more times than that  
20 because they called me and we discussed the market and I gave  
21 them instructions and they went back. These are contacts,  
22 these are calls to the floor, I assume it is Forlenza. I don't  
23 recall the exact phone number.

24 Q. Did you have to get any information from Mrs. Hansen?

25 A. Yes.

1 Q. I hand you Government's Exhibit No. 28 and ask you,  
2 sir, if you can identify it, please?

3 A. That is the account information sheet. This was  
4 evidently prepared. This was not the handwritten one. It is  
5 typewritten and subsequently sent to Cargill in Chicago.

6 Q. You transmit that information to Cargill in Chicago?

7 A. There is a handwritten one that you have that this  
8 has been prepared from.

9 Q. The information, though, comes from where?

10 A. From Mrs. Hansen.

11 Q. It is transmitted to Cargill by whom?

12 A. Mrs. Dry, who was in my employ at the time.

13 Q. In Oklahoma city?

14 A. That is correct.

15 MR. WEINGARTEN: We move into evidence Government's  
16 Exhibit No. 28.

17 MR. LEWIN: No objection.

18 THE COURT: It is in evidence.

19 (Whereupon, Government's Exhibit  
20 No. 28 was received into evidence).

21 BY MR. WEINGARTEN:

22 Q. Is there an indication on that document as to the net  
23 worth of Connie Hansen?

24 A. There is.

25 Q. What is that indication?

1 A. Over 250,000.

2 Q. Did she tell you that, sir?

3 A. I don't recall.

4 Q. Where would you have gotten that information?

5 A. It was probably an impression that I might have had.

6 Q. From what, sir?

7 A. Well, there is very little that we can ask because of  
8 federal law. My impression is that she was responsible. My  
9 impression from talking to her banker that she had handled her  
10 checking and banking relationships responsibly.

11 Q. In that customer registration form, there is an  
12 indication for net worth, is there not?

13 A. There is, but we can't require and do not require a  
14 net worth statement from them.

15 Q. The question is, you indicated on that, or you  
16 indicated to Cargill that she had a net worth of over \$250,000?

17 A. That is correct.

18 Q. Did you make that number up or did she provide you  
19 with that information?

20 A. She did not directly provide me with that information,  
21 to the best of my recollection.

22 Q. So you made that number up? I mean, you don't know?

23 A. My impression.

24 Q. Does the rules and regulations of the commodities  
25 market require that a customer sign a risk disclosure statement?

1 A. That is correct.

2 Q. Mr. Ming, I hand you Government's Exhibit No. 29, sir,  
3 and ask you if you can identify it?

4 A. This is the normal risk disclosure statement to make  
5 sure that the client understands the risk involved.

6 Q. Is it signed?

7 A. It has a signature of Connie S. Hansen.

8 MR. WEINGARTEN: I move into evidence Government's  
9 Exhibit 29.

10 MR. LEWIN: No objection.

11 THE COURT: It is in evidence.

12 (Whereupon, Government's Exhibit  
13 No. 29 was received into evidence).

14 THE COURT: May I see Nos. 28 and 29 for a moment,  
15 counsel? I believe the witness has them up there. My clerk  
16 will hand them to me, just for a moment.

17 BY MR. WEINGARTEN:

18 Q. Is the risk disclosure statement dated, Mr. Ming?

19 A. Say again?

20 Q. The risk disclosure statement, is that dated?

21 A. Yes, it is.

22 Q. What is it dated?

23 A. It is dated January 16th, 1979.

24 Q. Who filled out that date?

25 A. It would appear that Mrs. Hansen would have done so.

1 It looks like in the same ink.

2 Q. Did you send her the risk disclosure statement?

3 A. Yes.

4 Q. You would have sent it the day the contracts were  
5 purchased?

6 A. That is correct.

7 Q. So it was obvious, is it not, that Mrs. Hansen didn't  
8 sign that risk disclosure statement on January 16th, 1979?

9 A. Well, that is the date that the contract or that the  
10 account was opened and Mrs. Hansen agreed to open the account  
11 and trade the commodity, and my opinion, it is very appropriate  
12 that she date it on January 16th, because that is when the  
13 trade occurred.

14 Q. It is clear, though, she didn't sign that document on  
15 January 16?

16 A. Obviously not.

17 Q. You sent it in the mail she signed it sometime later  
18 and sent it back to you?

19 A. That is correct.

20 Q. She signed it long after --

21 A. This is a common practice, however.

22 Q. Are you not required by commodities rules to have a  
23 signed risk disclosure statement in hand prior to doing  
24 business for a customer?

25 A. No, not that I recall. Risk disclosure statements at

1 that time was a relatively new regulation, back in 1979. I  
2 don't think it is possible to open a new account for someone  
3 who lives in another town. We did most of our business over  
4 the telephone -- and have that in hand before trade takes place.

5 Q. Mr. Ming, what is the purpose of having a risk  
6 disclosure statement if it is not signed by the customer until  
7 the shooting is over?

8 A. Well, that is open to conjecture.

9 Q. If a commodities expert testified in court this very  
10 day that you couldn't do business with a customer until that  
11 risk disclosure statement is signed and in hand, would he be  
12 correct or incorrect?

13 A. I would suggest that he is technically correct but in  
14 practice incorrect.

15 Q. Mr. Ming, in whose account were those 125 contracts  
16 first purchased?

17 A. Partially, the first 5, 10, 15, probably in Eunker's  
18 account. The rest, whenever I had talked to Mrs. Hansen, the  
19 rest of them were purchased in her account.

20 Q. So you acknowledge that the first accounts that you  
21 purchased on January 16th, pursuant to Mr. Hunt's order, went  
22 into Mr. Hunt's account?

23 A. Pursuant to his instructions of: Mr. or Mrs. Hansen  
24 didn't want them, he wanted them.

25 Q. At some point, did you call Stuart Goldberg of

1 Cargill and tell him to put those 125 contracts in another  
2 account?

3 A. I don't recall whether I did personally or Mrs. Dry  
4 may have, when filling out the account papers. I know that I  
5 contacted the floor and told them that the account was not to  
6 be in Mr. Hunt's account, it was to be in the new account. I  
7 believe 32008, which is Mrs. Hansen's account.

8 Q. When you made that call, Mr. Ming, all the contracts  
9 had been purchased?

10 A. That is not true.

11 Q. You made the call before 10:10 in the morning?

12 A. Made the call to whom?

13 Q. To anybody.

14 A. I made a lot of calls before 10:10. To whom are you  
15 speaking of?

16 Q. Do you recall telling Stuart Goldberg, after the 125  
17 contracts were purchased, to change the account number from  
18 Nelson Bunker Hunt's account to Connie Hansen's account?

19 A. I don't recall it, no.

20 Q. Are you saying you didn't do it, sir?

21 A. I don't recall calling Mr. Goldberg. More than  
22 likely, it was Mrs. Dry.

23 Q. Did you instruct Mrs. Dry to call Cargill in Chicago  
24 and to tell Cargill to place those 125 from Nelson Bunker Hunt's  
25 account into a new account for Connie Hansen?



1           A.    No.  What Mrs. Dry would have done in processing a  
2 new account papers would be to resolve any possibility that  
3 that account would not be in 32008.  She would be talking to  
4 Stuart Goldberg.  I may have called Stuart Goldberg that  
5 morning and told him that I had a new account, that I was  
6 trading for a new account.  I just don't recall.

7           Q.    Just so --

8           A.    Mrs. Dry may have.  I just don't recall.

9           Q.    Just so we are clear, just so we are perfectly  
10 crystal clear on this point, did you call either New York or  
11 Chicago after those 125 contracts were purchased and instruct a  
12 representative of Cargill to transfer those accounts from  
13 Nelson Bunker Hunt's account, transfer those contracts from  
14 Nelson Bunker Hunt's account to a new account in the name of  
15 Connie Hansen?

16          A.    After they were all purchased?

17          Q.    Yes.

18          A.    To the best of my recollection, no.

19          Q.    When would you have placed such a call?

20          A.    I didn't make the call.

21          Q.    You never instructed anyone to transfer the accounts?

22          A.    I would have never instructed anybody to move 125  
23 contracts out of one account to another.  To the best of my  
24 recollection, I did not.

25          Q.    Did you instruct anyone to transfer any accounts?

1           A.   Mr. Weingarten, when I initially commenced the  
2 purchase of silver, I only executed for one account primarily  
3 at that time. I didn't have account numbers that I recall, I  
4 may have, for other members of the Hunt family. The people on  
5 the floor of the Comex know me. They know my voice. The  
6 people at Cargill know me. They know my voice. They know when  
7 I call and have business to transact it is for Mr. Hunt. Doing  
8 business in any account other than Mr. Hunt would have been  
9 unusual for me.

10           Now, whether I had instructed the floor to write  
11 32001, which is Bunker's account, or some other account number,  
12 doesn't mean that there is anything irregular going on.

13           Q.   I am not suggesting there is, Mr. Ming. I am just  
14 trying to establish the fact that 125 contracts were purchased  
15 by 10:10 in the morning Oklahoma time, is that correct?

16           A.   It would appear that the contracts had been, all that  
17 I was going to buy, was probably at around 10:10. I see by  
18 additional comments here that I probably did stop buying, at or  
19 around that time.

20           Q.   From your testimony, at least some of those contracts  
21 were purchased in Bunker Hunt's account?

22           A.   Ten, 15, 20, 50, I don't know. But not all of them.

23           Q.   How come you are so sure not all?

24           A.   Mr. Weingarten, Mr. Hunt doesn't do business that way  
25 nor do I.

1 Q. What is "that way"?

2 A. To buy contracts for his account and transfer them to  
3 someone else.

4 Q. Mr. Hunt doesn't do business that way, is that  
5 correct?

6 A. No, sir, he does not, never has through me. I do not  
7 either.

8 Q. So you are saying not all the contracts were bought  
9 but some of the contracts were bought and then the transfer  
10 took place?

11 A. That is probably what happened, because at the outset  
12 I didn't know whether Mr. Hansen or Mrs. Hansen, rather, wanted  
13 them or not. So obviously I had an obligation to commence  
14 buying.

15 Q. The market went up that day, did it not?

16 A. It went up substantially. I don't know how much. At  
17 that time -- you have time and price -- I don't recall that it  
18 had moved by 10:10 so terribly much because those prices are  
19 fairly closely grouped. Later on in the day, as I note here  
20 from some comments that I have written down, that it probably  
21 moved very much away and I advised Mrs. Hansen not to chase the  
22 market. I think that is what the 10:59 call is.

23 Q. The 10:59 call is one minute?

24 A. That is correct.

25 Q. That is when you advised Mrs. Hansen?

1 A. Not to chase the market.

2 Q. It didn't take place at 1:22 during the seven-minute  
3 call?

4 A. No because the market is primarily over. At the end  
5 of the day you only have a switch market. You can't buy out-  
6 right.

7 Q. Mr. Ming, isn't the truth, the first substantive call  
8 you had with the Hansens was after the market closed and after  
9 the 125 contracts had been purchased and after the market went  
10 up?

11 A. No.

12 Q. I see. What happened the next day, sir?

13 A. We had an order to sell the 125 contracts at, I don't  
14 recall the price, I think it was eight thirty-six fifty. They  
15 were at risk all day the 17th because the market did not get to  
16 that point and we were not executing.

17 Q. Basically, you had instructions to sell at a  
18 particular price or your goal was to sell at a particular price,  
19 the market didn't reach it so you didn't sell?

20 A. That is correct. In discussing with Mrs. Hansen and  
21 what I thought the market might do, given some of the facts  
22 here that are commented on later on in the 16th, I suggested  
23 that we put a price parameter of eight thirty-six fifty, I  
24 think, and she agreed. The price parameter was not met.

25 Q. Whose decision was this?

1       A.    It was a mutually arrived decision. It was in  
2 discussion with Mrs. Hansen.

3       Q.    Did the mutuality involve Nelson Bunker Hunt?

4       A.    It did not.

5       Q.    Are you certain of that?

6       A.    I am.

7       Q.    Did Mr. Hunt make any recommendations as to the  
8 silver?

9       A.    He did not.

10      Q.    Are you certain of that, sir?

11      A.    I am.

12      Q.    Would your answer be any different if you knew that  
13 Mr. Hunt testified that it was his recommendations that caused  
14 the sale and the purchase of this silver?

15      A.    It wouldn't make any difference, Mr. Weingarten,  
16 because Mr. Hunt didn't give that information to me. Whether  
17 he gave it to someone else or not, I don't know.

18      Q.    How many times did you talk to Mr. Hunt that day, sir?

19      A.    Well, let's count them: One, two, three, four, five,  
20 six, seven times.

21      Q.    At no time did he make any recommendation as to what  
22 to do in the Hansen account?

23      A.    He did not. We had other contracts to concern  
24 ourselves about.

25      Q.    Mr. Ming, were the contracts eventually sold, sir?

1 A. Say again?

2 Q. Were they eventually sold?

3 A. Which contracts?

4 Q. The Connie Hansen 125?

5 A. They were sold, I believe, on the morning of the 18th.

6 Q. Can you tell, from Government's Exhibits, in  
7 particular, Government Exhibit 30B what the nature of the sale  
8 was and what the result was?

9 A. If you will give me 30B.

10 Q. I think it is sitting there. It is the Cargill  
11 compilations.

12 A. We sold 8 at six thirty-five, 37 at six thirty-seven  
13 fifty. We had an open order to sell, I believe, on the 17th at  
14 six thirty-six fifty. We continued with that price parameter  
15 at the morning of the 18th, and in my opinion the market was  
16 beginning to weaken. I think we had a conversation prior to  
17 that, that if it began to weaken I would suggest we move out at  
18 whatever price we could get. She agreed and I did so. That  
19 was the result of it.

20 Q. What was the bottom line figure?

21 A. The bottom line figure? Which bottom line figure?

22 Q. Was money made in the sale?

23 A. Money was made.

24 Q. How much?

25 A. I believe it was 87,000 plus.

1 Q. Did Nelson Bunker Hunt have any role in the decision  
2 to sell?

3 A. He did not, not through me.

4 Q. Mr. Ming, there has been some testimony that a margin  
5 is required to be produced before the profit can be sent to the  
6 customer?

7 A. That is correct.

8 Q. And how much money needed to be produced in this  
9 instance before Connie Hansen could get the \$87,000?

10 A. 125,000.

11 Q. Why is that?

12 A. The margin requirement at that time was \$1,000 a  
13 contract.

14 Q. Is it fair to say that \$125,000 had to be produced by  
15 the Hansens before they could get their \$87,000?

16 A. That is correct.

17 Q. Of course, they get the \$125,000?

18 A. That is correct.

19 Q. What role did you have in the production of the  
20 margin?

21 A. I didn't have any.

22 Q. Did you have conversations with anybody concerning  
23 the margin?

24 A. Obtaining the margin?

25 Q. Did you have conversations with George Hansen?

1 A. No.

2 Q. Did you have ever conversations with George Hansen  
3 about the silver transaction at all?

4 A. No.

5 Q. Do you remember --

6 A. Not until afterwards, after it was completed. The  
7 only conversation I had with George Hansen, to my recollection,  
8 is that he called and wanted to just inquire if everything that  
9 had been handled to my satisfaction and that was it, period.

10 Q. You don't recall having a conversation with  
11 Congressman Hansen about the margin requirements?

12 A. I had no conversation with Congressman Hansen  
13 regarding the margin requirements, to the best of my  
14 recollection.

15 Q. What was the nature of the conversation you had with  
16 him you just testified about?

17 A. My notes reflect that on the 19th, I believe,  
18 Congressman Hansen called at 1:09, wanted to make sure that  
19 everything was done to our satisfaction. I assured him it had  
20 been handled very properly. That was on the 19th.

21 Q. How had it been handled, do you know?

22 A. Very properly, in my opinion.

23 Q. Do you know?

24 A. Very properly.

25 Q. Was he talking about the handling of the margin?



1 A. That is what you are asking me, is it not?

2 Q. Do you know how the margin was handled specifically?

3 A. I know that it was wire transferred to the  
4 Continental Illinois Bank in Chicago for the account of Cargill  
5 Investor Services on a timely manner. That is all I know about  
6 it.

7 Q. That is all you know about it?

8 A. That is correct.

9 Q. Just two or three more questions, sir. January 16th,  
10 Nelson Bunker Hunt tells you to buy 200 silver contracts and  
11 give the Hansens or give George Hansen, he said originally, any  
12 amount he wanted of it, is that correct?

13 A. He said to call George Hansen. If he is interested,  
14 he can have all or any part of it. If he doesn't want any of  
15 it, I will take it. Take what he wants to, I will take the  
16 rest, whatever.

17 Q. Of course, the telephone call that you made to  
18 Washington produced a purchase of 125, is that correct?

19 A. The purchase of 125 was done at my decision. It was  
20 my decision to stop buying, and I recommended to Mrs. Hansen  
21 and to the best of my recollection, that is reflected in the 10:59  
22 call, that I advised Mrs. Hansen not to chase the market, for  
23 the reason simply that I could comment on, if you asked.

24 Q. What happened to Mr. Hunt's 200? Did he just say, "The  
25 Hansens want it, that is okay by me, I won't buy the 200." Or

1 did you then buy 200 for Mr. Hunt?

2 A. He did not proceed to buy that day.

3 Q. Again, I think you have testified, you have never  
4 engaged in trading in such a manner with anyone else unrelated  
5 to the Hunts, is that correct?

6 A. That is correct.

7 Q. Mr. Ming, if Connie Hansen had lost money in this  
8 deal, would you have been exposed in any way financially?

9 A. Yes, sir.

10 Q. How would that have come about?

11 A. I am the executing broker.

12 Q. Mrs. Hansen had lost a lot of money and couldn't come  
13 up with the money, what would have happened to you?

14 A. I would have had to come up with it.

15 Q. That being the case, you simply filled out the  
16 customer registration form, put down over \$250,000 and carried  
17 out the contract with no further assurances?

18 A. That is correct.

19 Q. Isn't it true, sir, that these contracts were in  
20 effect guaranteed by Nelson Bunker Hunt?

21 A. That is not true.

22 MR. WEINGARTEN: Thank you, sir.

23 THE COURT: Cross-examination.

24 CROSS-EXAMINATION

25 BY MR. LEWIN:

1 Q. Mr. Ming, you have testified, I believe, in answer to  
2 Mr. Weingarten's questions, that you did talk to Mrs. Hansen  
3 during this three-day period --

4 A. Yes.

5 Q. -- from the time the contracts were purchased on the  
6 16th, was it?

7 A. That is correct.

8 Q. Through until the 18th?

9 A. That is correct.

10 Q. On approximately how many occasions do you think you  
11 spoke with Mrs. Hansen?

12 A. Well, from the phone log on the 17th, I talked to  
13 Mrs. Hansen at 9:06 on the 17th.

14 Q. Can you tell us in substance what you think you said  
15 to her at that time?

16 A. I told her, "I think we decided on the price  
17 parameter." We may have done it the previous day, but I  
18 reported to her what the market was doing, how it was trading,  
19 what the prices were, probably said, "In my opinion, let's stay  
20 with this price. The market looks good today." She evidently  
21 agreed. We did so.

22 I called her again at 1:22 on the 17th, obviously  
23 told her we were not executing but the market looked good, I  
24 would suggest that we stay there for the time being. However,  
25 if the market began to weaken on the 18th, I would suggest that

1 we take what we could get and go.

2 Q. Did you talk --

3 A. Take whatever profit we get and get out of the market.

4 Q. Did she agree with that?

5 A. To the best of my recollection, she did.

6 Q. Did you talk to her again on the 18th?

7 A. At 8:55 I called the Hansens, yes, Mrs. Hansen, and  
8 gave her a report of what the market was trading like. I  
9 talked to her again at 9:17.

10 Q. That is on the 18th?

11 A. On the 18th, probably to tell her we were out.

12 Q. Would you look at your handwritten notes,  
13 contemporaneous notes, for the morning of the 18th. Would you  
14 tell us whether those contemporaneous handwritten notes confirm  
15 any of the conversations that you have now described?

16 A. At 8:57, I have a note, "Mrs. Hansen told me to  
17 exercise my judgment, market not held." That is on the 18th.

18 Q. Those notes were sitting on your desk -- you sit at a  
19 desk when you make those phone calls?

20 A. That was probably part of the order form, "market not  
21 held".

22 Q. I was just saying that handwritten note you just read  
23 from is made contemporaneously with the telephone conversation?

24 A. Oh, yes.

25 Q. It says specifically that Mrs. Hansen --

1 A. -- Told me to exercise my judgment, market not held.

2 Q. Now, Mr. Weingarten has gone with you, into some  
3 detail, on the question of exactly when you first contacted  
4 Mrs. Hansen on the 16th. Could you tell us, just laying that  
5 totally to one side, even assume that the first contact with  
6 Mrs. Hansen had been after all these contracts had been  
7 purchased, would Mrs. Hansen have been at risk on the 16th and  
8 the 17th and the 18th?

9 A. She would.

10 Q. Could you please describe for us the magnitude of  
11 that risk?

12 A. The risk would have been as much as 20 cents, up or  
13 down, because that is the limit, trade limits, that were in  
14 place at that time. If she had acknowledged that trade one  
15 minute, three minutes, five minutes, before the close, she was  
16 at risk of a limit move. It has happened before. It could  
17 happen.

18 Q. So that even if the full 125 contracts had been  
19 purchased and then she had been told, "All right now it is  
20 being transferred to you," she could have lost up to 20 cents?

21 A. Per contract.

22 Q. Per contract?

23 A. Per ounce.

24 Q. Per ounce. I don't know whether you can do any quick  
25 arithmetic?

1 A. She could have lost 125 contracts, she could have  
2 lost 10,000 times 125.

3 Q. All right. Now, you have, at Mr. Weingarten's  
4 request, made a computation of the total value of the silver on  
5 that yellow sheet.

6 A. Yes.

7 Q. Can you tell us whether, in your experience, in  
8 dealing in the silver futures, does that calculation have any  
9 relation to reality?

10 A. It is irrelevant.

11 Q. Because?

12 A. Well, this is the cash price. If one were going to  
13 take delivery. Actually, for all practical purposes, the value  
14 of that commodity would change on the next tick or the next  
15 trade.

16 Q. So people who deal in silver futures are not risking  
17 \$3 million, for example?

18 A. By no stretch of the imagination.

19 Q. When you said there is a 20 cent limit, does that  
20 mean that is the limitation?

21 A. That is the trade limit in any one day, up or down,  
22 from the previous night's close.

23 Q. Now, Mr. Weingarten has directed your attention to  
24 Government's Exhibit No. 28, which was the new customer form,  
25 is that what it was? What is it called? I am sorry. It is

1 the form --

2 A. Customer information form.

3 Q. Yes. Now, Mr. Ming, he said did you make up that  
4 \$250,000 figure. Just for the jury's edification, does one  
5 write a figure in that box or is it a matter of checking off a  
6 box?

7 A. Checking off a box.

8 Q. In fact, over \$250,000 is the highest net worth that  
9 appears on that form?

10 A. That is correct.

11 Q. So you were testifying that you made the assumption  
12 that this lady had the value of the highest that appeared on  
13 that form and she could have checked it off?

14 A. That is correct.

15 Q. You didn't write any number in on the form, did you?

16 A. That is correct.

17 Q. Now, Mr. Weingarten also directed your attention to  
18 what is called the disclosure statement, which is Government  
19 Exhibit 29.

20 A. Yes.

21 Q. He asked you about the date on that disclosure  
22 statement, which appears at the lower left-hand corner under  
23 Mrs. Hansen's signature the date of 1-16-79.

24 A. Correct.

25 Q. Is it not a fact that that document contains a date,

1 as well, a typed date, in the upper right hand corner?

2 A. Yes, it does.

3 Q. So that really the date of the document, in the lower  
4 left-hand corner matches the typed date in the upper right hand  
5 corner?

6 A. That is correct.

7 Q. They were both just January 16th, 1979?

8 A. That is correct.

9 Q. In your experience, is it customary that people who  
10 receive it simply sign it and follow the date that appears in  
11 the upper right hand corner?

12 A. That could very well be, yes.

13 Q. By the way, you mentioned a Mrs. Dry in the course of  
14 your testimony. Who is Mrs. Dry?

15 A. Mrs. Dry was my office manager at that time, an  
16 associate, very experienced lady.

17 Q. In terms of doing things or giving instructions on  
18 things such as forms, would it be Mrs. Dry frequently who would  
19 carry out those ministerial instructions?

20 A. She would do it without my instructions. She knew  
21 what had to be done.

22 Q. Stuart Goldberg, whose name come up, would she deal  
23 with Stuart Goldberg on things like providing information?

24 A. Very likely.

25 Q. Now --



1 A. In fact, that was part of her responsibility.

2 Q. Back on that risk disclaimer statement, did you  
3 testify that you told Mrs. Hansen on the phone about the risks?

4 A. I did.

5 Q. In substance, what appears on that statement?

6 A. I reviewed the silver parameter that was 5,000 ounces  
7 per contract, and the limit move was up or down 20 cents, that  
8 the margin requirement was \$1,000 per contract and the method  
9 of payment that would be expected, so on, et cetera.

10 Essentially, I went into as much or more than what is on here.

11 Q. Mr. Ming, with regard to this silver transaction, did  
12 you subsequently learn that there had been a blackmail attempt  
13 based on that transaction?

14 A. I learned of it two years, two and a half years,  
15 later.

16 Q. Did you subsequently learn who was culpable in that  
17 blackmail?

18 THE COURT: Just don't answer for a moment, Mr. Ming.  
19 Counsel to the bench.

20 (Bench conference)

21 MR. WEINGARTEN: I respectfully request a proffer at  
22 this point.

23 MR. LEWIN: Since the blackmail matter came up and  
24 has come up and is proper in terms of considering the response  
25 to it, I just think it should not be a mystery. I am not going

1 to go into any great detail but I wanted to establish it was  
2 his employee who did it without his knowledge, that the  
3 employee pleaded guilty. Mr. Campbell also tells me that he  
4 thinks that Mr. Hunt mentioned in his testimony that it was Mr.  
5 Ming's employee who did it.

6 THE COURT: I am not confident. He may or may not  
7 have. I really don't recall that. One of the problems is, of  
8 course, that Mr. Ming may not be as tuned in as you are to the  
9 fact that he is supposed to keep his testimony in this regard  
10 most confined. If he is as angry as the papers have indicated  
11 throughout here about that particular employee, and he has  
12 certainly shown his anger today in other respects, the  
13 gentleman is not shy about expressing himself.

14 I am most concerned that he might just start rolling  
15 to things that will be hard to put back into a bottle again.  
16 It is like a genie that escapes from the bottle and then all  
17 sorts of interesting things might develop that have really not  
18 that much relationship to this case but certainly can have the  
19 jury's attention rivet to matters where they should not be  
20 focused. We never know how these things fall.

21 I think it is dangerous to both sides really. It  
22 might even be more dangerous to the defendant than to the  
23 prosecution. That is merely my view of it.

24 MR. LEWIN: I would certainly propose, Your Honor,  
25 that either if Your Honor wishes or we can call the witness up

1 here and tell him he should confine his answers, or I will tell  
2 him that in the course of my questions, simply to confine the  
3 answers.

4 THE COURT: Do we have a stipulation?

5 MR. WEINGARTEN: You took the words right out of my  
6 mouth.

7 THE COURT: You had that look like you were going to  
8 do that.

9 MR. LEWIN: I am prepared to stipulate to the jury  
10 that if we can do it now that the blackmail letter was written  
11 by Arthur Emens.

12 MR. WEINGARTEN: I think this is the kind of thing  
13 that counsel should hammer out outside the presence of the jury  
14 and we will read it to the jury tomorrow.

15 THE COURT: Can we do that tomorrow, have an  
16 agreement? You can reach some sort of language so you will not  
17 have to call a witness whom you may otherwise have to call,  
18 whether or not you use Mr. Emens's name. Perhaps it is merely  
19 enough to say he was an employee of Mr. Ming's.

20 MR. WEINGARTEN: If all Mr. Lewin wants is that the  
21 blackmailer was Arthur Emens, an employee of Leslie Ming and  
22 that he pleaded guilty to blackmail, we can hammer out a  
23 stipulation in two seconds.

24 THE COURT: I think it is dangerous with Mr. Ming. I  
25 mean that is why I have asked you to --

1 MR. LEWIN: I would like the jury to be told that  
2 what I was going to be asking Mr. Ming about will be the  
3 subject of a stipulation.

4 THE COURT: Wonderful. I will say that but I won't  
5 tell them what the stipulation is.

6 (End of bench conference)

7 THE COURT: Ladies and gentlemen of the jury, the  
8 counsel are going to work out a stipulation overnight  
9 concerning this matter, and it will be read to you among the  
10 first things tomorrow morning so that Mr. Ming will not have to  
11 go into some detail at this time and we can all save ourselves  
12 considerable time.

13 BY MR. LEWIN:

14 Q. Mr. Ming, you have testified, I believe, to a very  
15 brief conversation that you did have with Congressman Hansen in  
16 which he stated that it was Mrs. Hansen who was interested --  
17 who might be interested in possible trading in silver futures.

18 A. That is correct.

19 Q. Is it possible that that conversation, with  
20 Congressman Hansen, occurred at some point later in the series  
21 of conversations that you have described to the Court and jury,  
22 rather than in the first conversation in which you called?

23 A. No.

24 Q. You don't think so?

25 A. If I understand your question correctly, counsel, my

1 first call was to Congressman Hansen. So he was the first  
2 person I spoke to in that office.

3 Q. All these events took place back in 1979, is that  
4 correct?

5 A. January of 1979, yes.

6 Q. January of 1979.

7 My question to you, Mr. Ming, is whether, in terms of  
8 what Mr. Hunt said to you originally -- you have testified that  
9 Mr. Hunt said to you that you should contact Congressman Hansen,  
10 is it possible that what he said to you at that point was that  
11 you should contact Mrs. Hansen, who can be found in Congressman  
12 Hansen's office?

13 I will ask you, before you answer that question,  
14 whether it would refresh your recollection to look at a report  
15 which the FBI did of an interview --

16 THE COURT: Mr. Lewin, let's see if he can answer  
17 without refreshing his recollection, which is the customary way  
18 of proceeding, if you know.

19 THE WITNESS: No, I don't recall the instructions  
20 being posed in the manner you suggest.

21 BY MR. LEWIN:

22 Q. Let me just show, which I will mark for  
23 identification.

24 DEPUTY CLERK: Defendant's Exhibit No. 11 marked for  
25 identification.

1 (Whereupon, Defendant's Exhibit No.

2 11 was marked for identification).

3 BY MR. LEWIN:

4 Q. Defendant's Exhibit 11 marked for identification. Do  
5 you recall that in December of 1981, you were interviewed by a  
6 special agent of the FBI called Thomas Hoy and Agent Ware?

7 A. Yes.

8 Q. Let me show you Defendant's Exhibit 11 for  
9 identification, specifically, the second paragraph, and the  
10 line that I have underlined in red over there, and just read  
11 that to yourself.

12 A. My best recollection, Mr. Lewin, is that Bunker  
13 suggested that I contact George Hansen. In doing so, Mr.  
14 Hansen immediately advised me that he was not interested in  
15 trading commodities, or in trading anything particularly, as I  
16 recall it, but Mrs. Hansen might be.

17 Q. But looking at that document before you, is it  
18 possible that you told the FBI agent on December of 1981 that  
19 what Mr. Hunt had told you was to contact Mrs. Hansen, and that  
20 it is only since that time, in thinking this matter over -- you  
21 had to appear before the grand jury on two occasions, is that  
22 right, or several occasions? Mr. Weingarten and Mr. Coal  
23 called you for --

24 A. Counsel there is --

25 THE COURT: Mr. Lewin, I think we have about three

1 questions at the moment.

2 THE WITNESS: There are several inconsistencies in  
3 this report.

4 THE COURT: Mr. Ming, fine.

5 THE WITNESS: Excuse me.

6 THE COURT: Let us hear one question at a time from  
7 Mr. Lewin. I think you had three or four of them there and  
8 none of them were answered.

9 BY MR. LEWIN:

10 Q. Let me remove all the prior questions and let me ask  
11 it this way: You had to repeat the account of that day on a  
12 number of times, haven't you, to FBI agents, to Mr. Weingarten  
13 and Mr. Cole, and they have asked you over again about those  
14 events?

15 A. Yes.

16 Q. What I am asking you is, is it possible that when  
17 your recollection was at its most pure, which is back in  
18 December of 1981 and the FBI agents first came to talk to you,  
19 that you then accurately reflected to them that Mr. Hunt had  
20 told you to call Mrs. Hansen?

21 A. Mr. Lewin, to the best of my recollection, and I am  
22 not saying that my recollection might have been more pure then  
23 than now, but to the best of my recollection, and I have been  
24 over this transaction in my mind thousands of times since this  
25 thing has begun, that Bunker suggested that I call Congressman

1 George Hansen, and Congressman Hansen immediately advised me he  
2 was not interested but Mrs. Hansen might be or was interested.  
3 He transferred me to Mrs. Connie Hansen, and I had no more  
4 discussions with George Hansen, until he called to see if  
5 everything went well.

6 Q. I understand. Is it what stands out in your mind is  
7 one conversation with Congressman Hansen in which he says, "It is  
8 my wife who has got this interest"?

9 A. That is correct. There is no question about that.

10 Q. Is it possible, again I put to you, in light of what  
11 we have just said, that maybe that one fragment of conversation  
12 that sticks in your mind, the Congressman saying to you, "It is  
13 my wife who has this interest," happened at some point later in  
14 the series of conversations during those three days, during  
15 which Mrs. Hansen put the Congressman on the telephone just to  
16 say, hello?

17 A. No, I didn't talk to him at all after that.

18 Q. Assuming that there was just one time that you talked  
19 to him, is it possible that you talked to him either later on  
20 the 16th or sometime on the 17th, she just put him on the phone  
21 that one time to say, hello, and he said, "It is my wife who is  
22 interested in silver futures and I have no interest in it"?

23 A. As I understand the question that you have posed, to  
24 repeat my answer, Bunker told me that George Hansen might be  
25 interested in silver transactions, in buying some silver, or



1 words to that effect.

2 Again, he gave me his phone number. I believe, and I  
3 believe very strongly, that I called Congressman Hansen person-  
4 to-person. He was not available. I identified myself. He  
5 returned my call.

6 The only other alternative is that I know Congressman  
7 Hansen had my number and he may have called me. I don't think  
8 he did that. I think that I initiated the call.

9 Congressman Hansen returned my call. I identified  
10 myself, the reason for my call, who referred me to him, and he  
11 immediately said -- his words stand out very vividly in my mind --  
12 "No, I am not interested, but I believe my wife is. Let me  
13 transfer you to Mrs. Hansen," at which time he did so.

14 MR. LEWIN: Fine. I have no further questions.

15 THE COURT: Redirect?

16 MR. WEINGARTEN: I know Mr. Ming desperately wants to  
17 catch a plane. All I want to do is introduce this chart at  
18 this time, Your Honor.

19 I think he can make it, if he leaves now, Your Honor.

20 THE COURT: What are you saying, gentlemen?

21 MR. WEINGARTEN: No further questions.

22 THE COURT: You don't need the witness here any  
23 longer?

24 THE WITNESS: I am dismissed?

25 THE COURT: Mr. Ming, just wait. I will dismiss you.

1           You are dismissed, Mr. Ming. I would ask, of course,  
2 that you not discuss your testimony with any other possible  
3 witness until this matter is completed. Have a good day.

4           THE WITNESS: Thank you.

5           THE COURT: There are numerous exhibits up here in  
6 the witness chair, and if they could be gathered by the clerk,  
7 that would be appreciated.

8           MR. WEINGARTEN: With the Court's permission, I would  
9 like to place on the 1979 chart some items.

10          THE COURT: Is that chart numbered?

11          MR. WEINGARTEN: It is numbered 8B.

12          I would next request to place the first item on the  
13 chart, another item on the chart.

14          THE COURT: Mr. Weingarten, turn it just a little bit  
15 this way so I, too, can see what is going on.

16          MR. LEWIN: I am nodding here, but, Your Honor,  
17 obviously as to that --

18          THE COURT: I can't see that.

19          MR. LEWIN: That may be the government's theory but  
20 that is not the witness' testimony.

21          THE COURT: Then we should turn it away from -- let's  
22 see.

23          MR. WEINGARTEN: January 16th, I think Mr. Ming  
24 testified that that is in fact what occurred.

25          MR. LEWIN: "Contracts placed in account opened",

1 the question is the sequence. I think he was quite adamant  
2 that not all the 125 contracts had been purchased before they  
3 were placed in the account. That is the government's theory, I  
4 understand.

5 THE COURT: It doesn't say specifically that. That  
6 can be read into, that but it doesn't say that. Other things  
7 can be read into it also.

8 MR. LEWIN: All right.

9 MR. WEINGARTEN: Thank you, Your Honor.

10 THE COURT: What is next on our agenda, Mr.  
11 Weingarten?

12 MR. WEINGARTEN: There is a witness who really would  
13 like to get out of here. It is not a long witness.

14 THE COURT: I am sure the jury feels the same way. I  
15 did tell you I couldn't go beyond 5:15 today. You have been  
16 knowing about that since the beginning of the trial.

17 MR. WEINGARTEN: I think we can finish with Stuart  
18 Goldberg.

19 THE COURT: Whether we finish or not, 5:15 is the  
20 hour, gentlemen, give or take three minutes or so, but "or so"  
21 is exactly right.

22 Whereupon,

23 STUART PERRY GOLDBERG

24 was called as a witness by counsel for the Government and,  
25 having been duly sworn by the Deputy Clerk, was examined and

1 testified as follows:

2 THE COURT: Good afternoon, Mr. Goldberg.

3 THE WITNESS: Hello.

4 DIRECT EXAMINATION

5 BY MR. WEINGARTEN:

6 Q. Your name, sir?

7 A. Stuart Perry Goldberg.

8 Q. Spell your last name?

9 A. G-O-L-D-B-E-R-G.

10 Q. Where do you live, Mr. Goldberg?

11 A. In Lisle, Illinois.

12 Q. I am sorry?

13 A. Lisle, Illinois.

14 Q. Is that near Chicago?

15 A. Yes, it is about 25 miles away.

16 Q. How are you employed, sir?

17 A. I am employed at Cargill Investor Services in Chicago.

18 Q. In what capacity?

19 A. Margin manager.

20 Q. Very briefly, and in layman's terms, what does that  
21 mean?

22 A. Very briefly, I am responsible for the risk control,  
23 from the company's point of view, in terms of opening up new  
24 accounts, in terms of monitoring the risk volatility of the  
25 market in relation to our customers' positions, opening up new

1 accounts, customer service, and that is it.

2 Q. In that regard, did you have contact with a gentleman  
3 named Les Ming on January 16th, 1979?

4 A. Yes, sir.

5 Q. In fact, did you set up an account on that day?

6 A. Yes, sir.

7 Q. An account for whom?

8 A. An account for Mrs. Connie Hansen.

9 Q. Did you receive any preliminary information from Mr.  
10 Ming?

11 A. Yes, I did.

12 Q. Did you record that information on a document?

13 A. Yes, I did.

14 Q. Let me hand you what has been marked as Government's  
15 Exhibit 33 and ask if you can identify it?

16 A. Yes, this is the note I wrote in opening the account.

17 Q. What information does that reflect?

18 A. It reflects the fact that I had a change in account  
19 number on some orders, to open up a new account. It gives the  
20 name and address of the new account and some other detailed  
21 information that would be necessary for government reporting.

22 Q. You mentioned a change. Could you be more specific?  
23 What change took place in this account, sir?

24 A. I received a phone call saying that an account number  
25 had to be changed on some orders I received.

1 Q. Who did you receive that phone call from?

2 A. Les Ming.

3 Q. Did you know Ming prior to this date?

4 A. I had never met him, but I had spoken to him several  
5 times.

6 Q. In what connection?

7 A. In terms of an account executive relationship to the  
8 company.

9 Q. Again, what instructions, as specifically as you can  
10 recall, did you receive from Mr. Ming?

11 A. Specifically, he told me to change or he needed to  
12 change the account numbers on some orders we received.

13 Q. Did he mention from what account the number was to be  
14 changed and into what account the -- from where to where were  
15 the accounts to go?

16 A. I don't remember him saying where it was coming from,  
17 but I remembered him saying that they had to be put into  
18 Account No. 32008, which had yet to be established.

19 Q. Did you associate Mr. Ming with any particular  
20 customer that Cargill may have?

21 A. Yes. He almost exclusively handled Mr. Hunt's and  
22 the Hunt family accounts.

23 Q. Did you note the change on any documents that came  
24 into your office in Chicago?

25 A. Yes. I noted them on the telexes that we received

1 that gave us the fills of the orders.

2 Q. I hand you what has been Government's Exhibits 34A, B,  
3 C, D, and E and ask you, sir, if you can identify them?

4 A. These are copies of the telexes we received in  
5 Chicago, on which I noted the account number change.

6 Q. What in fact was the change, Mr. Goldberg?

7 A. They were changed from Account No. 32001 to Account  
8 No. 32008, all except for the last one.

9 Q. Whose account is 32001?

10 A. 32001 is Nelson Bunker Hunt.

11 Q. What was the change to?

12 A. 32008, which was to be the new account number for  
13 Connie Hansen.

14 Q. That last item that you mentioned where there was not  
15 a change, would you turn to it, please? I think it is 34E. Is  
16 there a time stamp on that document, sir?

17 A. Time stamped at 1330 p.m. Chicago time.

18 Q. What time is that?

19 A. That is 1:30 p.m.

20 THE COURT: That is 1:30 p.m. where?

21 THE WITNESS: Chicago time.

22 BY MR. WEINGARTEN:

23 Q. To your knowledge, sir, what time does the market  
24 close?

25 A. The market closes, I believe, at 2:15 or 2:30, New

1 York time.

2 Q. What time would that be Chicago time?

3 A. 1:15 to 1:30.

4 Q. So by the time you received that document the market  
5 was closed?

6 A. That is correct.

7 Q. How many contracts are indicated by that last  
8 document?

9 A. Twenty-one contracts.

10 Q. Can you quickly total the amount of contracts that  
11 had already been purchased or that had been purchased and  
12 needed to be changed?

13 A. One hundred and four had to be changed.

14 Q. How many?

15 A. One hundred and four contracts had to be changed.

16 Q. Check Government Exhibit 33, if you would. That is  
17 the memo.

18 A. Yes.

19 MR. WEINGARTEN: Just for completeness, at this late  
20 hour, I am not sure, but I move into evidence Government  
21 Exhibits 33, and 34A through E.

22 THE COURT: No objection?

23 MR. LEWIN: No objection.

24 THE COURT: In evidence.

25 (Whereupon, Government's Exhibit Nos.



1 33 & 34A-E were received into evidence).

2 BY MR. WEINGARTEN:

3 Q. Look at the notation on the very top of that memo.  
4 What does it say?

5 A. It says, "Change order, account numbers, bought 125  
6 marg. silver."

7 Q. What does that indicate to you? What did Mr. Ming  
8 instruct you to do?

9 A. He told me there were 125 contracts changed and that  
10 all of them had to be Account No. 32008.

11 Q. Did Mr. Ming instruct you to change all of the  
12 account numbers, all the contracts that had been purchased?

13 A. I can't recall that specific instruction.

14 Q. What does that indicate to you on the top of that  
15 memo?

16 A. Just on the basis of this memo, it appears that I  
17 would have had to have changed all of them.

18 Q. Did you have anything to do with the \$125,000 in  
19 margin money that was received by Cargill before the profit  
20 could be sent to Connie Hansen?

21 A. Yes, I was to see to it that upon receipt of the  
22 monies that it was to be credited to the Hansen account.

23 Q. Was in fact the money received?

24 A. Yes, sir.

25 Q. Finally, Mr. Goldberg, I hand you Government Exhibits

1 35 through 37, after I show them to defense counsel.

2 Government's Exhibits 35 through 37, what do they  
3 represent, sir?

4 A. These are carbon copies of the statements that  
5 Cargill Investor Services issued. One was a monthly statement.  
6 One is a daily statement from our firm and the other is a copy  
7 of wire transfers going out and coming in.

8 Q. Going out and coming in from where?

9 A. Actually, there is only one here going out.

10 Q. What does that represent, sir?

11 A. It represents a debit to the account of Cargill  
12 Investor Services, being credited to First Security Bank of  
13 Idaho, Pocatello, Idaho, and the beneficiary was Mrs. Connie S.  
14 Hansen.

15 Q. How much money went to the bank in Idaho?

16 A. \$212,475.

17 Q. What does that represent?

18 A. It represents the profits, plus the margin deposit,  
19 in the account.

20 Q. Prior to Cargill sending out the two twelve, what had  
21 to be received?

22 A. The margin monies.

23 Q. Is it indicated there where the money was received  
24 from?

25 A. Not in any of the copies that I received.

1 Q. Does it indicate that in fact the money was received?

2 A. Yes, sir.

3 MR. WEINGARTEN: We move into evidence Government's  
4 Exhibits 35 through 37.

5 MR. LEWIN: No objection.

6 THE COURT: In evidence.

7 (Whereupon, Government's Exhibit Nos.  
8 35-37 were received into evidence).

9 MR. WEINGARTEN: Thank you, Mr. Goldberg.

10 THE COURT: Cross-examination.

11 CROSS-EXAMINATION

12 BY MR. LEWIN:

13 Q. Mr. Goldberg, it appears from the telexes, does it  
14 not, that 24 of the contracts were in account 32008 and did not  
15 have to be changed?

16 A. Twenty-one of them.

17 Q. Twenty-one, I am sorry.

18 A. Yes.

19 Q. Did not have to be changed?

20 A. That is correct.

21 Q. That would be consistent with the account number  
22 being changed in the course of the purchase of these various  
23 contracts during the day?

24 A. I would say so, yes.

25 Q. Now, you have testified here, Mr. Goldberg, to a

1 telephone conversation -- was it a telephone conversation you  
2 had with Mr. Ming?

3 A. That is right.

4 Q. And it is your testimony that you recall that  
5 telephone conversation?

6 A. Yes, sir.

7 Q. You were interviewed with regard to this matter back  
8 on February 8th, 1982, by Special Agent Robert H. Gibson, of  
9 the FBI, in Chicago?

10 A. I am not sure of the date or the person's name, but  
11 yes.

12 Q. That was February of 1982?

13 A. Yes, I think so.

14 Q. More than two years ago?

15 A. Yes.

16 Q. And much closer to the events in question?

17 A. Yes, sir.

18 Q. Do you recall telling Special Agent Robert H. Gibson,  
19 and I am reading from his report, "Goldberg stated that he had  
20 no specific recollection of the telephone call"?

21 A. No. I wasn't sure whether the phone call to change  
22 the account number itself came from Les or whether I first got  
23 it from New York and then I spoke to Mr. Ming. But I did  
24 definitely speak to Mr. Ming.

25 Q. You told that to Mr. Gibson, that you definitely

1 spoke to Mr. Ming?

2 A. Yes, sir.

3 Q. Didn't you tell Mr. Gibson that the information could  
4 have been provided to you by Nellie Dry?

5 A. Yes, but I was 99 percent sure it was from Mr. Ming.

6 Q. Ninety-nine percent?

7 A. Yes.

8 Q. That is what you are sure today, it was 99 percent  
9 that it was Mr. Ming?

10 A. Yes.

11 Q. I see. You testified about this under oath as well  
12 in the grand jury, did you not?

13 A. Yes, sir.

14 Q. Were you asked the following questions and did you  
15 give the following answers, at page 18 of your grand jury  
16 testimony?

17 THE COURT: Is there a copy for the Court? Page 18?

18 MR. LEWIN: Yes, Your Honor, page 18.

19 THE COURT: Just one moment. All right.

20 BY MR. LEWIN:

21 Q. Starting with, say, line 7:

22 "And is there a change on them?

23 "Answer: Yes, there is. They were all changed to  
24 32008.

25 " Question: Could you tell us who wrote that change

1 on them?

2 "Answer: I did.

3 "Question: Would you tell us why you wrote that  
4 change on them?

5 "Answer: I was given instructions to make that  
6 change.

7 "Question: By whom?

8 "Answer: Probably by Les Ming, but it could have  
9 come from New York via Les Ming.

10 "Question: I see. But in any event, the source of  
11 it initially would have had to have been Les Ming as the  
12 account executive?

13 "Answer: Yes."

14 Do you recall giving those questions and those  
15 answers?

16 A. Yes, I do.

17 Q. Were the answers you gave at that time true?

18 A. With a qualification.

19 Q. With a qualification?

20 A. With a qualification.

21 Q. And it is a qualification that you have now recalled  
22 after giving those questions and answers in February of 1982?

23 A. Yes, but the qualification is that the only  
24 difference being that I could have received a phone call from  
25 New York saying, "There is an account number change that is

1 necessary, that I would have to speak to Les Ming," in which  
2 case I did. But like I said, I am 99 percent sure I spoke to  
3 Les Ming.

4 Q. But you could have spoken to Nellie Dry?

5 A. I could have, but not likely.

6 MR. LEWIN: Thank you.

7 REDIRECT EXAMINATION

8 BY MR. WEINGARTEN:

9 Q. Do you remember what time of the day that call would  
10 have been?

11 A. In the afternoon.

12 Q. Do you remember if it would have been before or after  
13 the market closed?

14 A. I don't remember.

15 Q. It was in the afternoon?

16 A. It was in the afternoon.

17 THE COURT: We thank you for your testimony. I ask  
18 you that you not discuss your testimony with any other possible  
19 witness in this case until the matter is completed. Have a  
20 good day.

21 THE WITNESS: Thank you.

22 THE COURT: Thank you, counsel, for making the time  
23 period. I will return this document to, I believe this time it  
24 was government counsel.

25 Ladies and gentlemen of the jury, it is close to 5:00.

1 We do the best we can to keep our commitments to you, as we  
2 have said. Tomorrow morning we will start at 10:00. I have a  
3 matter of three things, but they are together in one case at  
4 9:30 in the morning tomorrow. That should be easily over, we  
5 hope, by 10:00. 10:00 we start tomorrow. Tomorrow we will go  
6 no later -- tomorrow is Friday, is it not, gentlemen?

7 MR. WEINGARTEN: Yes.

8 THE COURT: We will go no later than 4:00 tomorrow in  
9 the afternoon. Please, stay in good health. Do whatever is  
10 necessary to stay in good health. Have a very good evening  
11 tonight. Enjoy your meal and your conversations together, all  
12 provided that you don't talk about the case. Talk about  
13 anything else that keeps you happy but not about the case.

14 If counsel will wait just a moment or two after the  
15 jury leaves, we will wish them good day.

16 (Jury excused at 5:00)

17 THE COURT: Counsel, what I wanted to address to you  
18 was an inquiry as to how are we moving? Don't shake your head  
19 negatively, Mr. Weingarten. That is the worst possible thing.

20 MR. WEINGARTEN: We are not going as rapidly as I had  
21 expected.

22 THE COURT: All right. Just in numbers, how many  
23 people do you think we can accomplish tomorrow?

24 MR. WEINGARTEN: We have a real dilemma. We have  
25 three people from Idaho. One is a banker named Garvin. One is



1 an account named Caldwell and one is a banker named Jones. I  
2 think our direct examination will be very brief. I don't know  
3 what cross-examination will be like. With that, we will  
4 complete silver.

5 THE COURT: Let's take it from here: As best as you  
6 know, from what you know about the case and what you might  
7 define that the prosecution will ask these people, about how  
8 long do you think cross-examination will take? Will that be  
9 brief also?

10 MR. LEWIN: I think it will be equally brief.

11 THE COURT: Moving on to the next series of people.

12 MR. WEINGARTEN: Then we move to Virginia. We have  
13 nobody in town at this point relating to the Virginia loans,  
14 and if the representation is that cross-examination will be  
15 brief, we will get on the phone right away and get somebody up  
16 here.

17 THE COURT: I see the head nodding affirmatively. So  
18 you will be you getting on the phone right away, as soon as I  
19 leave this courtroom.

20 Then what?

21 MR. WEINGARTEN: I think the first Virginia witness  
22 would probably be Mr. McAfee, and I expect him to be lengthy.  
23 So if we got through McAfee tomorrow, that would be good, and I  
24 think we would probably rest at the end of Monday.

25 THE COURT: All right. Counsel will be working on

1 that one stipulation that we left for consideration about the  
2 letter, and if there are any other stipulations that you can  
3 work out about some ministerial types of things, things that  
4 might even avoid a witness coming here, I would urge counsel,  
5 both sides of the table, to do this, in the interest of  
6 yourselves, the jury and the Court and the spirit of harmony.  
7 All right?

8 Do the best you can, really, in that regard. I do  
9 not say it jestingly. I think it is important to all of us to  
10 have you focus on those matters in which you want this jury to  
11 continue to have its focus and not start to lose some of the  
12 more important matters in the trivia, some of which is  
13 necessary to present but could come forth through the medium of  
14 stipulations.

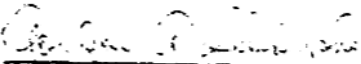
15 Good day. See you tomorrow at 10:00.


16 (Whereupon, at 5:05 p.m., the trial in the  
17 above-entitled case was recessed until Friday, March 23, 1984,  
18 at 10:00 a.m.)

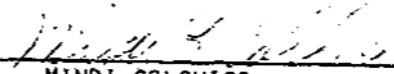
19 \* \* \*

CERTIFICATE OF REPORTER

I HEREBY CERTIFY THAT THE FOREGOING IS THE OFFICIAL  
TRANSCRIPT OF THE PROCEEDINGS IN THE ABOVE-ENTITLED MATTER,  
AND THAT IT IS COMPLETE AND ACCURATE, TO THE BEST OF MY  
KNOWLEDGE AND ABILITY.

  
GORDON A. SLODYSKO  
OFFICIAL COURT REPORTER

  
SHIRLEY POPEJOY  
OFFICIAL COURT REPORTER

  
MINDI COLCHICO  
OFFICIAL COURT REPORTER

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA

VS.

GEORGE VERNON HANSEN,

DEFENDANT

CRIMINAL ACTION  
NO. 83-75  
VOLUME NO. 5

WASHINGTON, D. C.

FRIDAY, MARCH 23, 1984

THE ABOVE-ENTITLED MATTER CONVENED FOR FURTHER  
TRIAL BY JURY, BEFORE THE HONORABLE JOYCE HENS GREEN, UNITED  
STATES DISTRICT JUDGE, AT APPROXIMATELY 10:10 A.M.

APPEARANCES:

FOR THE GOVERNMENT:

REID WEINGARTEN, ESQ.  
JAMES COLE, ESQ.

FOR THE DEFENDANT:

NATHAN LEWIN, ESQ.  
FRANK A. S. CAMPBELL, ESQ.  
STEPHEN BRAGA, ESQ.

GORDON A. SLODYSKO  
OFFICIAL COURT REPORTER  
4800-E U.S. COURTHOUSE  
WASHINGTON, D. C. 20001  
(202) 371-1734

I N D E XWITNESSDIRECTCROSSREDIRECTRECROSS

C. LEE CALDWELL

413

441

452-A

452-C

RICHARD W. GARVIN

462

481

492

GEORGE JONES

494

CARL MCAFEE

507

EXHIBITFOR IDENTIFICATIONIN EVIDENCE

## GOVERNMENT'S

38-A AND 38-B

418

38-C

418

38-C

421

38-D

426

39-A

467

39-B

468

39-C AND 39-D

470

39-F (WITHDRAWN - PAGE 479)

40-C

495

40-D

503

8-B

506

42

513

41 AND 43

522

44

523

P R O C E E D I N G S

THE COURT: GOOD MORNING, COUNSEL, MR. HANSEN.

I HAVE MADE A DECISION, GENTLEMEN, COUNSEL -- ALL GENTLEMEN AT THE TABLE, THAT WE ARE GOING TO HAVE TO SIT LONGER NEXT WEEK IN ORDER TO MOVE THIS CASE ALONG, FOR ALL OF OUR SAKES AND, MOST PARTICULARLY, FOR THE SAKE OF THE JURY, WHICH IS SEQUESTERED. AND THEY ARE FACING THEIR FIRST WEEKEND IN THAT POSTURE. I WOULD LIKE THEM TO KNOW THAT WE PLAN TO SIT LONGER NEXT WEEK. AND SO I AM ALERTING YOU ALL TO THAT. STARTING MONDAY, WE WILL SIT TILL THE NEIGHBORHOOD OF 6:30, 7:00 O'CLOCK, AND THAT WILL GIVE US AT LEAST AN ADDITIONAL HOUR, HOUR-AND-A-HALF, EVERY DAY, MONDAY, TUESDAY, WEDNESDAY AND THURSDAY, WHICH SHOULD HELP US TO SOME DEGREE. THERE MAY BE TIMES THAT WE WILL GO A FEW MINUTES BEYOND.

AND I HAVE ASKED THE MARSHALS TO MAKE ARRANGEMENTS WITH THE CHEF AT THE HOTEL WHERE THE JURORS ARE SO THAT THEY CAN HAVE THEIR DINNER MEAL WHEN THEY RETURN STILL IN GOOD STYLE AND HOT AND ATTRACTIVE.

IN ADDITION, THERE WILL BE ONE DAY NEXT WEEK, I BELIEVE IT IS WEDNESDAY OF NEXT WEEK -- YES, THE 28TH, WHERE THERE WILL HAVE TO BE A LENGTHY LUNCH HOUR. OTHER THAN THAT, WE HAVE TRIED TO CANCEL EVERYTHING THAT IS ON OUR CALENDAR, INCLUDING TWO OTHER TRIALS AND SEVERAL PRETRIALS, ALL OF WHICH WILL BACK UP, BUT, OBVIOUSLY, THIS CASE HAS TO TAKE PRECEDENCE.

1           THERE WILL BE OCCASIONALLY EMERGENCIES THAT OCCUR  
2 WHICH ARE BEYOND OUR CONTROL, BUT WE WILL FLOW WITH THAT AS  
3 BEST AS WE CAN.

4           SO, COUNSEL ARE ALERTED. THEY SHOULD HAVE ENOUGH  
5 WITNESSES ON HAND SO THAT WE CAN KEEP MOVING. BETTER TO HAVE  
6 THE WITNESSES HERE, IF IN DOUBT, RATHER THAN NOT HAVE ENOUGH.

7           MR. LEWIN.

8           MR. LEWIN: JUST TO GET SOME IDEA FROM THE GOVERN-  
9 MENT, ASSUMING -- I UNDERSTAND THAT THE WITNESSES THEY MEN-  
10 TIONED YESTERDAY AND THEN MR. MCAFEE WILL CONCLUDE TODAY,  
11 I GUESS. DO THEY EXPECT THAT THEY WILL TAKE ALL DAY ON  
12 MONDAY, OR JUST PART OF THE DAY? COULD WE AT LEAST START  
13 OUR CASE ON MONDAY, IS WHAT I AM ASKING.

14          MR. WEINGARTEN: I THINK IF WE START AT 9:30  
15 MONDAY AND THINGS GO NORMALLY, WE COULD EASILY REST BY THE  
16 LUNCH BREAK.

17          THE COURT: I CERTAINLY WOULDN'T TAKE A CHANCE ON  
18 IT, MR. LEWIN. THAT'S WHY I AM SAYING NOW, RATHER THAN WAIT-  
19 ING UNTIL MONDAY MORNING: HAVE ENOUGH WITNESSES HERE TO KEEP  
20 US GOING TILL ABOUT 7:00 MONDAY NIGHT.

21          MR. LEWIN: ALL RIGHT.

22          THE COURT: NOW, HOPEFULLY NONE OF US HAVE ANY OTHER  
23 FAMILY EMERGENCIES OR THE LIKE, BUT AT THE MOMENT, THIS IS  
24 WHAT WE PLAN TO DO.

25          LET'S BRING THE JURY IN.

1 (THE JURY RETURNED TO THE COURTROOM)

2 THE COURT: GOOD MORNING, LADIES AND GENTLEMEN.

3 THE JURY (EN MASSE): GOOD MORNING.

4 THE COURT: COUNSEL MAY HAVE A SEAT.

5 WE CONTINUE AGAIN WITH THE CASE OF UNITED STATES  
6 OF AMERICA VS. GEORGE V. HANSEN, OUR CRIMINAL NUMBER 83-75.

7 I HAVE ADVISED COUNSEL A FEW MOMENTS AGO, LADIES  
8 AND GENTLEMEN, THAT I WILL BE SITTING LONGER HOURS NEXT WEEK  
9 IN ORDER TO TRY AND MOVE THIS CASE ALONG WITH MORE EXPEDITION,  
10 PRIMARILY FOR ALL OF YOU WHO ARE IN THE SEQUESTERED JURY,  
11 BUT ALSO, I WOULD SUGGEST, FOR OUR SAKES, TOO. TO DO THAT,  
12 I HAVE CANCELLED SEVERAL OTHER MATTERS ON MY CALENDAR, ALL  
13 EXCEPT THE ABSOLUTELY ESSENTIAL MATTERS THAT I MUST TAKE,  
14 WHICH I WILL DO STARTING EARLY IN THE MORNING, PERHAPS 8:30  
15 OR 9:00 O'CLOCK, DEPENDING WHATEVER IS NECESSARY, TO ACCOMPLISH  
16 THAT. SO THAT ON A GIVEN DAY, WE WILL PROBABLY START YOUR  
17 CASE IN MOST INSTANCES AT 10:00 O'CLOCK IN THE MORNING, BUT  
18 WE WILL BE GOING IN THE EVENINGS UNTIL ABOUT 7:00 O'CLOCK.

19 WE HAVE ALSO MADE ARRANGMENTS FOR THE COOK AT YOUR  
20 PLACE OF LIVING SO THAT YOU WILL HAVE YOUR MEALS HOT AND READY  
21 FOR YOU WHEN YOU COME BACK AFTER COURT SESSIONS.

22 I TELL YOU THIS NOW SO THAT AS YOU GO INTO YOUR  
23 FIRST WEEKEND, YOU WILL RECOGNIZE THAT WE, ALSO, ARE TRYING  
24 TO BRING THE FORCES TOGETHER TO MOVE THE CASE ALONG, AND THAT  
25 WHEN YOU START COMING BACK TO US ON MONDAY, YOU FORTIFY



1 YOURSELVES WITH WHATEVER CANDY BARS OR NECESSARIES TO KEEP  
2 YOU GOING UNTIL ABOUT 7:00 O'CLOCK AT NIGHT.

3 AND WHEN I SAY 7:00, THAT MIGHT MEAN 15 MINUTES  
4 BEFORE, IT MIGHT MEAN 15 MINUTES AFTERWARDS. IT'S VERY HARD  
5 TO CUT IT PRECISELY. BUT WE THOUGHT YOU SHOULD KNOW WHAT  
6 WE'RE PLANNING TO DO AT THE PRESENT TIME SO YOU CAN CARRY  
7 THAT INFORMATION WITH YOU, AND PERHAPS IT IS BENEFICIAL.

8 YOU WOULD LIKE TO DO THAT, WOULD YOU NOT?

9 THE JURY (EN MASSE): YES.

10 THE COURT: GOOD. ALL RIGHT.

11 SHALL WE CONTINUE WITH THE TESTIMONY, MR. WEINGARTEN.

12 MR. WEINGARTEN: THANK YOU, YOUR HONOR. MR.  
13 CALDWELL, PLEASE.

14 C. LEE CALDWELL

15 WAS CALLED AS A WITNESS AND, AFTER BEING FIRST DULY SWORN,  
16 WAS EXAMINED AND TESTIFIED AS FOLLOWS:

17 THE COURT: GOOD MORNING.

18 THE WITNESS: GOOD MORNING.

19 MR. WEINGARTEN: THANK YOU, YOUR HONOR.

20 DIRECT EXAMINATION

21 BY MR. WEINGARTEN:

22 Q YOUR NAME, SIR?

23 A INITIAL C. LEE CALDWELL.

24 Q FOR THE RECORD, PLEASE SPELL YOUR LAST NAME.

25 A C-A-L-D-W-E-L-L.

1 Q MR. CALDWELL, WHERE DO YOU LIVE, SIR?

2 A I LIVE IN POCATELLO, IDAHO.

3 Q HOW ARE YOU EMPLOYED?

4 A UNTIL RECENTLY, I WAS SELF-EMPLOYED AS A CERTIFIED  
5 PUBLIC ACCOUNTANT. NOW WE HAVE A PROFESSIONAL CORPORATION.  
6 I AM AN EMPLOYEE OF THAT CORPORATION.

7 Q HOW LONG HAVE YOU BEEN A C.P.A.?

8 A APPROXIMATELY THREE YEARS.

9 Q DO YOU KNOW AN INDIVIDUAL NAMED GEORGE HANSEN?

10 A YES, I DO.

11 Q AND HOW DO YOU KNOW HIM, SIR?

12 A IN SEVERAL RELATIONSHIPS. HE HAS BEEN A FRIEND  
13 THROUGH THE YEARS, PROBABLY FOR TEN YEARS, AND THEN I HAVE  
14 HAD SOME PROFESSIONAL RESPONSIBILITIES, ALSO.

15 Q HAVE YOU HAD ANY RESPONSIBILITIES CONNECTED TO HIS  
16 CAMPAIGNS?

17 A WITH HIS CAMPAIGNS?

18 Q YES.

19 A YES. I WAS AND AM THE TREASURER OF THE CAMPAIGN  
20 COMMITTEE.

21 Q O.K. AND WHEN YOU ARE A TREASURER OF SOMEONE'S  
22 CAMPAIGN COMMITTEE, IN VERY, VERY GENERAL TERMS, WHAT DOES  
23 THAT MEAN?

24 A IT MEANS THAT I AM RESPONSIBLE TO SEE THAT THE FUNDS  
25 ARE DEPOSITED; THAT THEY ARE PROPERLY CREDITED TO THE RIGHT

1 INDIVIDUAL ACCOUNTS, AND THAT THE REPORTS ARE FILED WITH THE  
2 FEDERAL ELECTION COMMISSION IN A TIMELY MANNER.

3 Q IS THAT A PAID POSITION, OR IS THAT A VOLUNTARY  
4 POSITION?

5 A PART OF EACH. THERE IS SOME ACCOUNTING SERVICES  
6 THAT ARE BILLED, AND THEN I SPEND A LOT OF TIME ON MY OWN.

7 Q AND THEY ARE BILLED TO THE CAMPAIGN?

8 A THAT'S CORRECT.

9 Q ARE YOU ALSO CONGRESSMAN HANSEN'S TAX MAN?

10 A YES.

11 Q AND DO YOU FILL OUT HIS INCOME TAX RETURNS?

12 A YES.

13 Q DO YOU KNOW CONNIE HANSEN?

14 A YES, I DO.

15 Q AND HOW DO YOU KNOW HER?

16 A THE SAME RELATIONSHIPS. A FRIEND FOR YEARS, AND  
17 SOME PROFESSIONAL RELATIONSHIPS.

18 Q ARE YOU THE SIGNATOR, OR HAVE YOU EVER BEEN THE  
19 SIGNATOR ON AN ACCOUNT WITH EITHER CONGRESSMAN OR CONNIE  
20 HANSEN?

21 A YES. I WAS THE SIGNATOR WITH HER ON A JOINT  
22 ACCOUNT WITH CONNIE HANSEN.

23 Q AND DO YOU REMEMBER WHEN, OR WOULD DOCUMENTS HELP?

24 A THEY WOULD HELP TO BE MORE PRECISE. I CAN GIVE  
25 YOU GENERALITIES.

1 Q ALL RIGHT. LET'S START, GENERALLY WHEN WAS IT?

2 A IT WAS FROM ABOUT '78 FOR ABOUT TWO TO THREE YEARS.  
3 THAT'S ABOUT AS CLOSE AS I CAN RECALL.

4 Q DO YOU REMEMBER WHAT BANK IT WAS AT?

5 A IDAHO BANK AND TRUST IN POCA TELLO.

6 Q ALL RIGHT. AND WHAT WAS THE PURPOSE OF THAT ACCOUNT?  
7 DO YOU RECALL?

8 A ORIGINALLY, IT WAS SET UP TO DEPOSIT SOME FUNDS,  
9 SOME CONTRIBUTIONS TO HER THAT SOME INDIVIDUALS IN THE  
10 COMMUNITY WERE TRYING TO RAISE TO HELP HER PAY OFF SOME OF  
11 HER BILLS. AS IT TURNED OUT, IT NEVER GOT OFF THE GROUND.  
12 THERE WERE ONLY A FEW CONTRIBUTIONS, SO IT NEVER DID DO MUCH  
13 OF ANYTHING.

14 Q ALL RIGHT. WAS THERE ANY OTHER PURPOSE TO THIS  
15 ACCOUNT?

16 A THAT WAS THE ONLY PURPOSE IN SETTING IT UP.

17 Q ARE YOU AWARE OF ANY OTHER SIMILAR ACCOUNTS IN  
18 CONNIE HANSEN'S NAME?

19 A ON WHICH I AM A CO-SIGNATORY, YOU MEAN?

20 Q YES.

21 A NO. THERE ARE NO OTHERS.

22 Q ALL RIGHT.

23 MR. WEINGARTEN: STIPULATION NO. 7 I WOULD LIKE  
24 TO READ INTO THE RECORD AT THIS TIME, YOUR HONOR.

25 THE COURT: ALL RIGHT.

1 MR. WEINGARTEN: "IT IS HEREBY AGREED AND STIPULATED  
2 BETWEEN THE UNITED STATES AND THE DEFENDANT, GEORGE V. HANSEN,  
3 THAT THE ATTACHED BANK RECORDS FROM THE IDAHO BANK AND TRUST  
4 COMPANY ARE AUTHENTIC RECORDS." SIGNED, THE PARTIES.

5 THE COURT: YOU MAY CONSIDER THAT, LADIES AND  
6 GENTLEMEN OF THE JURY, AS UNDISPUTED EVIDENCE THAT THOSE  
7 RECORDS ARE AUTHENTIC.

8 BY MR. WEINGARTEN:

9 Q MR. CALDWELL, I WOULD LIKE TO HAND YOU EXHIBITS  
10 MARKED 38-A, B, C AND D. BEGINNING, SIR, WITH 38-A -- AND  
11 I THINK THERE'S A STICKER ON THE BACK OF EACH OF THOSE  
12 EXHIBITS. I ASK IF YOU CAN IDENTIFY IT, PLEASE, SIR.

13 A IT APPEARS TO BE THE DOCUMENTS THAT WERE USED  
14 ORIGINALLY IN SETTING UP THE ACCOUNT: THE SIGNATURE CARD  
15 AND THE BANK CARD.

16 Q AND WHOSE NAMES ARE ON THAT ACCOUNT?

17 A CONNIE HANSEN OR C. LEE CALDWELL.

18 Q AND IS IT DATED? DOES IT INDICATE WHEN THE ACCOUNT  
19 BEGAN?

20 A IT LOOKS LIKE NOVEMBER 30TH OF '78.

21 Q AND DOES THAT COMPORT WITH YOUR MEMORY OF --

22 A THAT APPEARS TO BE CORRECT, YES.

23 MR. WEINGARTEN: I MOVE INTO EVIDENCE GOVERNMENT  
24 EXHIBIT 38-A.

25 MR. CAMPBELL: NO OBJECTION, YOUR HONOR.

1 THE COURT: ALL RIGHT, MR. CAMPBELL. WITHOUT  
2 OBJECTION, IT IS IN EVIDENCE.

3 (GOVERNMENT'S EXHIBIT 38-A WAS  
4 RECEIVED IN EVIDENCE)

5 BY MR. WEINGARTEN:

6 Q ALL RIGHT. 38-B, SIR. WHAT IS THAT, PLEASE, OR  
7 WHAT ARE THEY?

8 A THEY ARE TWO BANK STATEMENTS.

9 Q AND WHEN ARE THEY DATED?

10 A ONE IS DATED FOR THE MONTH ENDED JANUARY -- WELL,  
11 A PERIOD ENDED JANUARY 21ST, 1979, AND THE SECOND ONE IS THE  
12 PERIOD ENDED FEBRUARY 19TH, 1979.

13 Q AND WOULD THEY BE THE FIRST TWO ACCOUNT STATEMENTS  
14 FOR THAT ACCOUNT?

15 A NO, I DON'T BELIEVE SO.

16 Q WOULD THEY BE WHILE THE ACCOUNT WAS OPEN?

17 A YES.

18 Q ALL RIGHT.

19 MR. WEINGARTEN: WE MOVE GOVERNMENT'S EXHIBIT 38-B  
20 INTO EVIDENCE, YOUR HONOR.

21 MR. CAMPBELL: NO OBJECTION.

22 THE COURT: IN EVIDENCE.

23 (GOVERNMENT'S EXHIBIT 38-B WAS  
24 RECEIVED IN EVIDENCE)

25 BY MR. WEINGARTEN:

1 Q MR. CALDWELL, THE FIRST STATEMENT, THE ONE ENDING  
2 JANUARY 21ST, 1979, WHAT DOES IT REPRESENT? WHAT IS THE BAL-  
3 ANCE IN THE ACCOUNT AT THAT TIME?

4 A THERE IS A 291.37 BALANCE.

5 Q \$292.37?

6 A THAT'S CORRECT.

7 Q WHERE DID THAT MONEY COME FROM?

8 A IF MEMORY SERVES ME CORRECTLY, IT WAS ABOUT EIGHT  
9 OR TEN SMALL CONTRIBUTIONS FROM DIFFERENT INDIVIDUALS AROUND  
10 THE COMMUNITY.

11 Q AND YOU DEPOSITED THEM IN THIS ACCOUNT?

12 A YES.

13 Q ALL RIGHT. WERE THERE ANY MORE CONTRIBUTIONS THAN  
14 WHAT IS REPRESENTED IN THIS ACCOUNT?

15 A THERE WERE NOT.

16 Q THAT YOU ARE FAMILIAR WITH.

17 A THERE WERE NOT.

18 Q ALL RIGHT. NOW, SUBSEQUENT TO THIS STATEMENT, OR  
19 DURING JANUARY 1979, DID YOU RECEIVE ANY INSTRUCTIONS FROM  
20 CONGRESSMAN HANSEN RELATING TO THIS SPECIAL ACCOUNT?

21 A YES.

22 Q AND WHAT WERE THOSE INSTRUCTIONS?

23 A HE CALLED ME ON THE TELEPHONE AND INDICATED THAT  
24 THERE WAS A TRANSACTION ON BEHALF OF CONNIE THAT HE WOULD  
25 LIKE ME TO MAKE. WE VISITED A LITTLE ABOUT IT, AND IT'S BEEN

1 FIVE YEARS; I DON'T REMEMBER ANY, REALLY, OF THE DETAILS OF  
2 THE CONVERSATION, BUT THE IMPRESSION WAS -- THAT I RECALL  
3 WAS THAT THERE WAS A COMMODITIES TRANSACTION THAT CONNIE HAD  
4 ENTERED INTO. AND I WAS ASKED TO WRITE A CHECK FROM THIS  
5 ACCOUNT WHICH WOULD BE COVERED BY FUNDS COMING BACK TO ME  
6 REGARDING THAT TRANSACTION.

7 Q AND WHO MADE THIS REQUEST?

8 A I TALKED TO CONGRESSMAN HANSEN ON THE PHONE. I  
9 DON'T RECALL -- I KNOW CONNIE WAS EITHER PRESENT OR WAS  
10 INVOLVED IN THE CONVERSATION. I'VE TRIED TO REMEMBER THAT  
11 SINCE THE GRAND JURY TESTIMONY. I CAN'T REMEMBER EXACTLY  
12 HOW THAT TOOK PLACE.

13 Q ALL RIGHT. WELL, SPECIFICALLY, WHAT DID YOU DO?

14 A SUBSEQUENT TO THAT CONVERSATION, WHAT DID I DO?

15 Q YES.

16 A O.K. I WROTE A CHECK ON THIS ACCOUNT FOR \$125,000  
17 AND PHYSICALLY DELIVERED IT TO FIRST SECURITY BANK, A GENTLE-  
18 MAN BY THE NAME OF MR. GARVIN, RICHARD GARVIN.

19 Q WHERE IS THE FIRST SECURITY BANK?

20 A IN POCA TELLO, IDAHO, ABOUT THREE MILES FROM MY OFFICE.

21 Q THE INSTRUCTION WAS FOR YOU TO WRITE A \$125,000  
22 CHECK ON THAT ACCOUNT?

23 A THAT'S CORRECT.

24 Q AND IS THAT CHECK, OR A COPY OF THAT CHECK REPRE-  
25 SENTED BY GOVERNMENT EXHIBIT 38-C?



1 A THAT APPEARS TO BE THE CHECK, YES.

2 MR. WEINGARTEN: WE MOVE GOVERNMENT EXHIBIT 38-C  
3 INTO EVIDENCE.

4 MR. CAMPBELL: NO OBJECTION, YOUR HONOR.

5 THE COURT: IT IS NOW IN EVIDENCE, WITHOUT OBJECTION.

6 (GOVERNMENT'S EXHIBIT 38-C WAS  
7 RECEIVED IN EVIDENCE)

8 BY MR. WEINGARTEN:

9 Q MR. CALDWELL, JUST SO WE UNDERSTAND COMPLETELY,  
10 GOVERNMENT EXHIBIT 38-C REPRESENTS WHAT?

11 A A CHECK FOR \$125,000 WRITTEN ON THE IDAHO BANK AND  
12 TRUST JOINT ACCOUNT OF CONNIE AND MYSELF, TO FIRST SECURITY  
13 BANK.

14 Q AND IT WAS WRITTEN BY YOU.

15 A THAT'S CORRECT. IT WAS WRITTEN BY ME.

16 Q PURSUANT TO INSTRUCTIONS FROM WHOM?

17 A PURSUANT TO INSTRUCTIONS FROM -- DIRECTLY FROM  
18 CONGRESSMAN HANSEN.

19 Q NOW, HOW MUCH MONEY WAS IN THAT ACCOUNT AT THE TIME  
20 YOU WROTE THAT CHECK?

21 A APPROXIMATELY \$292. THERE WERE A FEW CHARGES  
22 TAKEN OUT BY THE BANK, BUT THAT'S APPROXIMATELY THE FIGURE.

23 Q ALL RIGHT. THE OBVIOUS QUESTION, SIR: HOW COULD  
24 YOU WRITE A \$125,000 CHECK ON AN ACCOUNT THAT HAD \$300 IN IT?

25 A BECAUSE IT WAS UNDERSTOOD THAT THERE WOULD BE A

1 \$125,000 DEPOSIT THE SAME DAY.

2 Q ALL RIGHT. WHAT IS THE DATE OF THAT CHECK?

3 A IT WAS DATED JANUARY 18.

4 THE COURT: OF WHAT YEAR, SIR?

5 THE WITNESS: OF 1979.

6 BY MR. WEINGARTEN:

7 Q AND WHY WAS IT NECESSARY FOR YOU TO WRITE THAT CHECK  
8 ON THAT ACCOUNT?

9 A WHY WAS IT NECESSARY?

10 Q YES.

11 A IN ORDER TO -- NOW I'M JUST TELLING YOU WHAT I  
12 KNEW. IN ORDER TO CLEAR A COMMODITIES TRANSACTION.

13 Q ALL RIGHT. DO YOU KNOW WHY THAT CHECK WAS WRITTEN  
14 ON THE SPECIAL ACCOUNT, AS OPPOSED TO ANOTHER ACCOUNT? WERE  
15 YOU TOLD?

16 A WELL, THE REASON WAS BECAUSE I WAS IN POCATELLO,  
17 IDAHO, CONNIE HANSEN WAS IN WASHINGTON, D. C., AND THIS WAS  
18 THE ONLY ACCOUNT I HAD A SIGNATURE ON.

19 Q WELL, DO YOU KNOW WHETHER OR NOT CONGRESSMAN AND  
20 MRS. HANSEN HAVE OTHER BANK ACCOUNTS AROUND?

21 A OH, I'M SURE THEY DO.

22 Q WELL, WHY WAS IT NECESSARY TO WRITE THE \$125,000  
23 CHECK ON YOUR ACCOUNT?

24 A BECAUSE IT WAS TO BE LEFT WITH MR. GARVIN IN  
25 POCATELLO, AND CONNIE HANSEN WAS IN WASHINGTON, D. C., AND

1 I WAS IN POCATELLO.

2 Q ALL RIGHT. I GUESS -- DO YOU KNOW THE REASON WHY  
3 THE CHECK WAS WRITTEN ON THE ACCOUNT THAT YOU WERE A SIGNATOR  
4 ON AS OPPOSED TO AN ACCOUNT WITH CONGRESSMAN HANSEN'S NAME  
5 ON IT?

6 A I --

7 Q DO YOU KNOW THE ANSWER TO THAT?

8 A I THOUGHT I HAD ANSWERED IT. THE CHECK -- LET ME  
9 SEE IF I CAN MAKE IT MORE CLEAR.

10 Q MAYBE I CAN MAKE IT CLEAR.

11 A O.K.

12 Q DO YOU KNOW WHETHER OR NOT THE CONGRESSMAN HAS  
13 ACCOUNTS HIMSELF?

14 A I GUESS I DON'T KNOW THAT PERSONALLY. I WOULD  
15 ASSUME THAT HE DOES, BUT I AM NOT INVOLVED IN ANY OTHER  
16 ACCOUNTS.

17 Q HAD YOU EVER BEEN ASKED TO WRITE ANY CHECKS ON THE  
18 SPECIAL ACCOUNT BEFORE?

19 A NO.

20 Q WERE YOU EVER ASKED TO WRITE ANY CHECKS ON THE  
21 SPECIAL ACCOUNT AFTER THIS?

22 A NO.

23 Q DO YOU KNOW WHY YOU WERE ASKED TO WRITE THE \$125,000  
24 CHECK ON JANUARY 18TH, 1979, IN THIS INSTANCE?

25 A YES, I DO.

1 Q AND WHY WOULD THAT BE?

2 A BECAUSE MR. GARVIN AT FIRST SECURITY BANK HAD BEEN  
3 CONTACTED, WAS GOING TO CLEAR THE COMMODITIES -- WAS GOING  
4 TO WIRE MONEY TO CLEAR THE COMMODITIES TRANSACTION. HE NEEDED  
5 A CHECK OR A DOCUMENT ON WHICH TO MAKE THAT MONEY WIRE. I  
6 WAS IN POCA TELLO, IDAHO; I WAS A SIGNATOR ON THIS ACCOUNT.  
7 CONNIE HANSEN WAS IN WASHINGTON. SHE COULD NOT HAVE SIGNED  
8 IT AND SENT IT.

9 Q WELL, TO YOUR KNOWLEDGE, THE HANSENS HAVE AN ACCOUNT  
10 IN MR. GARVIN'S BANK, DO THEY NOT?

11 A I BELIEVE THEY DO.

12 Q WHY COULDN'T MR. GARVIN HAVE WIRED MONEY FROM THAT  
13 ACCOUNT TO CHICAGO TO CLEAR THE TRANSACTION?

14 A BECAUSE THERE WAS NO ONE IN POCA TELLO TO SIGN ON  
15 THAT CHECKING ACCOUNT.

16 Q AND YOU CAN'T WIRE MONEY WITH VERBAL AUTHORIZATION  
17 OR A WIRE FROM THE CONGRESSMAN?

18 A I CAN'T ANSWER THAT QUESTION.

19 Q NOW, WHAT HAPPENED WHEN YOU GOT TO THE FIRST  
20 SECURITY BANK?

21 A I LEFT THE CHECK WITH MR. GARVIN AND WENT BACK TO  
22 MY OFFICE.

23 Q DID YOU GIVE HIM ANY INSTRUCTIONS?

24 A I DID NOT. THE INSTRUCTIONS I UNDERSTOOD HAD ALREADY  
25 BEEN GIVEN TO MR. GARVIN.

1 Q AND NO WORDS WERE EXCHANGED BETWEEN YOU AND MR.  
2 GARVIN ABOUT THE TRANSACTION?

3 A I'M SURE THERE WERE SOME WORDS, BUT THEY WERE VERY  
4 BRIEF. JUST A MATTER OF HERE'S THE CHECK THAT YOU'RE EXPECTING,  
5 AND THAT WAS ABOUT IT. I CAN'T REMEMBER THE WORDS. BUT I  
6 DID NOT GIVE THE INSTRUCTIONS.

7 Q DID THAT COMPLETE THE TRANSACTION, OR WAS THERE  
8 ANOTHER COMPONENT OF IT?

9 A O.K. THE OTHER COMPONENT OF THE TRANSACTION WAS  
10 THE DEPOSIT THAT WAS TO COVER THAT CHECK.

11 Q AND WHEN DID THAT TAKE PLACE? AND PERHAPS REFER  
12 TO GOVERNMENT EXHIBIT 38-D.

13 A ALL RIGHT. THE OTHER PART OF THAT TRANSACTION  
14 ACTUALLY TOOK PLACE, I BELIEVE THE DATE WAS THE 22ND OF  
15 JANUARY, 1979, IF MY CALCULATIONS ARE CORRECT. IT WAS THE  
16 FOLLOWING MONDAY. THIS TRANSACTION I BELIEVE TOOK PLACE ON  
17 A THURSDAY.

18 Q ALL RIGHT. WHAT IS REFLECTED BY GOVERNMENT EXHIBIT  
19 38-D? WHY DON'T WE START THERE? IS THAT A DEPOSIT SLIP?

20 A THERE IS A DEPOSIT SLIP AND A CASHIER'S CHECK FOR  
21 \$125,000.

22 MR. WEINGARTEN: WE MOVE INTO EVIDENCE GOVERNMENT  
23 EXHIBIT 38-D.

24 THE COURT: MR. CAMPBELL?

25 MR. CAMPBELL: NO OBJECTION, YOUR HONOR.

1 THE COURT: IN EVIDENCE.

2 (GOVERNMENT'S EXHIBIT 38-D WAS  
3 RECEIVED IN EVIDENCE)

4 BY MR. WEINGARTEN:

5 Q NOW, THE DEPOSIT SLIP IS DATED WHEN?

6 A JANUARY 18TH, 1979.

7 Q AND THAT WOULD HAVE BEEN A THURSDAY, AS YOU RECALL  
8 NOW?

9 THE COURT: EXCUSE ME. DID YOU SAY THE DEPOSIT  
10 SLIP WAS JANUARY 18TH?

11 THE WITNESS: THAT'S CORRECT.

12 BY MR. WEINGARTEN:

13 Q AND THE DEPOSIT ITEM IS WHEN? IS DATED WHEN?

14 A JANUARY 22ND.

15 Q WELL, HOW COULD THE DEPOSIT SLIP BE DATED THE 18TH  
16 AND THE ITEM BE DATED THE 22ND?

17 A O.K. THE DATE THAT I PUT ON THE DEPOSIT SLIP WAS  
18 JANUARY 18TH. IT'S THE BANK STAMP, I'M SURE, IS THE 22ND.  
19 THE REASON FOR THE DIFFERENCE WAS THAT WHEN I PREPARED THE  
20 CHECK, I ALSO PREPARED THE DEPOSIT SLIP AT THE SAME TIME,  
21 EXPECTING THAT THE MONEY WOULD COME BACK THAT DAY, BUT IT DID  
22 NOT.

23 Q YOU WANTED THE \$125,000 TO GO INTO THE BANK  
24 IMMEDIATELY AFTER YOU TOOK IT OUT, BECAUSE THERE WASN'T  
25 \$125,000. YOU DIDN'T WANT THE CHECK TO BOUNCE, IN OTHER WORDS.

1           A     THAT'S CORRECT. I HAD TO HAVE A DEPOSIT TO COVER  
2 THE CHECK.

3           Q     BUT THAT ACTUALLY DIDN'T COME UNTIL THE 22ND.

4           A     THAT'S RIGHT.

5           Q     MR. CALDWELL, DID YOU TESTIFY IN THE GRAND JURY  
6 THAT YOU ASSUMED THAT THE ACCOUNT WITH YOUR NAME WAS USED  
7 BECAUSE IT WAS CONNIE HANSEN'S SILVER TRANSACTION, AND IT  
8 WAS TO PAY OFF HER DEBTS?

9           A     THERE WAS SOME CONVERSATION ABOUT IT BEING CONNIE'S  
10 ACCOUNT, YES.

11          Q     ALL RIGHT. AND WAS IT YOUR UNDERSTANDING BACK THEN  
12 IN 1979 THAT THE REASON THAT ACCOUNT WAS USED AND NOT A  
13 GEORGE HANSEN ACCOUNT WAS BECAUSE IT WAS HER SILVER TRANSACTION?

14          A     YES. IT WAS A DUAL PURPOSE. THE ONE THAT I  
15 EXPLAINED BEFORE, BECAUSE I WAS THE SIGNATOR; AND THE SECOND  
16 PURPOSE WAS IT WAS CONNIE'S ACCOUNT, YES.

17          Q     WHERE DID THE PROFIT FROM THE SILVER TRANSACTION  
18 GO?

19          A     ALL I CAN DO IS MAKE AN ASSUMPTION, BECAUSE I NEVER  
20 DID HAVE ANY PART IN THAT. AND I UNDERSTOOD THAT IT WENT  
21 INTO ONE OF THE ACCOUNTS THAT CONNIE OR GEORGE HAD, AND I  
22 DON'T KNOW, BECAUSE I DIDN'T HAVE ANY PART IN THAT.

23          Q     ALL RIGHT. DID IT GO INTO THE ACCOUNT WITH YOUR  
24 NAME ON IT AND CONNIE HANSEN'S NAME ON IT?

25          A     IT DID NOT.

1 Q DO YOU KNOW OF ANY OTHER SEPARATE CONNIE HANSEN  
2 ACCOUNT?

3 A I DO NOT, NO.

4 Q DO YOU KNOW THE REASON WHY THE SILVER PROFIT, THE  
5 \$87,000, DID NOT GO INTO HER ACCOUNT WITH YOUR NAME ON IT?  
6 WAS THAT EVER EXPLAINED TO YOU?

7 A I DON'T THINK IT WAS EXPLAINED. I JUST FIGURED  
8 THAT THAT WOULD GO INTO ONE OF THE OTHER ACCOUNTS. THIS WASN'T  
9 AN ACTIVE -- I MEAN IT WAS AN ACTIVE ACCOUNT, BUT IT WASN'T  
10 AN ACCOUNT WE WERE USING FOR ANYTHING, SO --

11 Q WELL, THE PURPOSE OF THE ACCOUNT WAS TO RECEIVE  
12 CONTRIBUTIONS TO HELP CONNIE HANSEN.

13 A THAT WAS THE ORIGINAL INTENT, YES.

14 Q DID THAT INTENT EVER CHANGE?

15 A NO, I DON'T SUPPOSE IT DID.

16 Q ALL RIGHT.

17 A BUT NOTHING EVER TRANSPIRED THERE. NOTHING ELSE  
18 EVER HAPPENED.

19 Q AND THE \$87,000 PROFIT DIDN'T GO IN THERE, DID IT?

20 A DID NOT.

21 Q ALL RIGHT. NOW, JUST A COUPLE MORE, MR. CALDWELL.  
22 YOU DO THE TAXES FOR CONGRESSMAN HANSEN; IS THAT CORRECT?

23 A THAT'S CORRECT.

24 Q DOES HE FILE SEPARATELY OR DOES HE FILE JOINTLY?

25 MR. CAMPBELL: OBJECTION, YOUR HONOR. MAY WE



1 APPROACH THE BENCH?

2 THE COURT: COUNSEL, TO THE BENCH.

3 (AT THE BENCH)

4 MR. CAMPBELL: YOUR HONOR, WE UNDERSTAND THAT MR.  
5 CALDWELL IS A LITTLE CONCERNED ABOUT DISCLOSING INFORMATION  
6 ABOUT THE CONGRESSMAN'S TAX RETURNS. HE IS UNSURE ABOUT THE  
7 NATURE OF ANY PRIVILEGES THAT MIGHT APPLY.

8 MR. WEINGARTEN: BUT YOU ARE.

9 MR. CAMPBELL: WE ARE AWARE OF THE NATURE OF THE  
10 PRIVILEGE, AND WE ARE PREPARED TO STIPULATE TO THE INFORMATION  
11 MR. WEINGARTEN IS ABOUT TO REQUEST. HOWEVER, MR. CALDWELL,  
12 AT THE SAME TIME, CAN BE ASSURED THAT THE LIMITED INFORMATION  
13 THAT MR. WEINGARTEN INTENDS TO ELICIT IS NOT SOMETHING WHICH  
14 THE CONGRESSMAN WOULD OBJECT TO HIM ANSWERING AT THIS TIME.

15 THE COURT: WELL, I CAN'T TELL HIM THAT IT IS SOME-  
16 THING THE CONGRESSMAN WOULD HAVE NO OBJECTION TO HIM ANSWER-  
17 ING. I CAN JUST TELL HIM TO ANSWER; AND THAT, OF COURSE,  
18 I WOULD DO, IN LIGHT OF WHAT YOU HAVE JUST SAID.

19 YOU GENTLEMEN -- EXCUSE ME, MR. CAMPBELL. YOU AND  
20 MR. WEINGARTEN HAVE DISCUSSED, AS YOU SAY, THE LIMITED NATURE  
21 OF THE EXPLORATION OF THIS EXAMINATION?

22 MR. CAMPBELL: YES.

23 THE COURT: ALL RIGHT, FINE. ALL I HAVE TO DO IS,  
24 AS HE HESITATES, TELL HIM, "WILL YOU PLEASE ANSWER, SIR."  
25 THAT'S ALL.

1 MR. CAMPBELL: WE ARE PREPARED TO STIPULATE, YOUR  
2 HONOR.

3 THE COURT: WELL, LET'S SEE IF THE GOVERNMENT WILL  
4 ACCEPT A STIPULATION. IT IS UP TO THE GOVERNMENT. ,

5 MR. WEINGARTEN: THERE ARE TWO COMPONENTS TO THE  
6 TESTIMONY. ONE IS THAT EACH YEAR -- ONE IS THAT THEY FILED  
7 JOINTLY, AND THE SECOND IS THAT EACH YEAR THAT THIS GENTLE-  
8 MAN FILLED OUT THE TAXES, THERE WAS A SCHEDULE C PROFIT AND  
9 LOSS STATEMENT RELATING TO CONGRESSMAN HANSEN'S BOOKS, OR  
10 BOOK, THAT HE WROTE, WHEREIN HE TOOK HIS EXPENSES FROM THE  
11 BOOK AND DEDUCTED THEM FROM HIS INCOME. AND OUR PURPOSE THERE  
12 IS TO PROVE THAT HE VIEWED THIS BOOK AS A PERSONAL INVESTMENT,  
13 AND HE WAS BENEFITING THEREFROM.

14 THE COURT: IS THAT BOOK GOING TO BE MENTIONED IN  
15 ANY WISE DURING THE COURSE OF ANY OTHER TESTIMONY?

16 MR. LEWIN: YES, YOUR HONOR.

17 MR. CAMPBELL: YES, IT WILL.

18 THE COURT: I ASSUME, THEN, IT IS LEGITIMATE  
19 INQUIRY THAT MR. WEINGARTEN IS GOING TO DO AND A MATTER,  
20 AGAIN, THAT YOU GENTLEMEN HAVE DISCUSSED.

21 MR. CAMPBELL: THE POINT IS: IF THERE ARE ANY  
22 DIFFICULTIES WITH MR. CALDWELL ANSWERING THE QUESTIONS, WE  
23 ARE PREPARED TO STIPULATE.

24 THE COURT: I HAVE NO DIFFICULTY WITH HIM ANSWERING.  
25 LET'S SEE IF THE GOVERNMENT WILL ACCEPT THE STIPULATION THAT

1 YOU ARE ASKING THE GOVERNMENT TO MAKE.

2 WOULD YOU ACCEPT IT?

3 MR. WEINGARTEN: IF THE STIPULATION INCLUDES THE  
4 SCHEDULE C, THE DOCUMENT ITSELF.

5 MR. LEWIN: YOU WANT THE DOCUMENT?

6 MR. WEINGARTEN: IF I AM NOT GOING TO GET THE  
7 EVIDENCE FROM HIM, I WANT SOMETHING THAT I CAN USE WITH THE  
8 JURY.

9 MR. LEWIN: THAT SCHEDULE C, YOU MEAN? THAT DOCU-  
10 MENT, THAT PIECE OF PAPER?

11 MR. WEINGARTEN: WELL, AND HOW IT RELATES BACK TO  
12 THE TAX FORM ITSELF, SO THAT I CAN SHOW BENEFIT.

13 MR. LEWIN: NOT THE WHOLE TAX FORM. YOU ARE TALK-  
14 ING ABOUT THAT ONE SCHEDULE?

15 MR. WEINGARTEN: PLUS THERE'S A PLACE ON THE DOCUMENT  
16 ITSELF, THE MAJOR TAX FORM -- I FORGET --

17 THE COURT: YOU MEAN THE LINE THAT SAYS THE  
18 INFORMATION?

19 MR. WEINGARTEN: YES.

20 THE COURT: ALL RIGHT. I BELIEVE I UNDERSTAND  
21 WHAT MR. WEINGARTEN IS SAYING. AS WE KNOW, ON THE FACE SHEET  
22 OF THE 1040 -- I ASSUME WE ARE TALKING ABOUT 1040 -- EITHER  
23 THE FIRST PAGE OR THE SECOND -- THEY CHANGE THESE THINGS  
24 THESE DAYS; I CAN'T RECALL -- THERE IS A LINE THAT SAYS  
25 SCHEDULE C, AND YOU HAVE ONE FIGURE THAT YOU PUT DOWN. AND

1 I'M TAKING IT THAT YOU WANT THAT FACE SHEET, OR AT LEAST YOU  
2 WANT SOMETHING TO INDICATE THAT THERE WAS A FACE SHEET.

3 MR. WEINGARTEN: PLUS THE SCHEDULE C.

4 THE COURT: PLUS THE SCHEDULE C.

5 MR. LEWIN: I DON'T KNOW. I HAVEN'T LOOKED AT THE  
6 FACE SHEET OR THE SECOND PAGE. I THINK THERE MAY BE, FROM  
7 MY RECOLLECTION, ANOTHER SCHEDULE C RELATING TO MRS. HANSEN'S  
8 KOPYKAT BUSINESS. SO I'M NOT SURE THAT THE TWO ARE NOT  
9 MERGED, SO THAT THE LINE IS NOT GOING TO MEAN ANYTHING.

10 I AM PREPARED TO STIPULATE TO THE JURY THAT THE  
11 SCHEDULE C WAS USED IN COMPUTING THE TAXES. I DON'T KNOW  
12 WHY THE PARTICULAR LINE -- I MEAN, YOU KNOW, THAT ONE LINE  
13 IS NOT GOING TO BE MORE MEANINGFUL TO THE JURY.

14 THE COURT: LET ME ASK, TO AVOID AGAIN A LONG DELAY  
15 HERE, ANY DIFFICULTY, AND MR. WEINGARTEN, IF YOU CAN SECURE THE  
16 STIPULATION HAVING A COPY OF CONGRESSMAN HANSEN'S SCHEDULE  
17 C AND POSSIBLY MRS. HANSEN'S SCHEDULE C, BUT ONLY THE LATTER  
18 IF THE TWO FIGURES WERE MERGED FOR THE ONE LINE ON THE FACE  
19 SHEET?

20 MR. WEINGARTEN: CAN I SAY SOMETHING? I MEAN ALL  
21 WE ARE FIGHTING ABOUT NOW IS THIS WITNESS' DISCOMFITURE.

22 MR. LEWIN: NO, NO. I'M SORRY. I DISAGREE WITH  
23 THAT. I AM FIGHTING -- WE MADE A MOTION PRIOR TO TRIAL  
24 ABOUT THE AVAILABILITY OF THESE TAX RETURNS ALTOGETHER AND  
25 THEIR USE IN TERMS OF THIS CASE. THERE ARE --

1 THE COURT: YOU DIDN'T MAKE A MOTION ABOUT THEIR  
2 USE. YOU MADE A MOTION AS TO --

3 MR. LEWIN: PRODUCTION.

4 THE COURT: -- THE PAPERS THAT HAD BEEN SEALED AND  
5 HOW THE TAX RETURNS HAD BEEN OBTAINED.

6 MR. LEWIN: RIGHT.

7 THE COURT: THAT LEAST THAT'S THE ONLY MOTION I  
8 HAVE EVER SEEN, MR. LEWIN.

9 MR. LEWIN: YOU'RE RIGHT, YOUR HONOR. THAT IS THE  
10 ONLY MOTION. BUT I CERTAINLY WOULD OBJECT TO USE OF THE TAX  
11 RETURN IN THIS CASE IN ANY GENERAL WAY, BOTH BECAUSE IT IS  
12 IRRELEVANT AND BECAUSE I DON'T THINK IT WAS OBTAINED --  
13 UNDER THE STATUTE, I DON'T THINK IT CAN BE USED.

14 THE COURT: I THOUGHT YOU WERE WILLING TO STIPULATE  
15 TO THE SCHEDULE C --

16 MR. LEWIN: WITH REGARD TO THE SCHEDULES, NOW THAT  
17 MR. WEINGARTEN HAS INDICATED THAT IS WHAT HE IS TALKING ABOUT,  
18 I WOULD JUST LIKE TO HAVE A MINUTE TO TALK TO THE CONGRESSMAN  
19 ABOUT THAT.

20 THE COURT: ONE MINUTE, TO FIND OUT IF THEY MERGED  
21 THE TWO SUMS ON THE FACE SHEET. AND OTHERWISE, WE WILL GO  
22 AHEAD AND TAKE INQUIRY FROM THIS WITNESS.

23 MR. WEINGARTEN: LET ME SAY ONE OTHER THING. THE  
24 RELEVANCY OF THE TAX RETURN AS PERTAINS TO THIS WITNESS  
25 IS WHAT I HAVE JUST REPRESENTED. THERE IS LIKELY TO BE OTHER

1 RELEVANCY AS THE TRIAL DEVELOPS. I AM NOT SUGGESTING THAT  
2 WE ARE ONLY GOING TO USE THE TAX RETURN DURING THE COURSE  
3 OF THIS TRIAL.

4 THE COURT: YOU MEAN DURING THE COURSE OF THIS  
5 WITNESS.

6 MR. WEINGARTEN: YES. I MEAN THERE MAY BE OTHER  
7 INSTANCES. I JUST WANT TO MAKE THAT CLEAR.

8 THE COURT: ALL RIGHT. BUT AS FAR AS THIS WITNESS  
9 IS CONCERNED, DISCOMFITURE IS ONE THING. LOTS OF WITNESSES  
10 HAVE DISCOMFITURE. THE FIRST QUESTION IS: ARE THESE TAX  
11 RETURNS INDIVIDUAL, JOINT? THAT WAS ONE QUESTION THAT MR.  
12 WEINGARTEN WANTED TO HAVE.

13 MR. LEWIN: I UNDERSTAND.

14 THE COURT: AND CLEARLY, THE WITNESS CAN ANSWER  
15 THAT ONE.

16 THE SECOND ONE, AS I UNDERSTAND, IS THAT YOU WANTED  
17 TO ASK --

18 MR. WEINGARTEN: THE BOOKS.

19 THE COURT: -- SOMETHING ABOUT THE BOOKS.

20 MR. WEINGARTEN: SCHEDULE C.

21 THE COURT: THAT IS AS IT GOES TO SCHEDULE C.  
22 NOW, DID YOU WANT TO DEVELOP THE INFORMATION ON SCHEDULE C  
23 SO MR. LEWIN CAN TELL HIS CLIENT?

24 MR. WEINGARTEN: ALL I WANT THIS WITNESS TO SAY  
25 IS YES, HE FILES IT; YES, HE INCLUDES IT ON HIS SCHEDULE C;

1 YES, HE DEDUCTS IT FROM HIS INCOME, PERIOD.

2 MR. LEWIN: WHAT MR. CAMPBELL HAS INDICATED, AT  
3 LEAST, IN DISCUSSION WITH HIM, IS THAT THE WITNESS HAS SOME  
4 PROBLEM WHETHER HE CAN DISCLOSE IT. WE ARE PREPARED TO SAY  
5 THAT WE WOULD STIPULATE TO THAT AND, CONSEQUENTLY, I CAN FIND  
6 OUT, I CAN LOOK AT THE TAX RETURN --

7 THE COURT: THE GOVERNMENT HAS TO TELL ME WHETHER  
8 THE GOVERNMENT WILL ACCEPT THE STIPULATION. IF THE GOVERNMENT  
9 DOESN'T ACCEPT THE STIPULATION, CLEARLY, WHETHER THE WITNESS  
10 HAS SOME DIFFICULTY WITH IT OR NOT, I WILL DIRECT THE WITNESS  
11 TO RESPOND.

12 MR. LEWIN: I UNDERSTOOD THE GOVERNMENT TO SAY THEY  
13 WOULD BE WILLING TO ACCEPT A STIPULATION IF THEY HAVE THE  
14 SCHEDULE C.

15 THE COURT: WE HAVE WASTED, NOW, SEVEN MINUTES TO  
16 DECIDE WHETHER OR NOT WE HAVE A STIPULATION.

17 MR. LEWIN: WELL, YOUR HONOR, WE WOULD WASTE MUCH  
18 MORE TIME IF WE GET INTO THE TAX RETURN.

19 MR. WEINGARTEN: IF IT INCLUDES THE SCHEDULE C,  
20 ITSELF, RELATING TO THE BOOK, AND THE REFERENCE ON THE 1040  
21 THAT INCLUDES IT.

22 MR. LEWIN: JUST THAT ONE LINE IS WHAT YOU WANT?

23 MR. WEINGARTEN: AND THE SCHEDULE C.

24 MR. LEWIN: AND THE SCHEDULE C. O.K. LET ME LOOK  
25 AT THE RETURN.

1 THE COURT: ALL RIGHT. A MINUTE OR TWO, PLEASE,  
2 GENTLEMEN.

3 MR. CAMPBELL: MAY I ASK ONE QUESTION?

4 THE COURT: MR. CAMPBELL, WHY DON'T YOU DISCUSS  
5 IT WITH YOUR OTHER COUNSEL.

6 (IN OPEN COURT)

7 THE COURT: ALL RIGHT, GENTLEMEN. TWO MINUTES,  
8 PLEASE. IT WILL BE JUST TWO MINUTES, MR. CALDWELL.

9 GENTLEMEN, CAN PERHAPS ONE OF THE THREE COUNSEL  
10 DISCUSS IT WITH MR. HANSEN, SO WE CAN EXPEDITE?

11 MR. LEWIN: YES, YOUR HONOR.

12 THE COURT: GENTLEMEN, TO THE BENCH, PLEASE.

13 (AT THE BENCH)

14 THE COURT: YOU ALL HAVE A COPY OF THE RETURN SO  
15 THAT IF YOU HAVE TO HAVE ANY REFERENCE TO IT, YOU CAN?

16 MR. WEINGARTEN: I WILL GET IT.

17 THE COURT: THAT MIGHT SAVE US SOME TIME, IF YOU  
18 WILL WAIT JUST A MOMENT, MR. LEWIN, PLEASE.

19 RATHER THAN THE COURT'S REFERENCE TO "FACE SHEET",  
20 LET'S SEE WHAT IT IS.

21 MR. LEWIN: SCHEDULE C FOR 1980 REFLECTS A BOOK,  
22 AND THE COMPUTATION IS A TOTAL LOSS OF \$3,719. WE ARE PRE-  
23 PARED TO STIPULATE AND HAVE THAT PIECE OF PAPER MADE AVAILABLE,  
24 WITHOUT WAIVING ANY RIGHTS, YOUR HONOR, WITH REGARD TO THE  
25 AVAILABILITY OF THE TAX RETURN GENERALLY.



1 THE COURT: WE UNDERSTAND. AS TO THE SPECIFIC MOTION  
2 THAT YOU FILED; RIGHT.

3 MR. LEWIN: AND THE COVER, THE FRONT PAGE OF THE  
4 1980 TAX RETURN INDICATES BUSINESS INCOME OR LOSS FROM ALL  
5 SCHEDULE C'S INDICATES AN INCOME OF \$9,660. OF COURSE, THAT  
6 TAKES INTO ACCOUNT OTHER SCHEDULE C'S THAT ARE IN THE TAX  
7 RETURN. WE ARE PREPARED TO STIPULATE THAT THAT IS WHAT THE  
8 TAX RETURN SHOWS: BUSINESS INCOME OR LOSS FROM SCHEDULE C  
9 IS \$9,960.

10 THE COURT: WHAT IS THE GOVERNMENT'S POSITION AS  
11 TO THAT, FIRST?

12 MR. WEINGARTEN: IF THE ENTIRE DOCUMENT RELATING  
13 TO THE BOOK COMES INTO EVIDENCE, WE WILL ACCEPT IT.

14 THE COURT: IS THAT CONTAINED IN SCHEDULE C, THE  
15 ENTIRE DOCUMENT AS TO THE BOOK?

16 MR. LEWIN: YOU MEAN ALL OF SCHEDULE C, BUT NOT  
17 THE FRONT PAGE OF THE TAX RETURN?

18 MR. WEINGARTEN: THAT'S O.K.

19 MR. LEWIN: O.K. WE WILL STIPULATE TO THAT.

20 THE COURT: WE HAVE A STIPULATION AS TO 1980, RIGHT?

21 MR. LEWIN: RIGHT. AS TO 1981, WE WILL STIPULATE  
22 THAT THE PAGE OF SCHEDULE C THAT RELATES TO THE BOOK WILL  
23 COME INTO EVIDENCE, AND IT WILL SHOW A NET LOSS OF \$1,974,  
24 AND THAT THE FRONT PAGE OF THE TAX RETURN SHOWS WITH REGARD  
25 TO SCHEDULE C ATTACHMENTS A NET LOSS OF \$1,176. THAT IS THE

1 NET LOSS FOR '81.

2 AND '82 WAS IN THAT PROFFER.

3 THE COURT: SO 1981 AND 1982 ARE THE SAME PROFFER?

4 MR. LEWIN: YES.

5 THE COURT: JUST DIFFERENT FIGURES?

6 MR. LEWIN: I'M SORRY. 1980 AND 1981. THOSE ARE  
7 THE TWO YEARS.

8 THE COURT: WE HAVE TALKED ABOUT THOSE TWO YEARS  
9 SO FAR, SIR.

10 MR. LEWIN: RIGHT. AS TO 1982, WE WILL STIPULATE  
11 THE PAGE OF SCHEDULE C THAT SHOWS A LOSS OF \$107 FOR THE  
12 BOOK, AND THAT THE TOTAL BUSINESS INCOME OR LOSS SHOWN ON  
13 THE FRONT PAGE OF THE TAX RETURN FROM SCHEDULE C IS A GAIN  
14 OF \$19,412.

15 THE COURT: ALL RIGHT. NOW, THAT IS 1980, '81 AND  
16 '82. WHAT ARE THE YEARS INVOLVED?

17 MR. WEINGARTEN: THAT'S ALL.

18 THE COURT: THOSE THREE YEARS? ALL RIGHT.

19 MR. LEWIN, ANYTHING FURTHER?

20 MR. LEWIN: WELL, THE QUESTION REALLY MR. HANSEN  
21 RAISED IS WHETHER THE GOVERNMENT INSISTS IN HAVING THE TOTAL  
22 FIGURE IN ON THE SCHEDULE C LINE. I DON'T UNDERSTAND WHY  
23 THAT IS RELEVANT.

24 THE COURT: LET'S FIND OUT. MAYBE WE CAN AGAIN  
25 SHORT-CIRCUIT THIS. WE ARE TALKING ABOUT THREE YEARS: 1980,

1 1981 AND 1982. THE GOVERNMENT HAS ACCEPTED THE STIPULATION  
2 FOR AT LEAST THE YEAR 1980 AT THIS MOMENT, WHICH IS THAT  
3 SCHEDULE C WILL COME IN, AND THAT SCHEDULE C WILL REFLECT,  
4 AS FAR AS THE BOOK IS CONCERNED, A LOSS OF \$3,719. WILL THERE  
5 BE ANYTHING FURTHER THAT THE GOVERNMENT WOULD WANT OTHER THAN  
6 THE STIPULATION THAT THE FRONT PAGE OF THE TAX RETURN EMBRAC-  
7 ING THAT MINUS 3719 SHOWED A BUSINESS INCOME LOSS?

8 MR. WEINGARTEN: NOT FROM THIS WITNESS, EXCEPT THE  
9 JOINT FILING, WHICH I THINK I AM ABLE TO ASK HIM.

10 MR. LEWIN: YES, OF COURSE. WE WILL STIPULATE TO  
11 THE JOINT FILING.

12 MR. WEINGARTEN: JUST SO WE ARE EXPLICITLY CLEAR  
13 THIS: THERE COULD VERY WELL BE OTHER THINGS IN THIS RETURN  
14 WE INTEND TO USE.

15 THE COURT: WE UNDERSTAND. BUT AS TO THIS WITNESS.  
16 LET'S TAKE IT BIT BY BIT. WHO IS GOING TO MAKE THE STIPULA-  
17 TION?

18 MR. WEINGARTEN: I'LL DO IT.

19 THE COURT: ALL RIGHT.

20 MR. LEWIN: AS TO THOSE THREE YEARS.

21 THE COURT: ALL RIGHT. FINE. SO THAT WILL BE  
22 PREPARED AFTER THE WITNESS HAS LEFT. GOOD. LET'S FINISH.

23 (END OF BENCH CONFERENCE)

24 THE COURT: MR. CALDWELL, WILL YOU RESUME THE STAND.  
25 THERE WILL BE A STIPULATION PREPARED AND READ TO

1 THE JURY SUBSEQUENTLY, PERHAPS THIS AFTERNOON, PERHAPS LATER,  
2 CONCERNING SOME MATTERS THAT WILL SAVE THE TIME AND DIFFI-  
3 CULTY OF YOU TESTIFYING TO. BUT THERE ARE SOME MATTERS THAT  
4 YOU WILL BE ASKED TO TESTIFY TO AND THAT YOU MUST RESPOND  
5 TO, SIR.

6 ALL RIGHT. MR. WEINGARTEN.

7 BY MR. WEINGARTEN:

8 Q MR. CALDWELL, PRIOR TO THE BREAK -- OR PRIOR TO  
9 THE DISCUSSIONS AT THE BENCH, I SHOULD SAY, I THINK THE  
10 QUESTION WAS POSED TO YOU WHETHER OR NOT YOU DID THE TAXES  
11 FOR CONGRESSMAN HANSEN. IS THAT CORRECT?

12 A YES.

13 Q AND WHAT WAS YOUR ANSWER?

14 A THAT I DID.

15 Q AND HOW MANY YEARS HAVE YOU DONE THEM?

16 A I BELIEVE THREE.

17 Q STARTING WHEN AND GOING UP TILL WHEN? I MEAN DO  
18 YOU PRESENTLY DO THEM?

19 A YES.

20 Q AND DID YOU DO THEM LAST YEAR?

21 A YES.

22 Q THE YEAR BEFORE?

23 A I BELIEVE I STARTED IN '80, BUT IT WAS EITHER '80  
24 OR ONE YEAR ONE SIDE OR THE OTHER OF THAT. I CAN'T RECALL  
25 EXACTLY.

1 Q ALL RIGHT. DOES CONGRESSMAN HANSEN FILE A JOINT  
2 TAX RETURN WITH HIS WIFE, OR DOES HE FILE A SEPARATE TAX  
3 RETURN?

4 A JOINT RETURN.

5 Q AND HAS HE FILED A JOINT RETURN WITH HIS WIFE EACH  
6 AND EVERY YEAR YOU FILLED OUT THE TAX FORMS?

7 A YES.

8 Q THANK YOU, SIR.

9 THE COURT: ANYTHING FURTHER? MR. CAMPBELL, ANY  
10 INQUIRY?

11 CROSS-EXAMINATION

12 BY MR. CAMPBELL:

13 Q GOOD MORNING, MR. CALDWELL.

14 A GOOD MORNING.

15 Q YOU TESTIFIED ON DIRECT EXAMINATION THAT YOU HAD  
16 RECEIVED A CALL FROM CONGRESSMAN HANSEN CONCERNING A REQUEST  
17 THAT YOU PROVIDE SOME ASSISTANCE IN CLOSING A TRADE IN THE  
18 COMMODITIES MARKET. IS THAT CORRECT?

19 A YES.

20 Q AND WOULD YOU TELL US WHOSE TRADE DID HE SAY IT  
21 WAS THAT HE WAS ASKING YOU TO ASSIST IN THE CLOSING OF?

22 A HIS WIFE, CONNIE.

23 Q AND DID HE SAY THAT THERE WAS A PROFIT INVOLVED  
24 IN THAT TRADE?

25 A YES.

1 Q WHOSE PROFIT DID HE SAY IT WAS WITH REGARD TO THAT  
2 TRADE?

3 A I DON'T REMEMBER SPECIFICALLY HIM TELLING ME THAT  
4 THE PROFIT WAS HERS, BUT THAT WAS MY UNDERSTANDING. THAT  
5 WAS MY ASSUMPTION, THAT IT WAS, SINCE IT WAS HER TRADE.

6 Q NOW, WHEN YOU SPOKE TO CONGRESSMAN HANSEN, WAS THERE  
7 ANYONE ELSE INVOLVED IN THE CONVERSATION WHEN YOU SPOKE TO  
8 HIM ON THE TELEPHONE?

9 A I CAN'T REMEMBER WHETHER SHE WAS -- CONNIE WAS  
10 INVOLVED; I KNOW THAT. BUT I DON'T REMEMBER IF SHE WAS ON  
11 ANOTHER LINE. I KNOW THAT I SPOKE TO THE CONGRESSMAN -- OR  
12 WHETHER SHE WAS JUST IN THE ROOM, YOU KNOW, ON THE OTHER END.  
13 I KNEW THAT THERE WAS SOME CORRELATION BETWEEN HE AND HIS  
14 WIFE, OR COORDINATION. BUT I CAN'T REMEMBER THE DETAILS AT  
15 THIS POINT IN TIME.

16 Q THAT COORDINATION WAS HAPPENING AT THE SAME TIME  
17 THAT YOU WERE SPEAKING WITH THE CONGRESSMAN, IS THAT RIGHT?

18 A I REMEMBER THAT THERE WAS SOME -- EITHER HE WAS  
19 ASKING HER OR -- I DON'T RECALL. BUT I REMEMBER THERE WAS  
20 SOMETHING GOING ON.

21 Q SOMETHING IN THE NATURE OF HIM ASKING HER QUESTIONS  
22 IN THE COURSE OF SPEAKING WITH YOU.

23 A OR THAT SHE WAS AT LEAST INVOLVED THERE WHERE SHE  
24 COULD HEAR.

25 Q WOULD IT BE FAIR TO SAY THAT WHEN HE WAS INSTRUCTING

1 YOU TO WRITE A CHECK ON THE ACCOUNT, HE WAS DOING SO AT THE  
2 DIRECTION OF MRS. HANSEN?

3 LET ME REPHRASE THE QUESTION. WOULD IT BE FAIR  
4 TO SAY THAT IT WAS YOUR UNDERSTANDING THAT HE WAS DIRECTING  
5 YOU TO WRITE THAT CHECK OUT OF THE CONNIE HANSEN SPECIAL  
6 ACCOUNT WITH THE APPROVAL OF MRS. HANSEN?

7 A YES.

8 Q DID THERE COME A TIME AFTER THAT TELEPHONE CONVERSA-  
9 TION WHEN CONGRESSMAN HANSEN REPRESENTED TO YOU IN ANY WAY  
10 THAT THAT SILVER TRADE WAS ANYTHING OTHER THAN MRS. HANSEN'S?

11 A NO. IT WAS ALWAYS MY UNDERSTANDING THAT THAT WAS  
12 CONNIE'S TRANSACTION.

13 Q NOW, YOU TESTIFIED ON DIRECT EXAMINATION THAT YOU  
14 HAD WRITTEN OUT A CHECK AT THE DIRECTION OF MRS. HANSEN, AND  
15 NOW YOU'VE INDICATED THAT YOU DID SO WITH MRS. HANSEN'S  
16 APPROVAL -- OR AT LEAST YOU UNDERSTOOD SHE HAD APPROVED THAT  
17 DIRECTION -- NOTWITHSTANDING THE FACT THAT THERE WAS NOT  
18 \$125,000 IN FUNDS IN THAT ACCOUNT AT THAT TIME. IS THAT  
19 CORRECT?

20 A THAT IS CORRECT.

21 Q NOW, COULD YOU EXPLAIN TO US AGAIN WHY IT IS YOU  
22 FELT THAT YOU COULD WRITE THAT CHECK ON THAT ACCOUNT WHEN  
23 THERE WAS NOT THAT AMOUNT OF FUNDS IN THE ACCOUNT?

24 A YES. I WAS TOLD THAT THERE WOULD BE A \$125,000  
25 CHECK COMING THAT SAME DAY SO THAT THE DEPOSIT AND THE CHECK

1 WOULD HAVE OFFSET ONE ANOTHER, OR I SHOULD SAY THE DEPOSIT  
2 WOULD HAVE COVERED THE CHECK. AND I WAS ALSO TOLD THAT MR.  
3 GARVIN HAD VERIFIED THAT, AND IT WAS ON THAT BASIS THAT HE  
4 WOULD ALLOW THE CHECK TO BE WRITTEN ON THAT ACCOUNT.

5 Q WAS IT YOUR UNDERSTANDING THAT THE PURPOSE OF THAT  
6 CHECK WAS TO PERMIT MR. GARVIN TO WIRE A CERTAIN SUM OF MONEY  
7 TO A BROKERAGE HOUSE TO FREE UP THE PROFIT THAT MRS. HANSEN  
8 HAD MADE AND ALLOW THAT MONEY TO BE WIRED BACK R. GARVIN?

9 A YES. THAT WAS MY UNDERSTANDING.

10 Q I WOULD LIKE YOU TO LOOK AT GOVERNMENT'S EXHIBIT  
11 NO. 38-C, WHICH IS THE \$125,000 CHECK WRITTEN ON THE IDAHO  
12 BANK AND TRUST, AND TELL ME, WHO IS THAT MADE OUT TO?

13 A IT'S MADE OUT TO FIRST SECURITY BANK.

14 Q AND IT IS IN WHAT AMOUNT?

15 A 125,000.

16 Q AND IT'S DATED JANUARY 18TH, 1979; IS THAT CORRECT?

17 A THAT'S CORRECT.

18 Q AND WOULD YOU PLEASE TURN THE CHECK OVER AND LOOK  
19 ON THE BACK OF THAT AND TELL US WHAT'S ON THE BACK OF THAT  
20 CHECK.

21 A THERE ARE SOME BANK STAMPS, ONE OF WHICH SAYS  
22 "FIRST SECURITY BANK, WIRE TRANSFER DEPARTMENT." AND THE  
23 OTHER ONE IS THE BANK STAMP THAT IS DATED JANUARY 18TH, '79.

24 Q FROM YOUR EXPERIENCE, DOES THAT SUGGEST THAT THE  
25 CHECK WAS USED BY THE WIRE TRANSFER DEPARTMENT AT FIRST



1 SECURITY BANK?

2 A APPARENTLY IT WAS. I REALLY CAN'T SAY FOR SURE.

3 Q NOW, WAS IT YOUR UNDERSTANDING THAT AT THE TIME  
4 YOU DEPOSITED THAT -- OR GAVE THAT CHECK TO MR. GARVIN -- WAS  
5 IT YOUR TESTIMONY THAT YOU GAVE THE CHECK TO MR. GARVIN  
6 HIMSELF?

7 A I DELIVERED IT TO MR. GARVIN IN PERSON, YES.

8 Q WAS IT YOUR UNDERSTANDING THAT FUNDS WOULD BE  
9 RETURNED TO MR. GARVIN IN THE COURSE OF THAT SAME DAY WHICH  
10 WOULD PERMIT YOU TO TAKE A CASHIER'S CHECK FROM MR. GARVIN'S  
11 BANK AND DEPOSIT IT BACK IN THE IDAHO BANK AND TRUST ACCOUNT  
12 WHEREON YOU WROTE THE CHECK?

13 A THAT IS ACCURATE, YES.

14 Q AND COULD YOU TELL US WHY, AS FAR AS YOU UNDERSTAND,  
15 THAT DID NOT OCCUR THE VERY SAME DAY?

16 A MY UNDERSTANDING WAS -- AND I JUST VAGUELY RECOLLECT  
17 THE SITUATION -- THAT THERE WAS A SNOWSTORM, A BAD SNOWSTORM  
18 IN CHICAGO, WHERE THE CHECK WAS SUPPOSED TO BE WIRED FROM,  
19 AND THAT IT IN SOME WAY -- AND I DON'T KNOW HOW, BUT IN SOME  
20 WAY IT DELAYED THE TRANSFER OUT OF THE FUNDS, SO THAT IT WAS  
21 PROBABLY THE NEXT DAY WHEN THE FUNDS WERE WIRED. IN ANY CASE,  
22 THE CASHIER'S CHECK -- THERE WAS A WEEKEND INVOLVED THERE.  
23 THE CHECK WAS WRITTEN ON THURSDAY.

24 Q RIGHT. SO LET ME SEE IF WE CAN MAKE THIS CLEAR  
25 TO THE JURY. YOU HAD GIVEN THE CHECK TO MR. GARVIN.

1 A YES.

2 Q MR. GARVIN HAD ARRANGED TO WIRE THE FUNDS, AS YOU  
3 UNDERSTAND, TO A BROKERAGE HOUSE IN CHICAGO? IS THAT IT?

4 A YES.

5 Q AND THAT WAS IN ORDER TO HELP CLOSE OUT THE SILVER  
6 TRANSACTION WHICH MRS. HANSEN HAD ENGAGED IN.

7 A THAT'S CORRECT.

8 Q AND IT IS YOUR UNDERSTANDING THAT UNDER ORDINARY  
9 CIRCUMSTANCES, THAT WIRE WOULD HAVE BEEN RECIPROCATED WITH  
10 A WIRE BACK OF THE FUNDS THAT MR. GARVIN HAD SENT, TOGETHER  
11 WITH THE PROFIT WHICH MRS. HANSEN HAD MADE ON THE SILVER TRANS-  
12 ACTION, THE SAME DAY; IS THAT CORRECT?

13 A THAT'S CORRECT. AND I DO REMEMBER THAT THE TRANS-  
14 ACTION TOOK PLACE EARLY -- FAIRLY EARLY IN THE DAY, BECAUSE  
15 I KNOW I HAD SOME TIME. I BELIEVE IT WAS IN THE MORNING,  
16 BUT IF NOT, IT WAS AT LEAST VERY EARLY IN THE AFTERNOON, SO  
17 I HAD SOME TIME FOR THAT TO TAKE PLACE.

18 Q AND YOU WERE EXPECTING THAT YOU HAD SUFFICIENT TIME  
19 -- BUT FOR THE SNOWSTORM, SUFFICIENT TIME FOR THAT WIRE TRANS-  
20 FER OUT TO CHICAGO AND BACK WITH THE FUNDS TO TAKE PLACE FOR  
21 YOU TO TAKE A CASHIER'S CHECK BACK OVER TO THE IDAHO BANK  
22 AND TRUST AND DEPOSIT IT TO COVER THE CHECK WHICH YOU HAD  
23 WRITTEN THAT SAME DAY. IS THAT CORRECT?

24 A THAT'S CORRECT. I FULLY EXPECTED THAT TO BE BACK.  
25 AND THAT, IN FACT, IS THE REASON THAT I WROTE THE DEPOSIT

1 SLIP OUT FOR THAT DATE WHEN I WROTE THE CHECK OUT. I ASSUMED  
2 THAT IT WOULD ALL TAKE PLACE THAT SAME DAY.

3 Q AND THAT DAY WAS A THURSDAY; IS THAT CORRECT?

4 A THAT'S CORRECT.

5 Q AND THE FUNDS HAD NOT RETURNED BY THE END OF THAT  
6 THURSDAY.

7 A THAT'S CORRECT.

8 Q AND THE FUNDS HAD NOT RETURNED BY THE END OF THAT  
9 FOLLOWING FRIDAY; IS THAT CORRECT?

10 A YES.

11 Q WHEN DID THE FUNDS RETURN?

12 A I'M NOT SURE EXACTLY WHEN THE WIRE CAME BACK, BUT  
13 I RECEIVED THE CASHIER'S CHECK ON THAT WIRE AT FIRST SECURITY  
14 BANK FIRST THING MONDAY MORNING, AS SOON AS THE BANK WAS  
15 OPENED.

16 Q AS SOON AS THE BANK WAS OPEN, YOU GOT A CASHIER'S  
17 CHECK FOR \$125,000. AND WHAT DID YOU DO WITH THAT CASHIER'S  
18 CHECK ONCE YOU RECEIVED IT?

19 A I WALKED ACROSS THE STREET -- FIRST SECURITY BANK  
20 AND IDAHO BANK AND TRUST IN POCATELLO HAVE BANKS ON OPPOSITE  
21 CORNERS OF THE SAME BLOCK. I WALKED ACROSS THE STREET,  
22 DELIVERED THAT CHECK TO SOMEONE THAT I KNEW AT IDAHO BANK  
23 AND TRUST, AND INDICATED THAT THERE WAS A CHECK THAT HAD BEEN  
24 WRITTEN ON THAT THAT WOULD BE CLEARING, IF IT HADN'T, AND  
25 THAT CHECK WAS TO TAKE CARE OF THE -- TO COVER THE CHECK.

1 AND THEN I LEFT THE BANK.

2 Q DID THE CHECK BOUNCE?

3 A THE CHECK DID NOT BOUNCE.

4 Q SO WHEN YOU ARRIVED THERE MONDAY MORNING WITH THE  
5 \$125,000 CASHIER'S CHECK, YOU ARRIVED IN TIME TO COVER THE  
6 PERSONAL CHECK YOU HAD WRITTEN OUT THE PREVIOUS THURSDAY.

7 A THAT IS CORRECT.

8 Q AND THE ONLY REASON THAT THERE WAS ANY DELAY WAS  
9 BECAUSE OF CIRCUMSTANCES BEYOND YOUR CONTROL, THAT IS TO SAY,  
10 AN ACT OF GOD, A SNOWSTORM IN CHICAGO DURING THE THURSDAY  
11 AND FRIDAY PRECEDING.

12 A THAT'S CORRECT. THAT'S THE ONLY THING THAT PREVENTED  
13 THE DEPOSIT GOING IN THE SAME DAY AS THE CHECK.

14 Q IS IT YOUR UNDERSTANDING IN YOUR DEALINGS WITH MR.  
15 GARVIN AT THE TIME YOU TOOK THE CHECK OVER TO HIM THAT HE  
16 FULLY EXPECTED THE TRANSACTION TO BE COMPLETED BY THE END  
17 OF THE DAY, THURSDAY?

18 A YES. I KNEW THAT MR. GARVIN KNEW THERE WERE NOT  
19 FUNDS IN THE ACCOUNT TO COVER THE CHECK WITHOUT THE MONEY  
20 COMING BACK. THEREFORE, I KNEW THAT HE HAD ALREADY CHECKED  
21 THAT OUT AND WAS FULLY EXPECTING THAT MONEY TO COME BACK.

22 Q DID YOU HAVE ANY CONVERSATION WITH MR. GARVIN AT  
23 THE TIME YOU GAVE HIM THE CHECK ABOUT YOUR EXPECTATION OF  
24 RECEIVING A CASHIER'S CHECK WITHIN A SHORT PERIOD OF TIME  
25 AFTER THE TRANSACTION WAS COMPLETED -- THE WIRE TRANSACTION?

1 A I DON'T REMEMBER THE DETAILS OF THE DISCUSSION,  
2 BUT I'M SURE WE MUST HAVE DISCUSSED THE FACT THAT I WAS GOING  
3 TO DEPOSIT THE MONEY WHEN IT CAME BACK.

4 Q YOU DON'T HAVE ANY IDEA WHAT THE DETAILS OF THAT  
5 DISCUSSION MAY HAVE BEEN?

6 A I CAN'T REMEMBER THE DISCUSSION. YOU KNOW, IT  
7 HAS BEEN FIVE YEARS SINCE THAT DISCUSSION TOOK PLACE, AND IT  
8 WASN'T A VERY -- ANYTHING I WOULD REALLY NORMALLY REMEMBER.

9 Q DO YOU RECALL TESTIFYING IN FRONT OF THE GRAND JURY  
10 ON NOVEMBER 2ND, 1981 -- THIS IS ON PAGE 15 OF THE GRAND JURY  
11 TESTIMONY.

12 THE COURT: IS THERE A COPY OF IT, PLEASE?

13 MR. CAMPBELL: YES, YOUR HONOR.

14 THE COURT: I'M SORRY. YOU SAID PAGE 15?

15 MR. CAMPBELL: PAGE 15, YOUR HONOR, LINES 11 THROUGH  
16 17.

17 THE COURT: THANK YOU.

18 BY MR. CAMPBELL:

19 Q DO YOU RECALL THE PROSECUTOR POSING THE FOLLOWING  
20 QUESTIONS TO YOU AT THE TIME OF THE GRAND JURY TESTIMONY:

21 "QUESTION: DO YOU RECALL WRITING THAT CHECK AND  
22 GOING TO SEE MR. GARVIN?" "YES."

23 "WHAT CONVERSATION DID YOU HAVE WITH HIM?" "IT  
24 WAS LIMITED. HE SAID -- HE JUST TOOK THE CHECK, AND HE SAID  
25 HE WAS GOING TO SEND A WIRE ON IT AND THAT THERE WOULD BE A

1 WIRE BACK AND WE COULD DEPOSIT THE FUNDS."

2 DOES THAT REFRESH YOUR RECOLLECTION, IN ANY EVENT --  
3 OR IN ANY WAY WITH RESPECT TO WHAT MR. GARVIN MIGHT HAVE SAID  
4 TO YOU AT THE TIME YOU TOOK THE CHECK OVER TO HIM?

5 A I'M SURE THAT TOOK PLACE. WHEN I MADE THE STATE-  
6 MENT IN THE GRAND JURY, I'M SURE WHAT I WAS REFLECTING WAS  
7 A -- NOT A WORD-FOR-WORD REPRESENTATION OF WHAT HE SAID, BUT  
8 THAT THAT WAS BASICALLY WHAT WAS GOING ON IN THE CONVERSATION.  
9 I CAN'T REMEMBER WORD-FOR-WORD WHAT THE CONVERSATION WAS.

10 Q ALL RIGHT. IS IT FAIR TO SAY FROM YOUR TRANSACTIONS  
11 OR YOUR DEALINGS WITH MR. GARVIN OVER THIS TRANSACTION THAT  
12 HE HAD ARRANGED TO SEND THE \$125,000 WIRE TO THE BROKERAGE  
13 HOUSE NOT ON RELIANCE OF THE CHECK THAT YOU GAVE HIM, BUT  
14 ON RELIANCE OF SOMETHING ELSE? RELIANCE ON THE FACT THAT  
15 THERE WAS A PROFIT IN THE BROKERAGE HOUSE WAITING TO BE  
16 RELEASED?

17 A I AM SURE THAT THAT WAS THE CASE: THAT HE WAS  
18 DEPENDING ON THE MONIES COMING TO COVER THE CHECK, YES.

19 Q LET ME JUST ASK YOU: WHAT IS YOUR UNDERSTANDING  
20 OF THE NATURE OF THIS TRANSACTION? IT WAS BASICALLY THE MEET-  
21 ING OF A MARGIN CALL. COULD YOU EXPLAIN TO US WHAT YOU UNDER-  
22 STOOD OCCURRED IN THE SATISFACTION OF A MARGIN CALL ON A  
23 COMMODITIES TRANSACTION?

24 THE COURT: ARE YOU ASKING THIS AS A QUESTION, OR  
25 ARE YOU MAKING A STATEMENT, MR. CAMPBELL?

1 MR. CAMPBELL: I AM ASKING HIM AS A QUESTION:

2 BY MR. CAMPBELL:

3 Q WHAT IS IT YOU UNDERSTAND ABOUT THE WAY IN WHICH  
4 A MARGIN CALL IN A COMMODITIES TRANSACTION IS HANDLED?

5 A MY UNDERSTANDING OF THE COMMODITIES MARKET IS  
6 EXTREMELY LIMITED.

7 Q WHAT IS YOUR UNDERSTANDING OF HOW IT WORKED IN THIS  
8 PARTICULAR CASE?

9 A MY UNDERSTANDING OF THE MARGIN CALL IS THAT THE  
10 MONEY WOULD NEED TO BE SENT BEFORE THE PROFIT COULD BE  
11 RETURNED. AND SO I BASICALLY UNDERSTOOD WHY THE \$125,000  
12 WAS NEEDED.

13 Q WAS IT ALSO YOUR UNDERSTANDING THAT AS SOON AS YOU  
14 SEND THAT MARGIN MONEY, THAT MARGIN MONEY PLUS THE PROFIT  
15 ALL COMES BACK?

16 A MY UNDERSTANDING WAS AND IS THAT THERE WOULD BE  
17 NO REASON FOR IT NOT TO COME BACK ONCE THE MARGIN HAD BEEN  
18 SATISFIED.

19 Q NOW, MR. WEINGARTEN ON DIRECT EXAMINATION ASKED  
20 YOU IF THE \$87,000 SILVER PROFIT WHICH YOU WERE TRYING TO  
21 CLEAR BY ARRANGING THESE DIFFERENT BANKING DETAILS HAD GONE  
22 INTO MRS. HANSEN'S SPECIAL ACCOUNT AT IDAHO BANK AND TRUST.  
23 DO YOU RECALL HIM ASKING THAT?

24 A YES.

25 Q AND DO YOU RECALL ALSO SAYING THAT THE PURPOSE OF

1 YOUR SETTING UP THIS ACCOUNT WAS TO RECEIVE LOCAL CONTRIBU-  
2 TIONS FROM PEOPLE IN SOUTHEASTERN IDAHO TO MRS. HANSEN'S  
3 PERSONAL SOLICITATION CAMPAIGN? IS THAT CORRECT?

4 A THAT WAS THE ORIGINAL PURPOSE, YES.

5 Q NOW, HOW LONG HAD THAT ACCOUNT BEEN OPEN AT THE  
6 TIME THIS TRANSACTION TOOK PLACE?

7 A I BELIEVE THE --

8 Q WOULD IT BE FAIR TO SAY IT WAS APPROXIMATELY --  
9 THE COURT: SIR, GIVE HIM A CHANCE TO ANSWER IT,  
10 ALL RIGHT?

11 THE WITNESS: THE ACCOUNT WAS OPENED NOVEMBER '78.  
12 THE TRANSACTION TOOK PLACE JANUARY '79. SO APPROXIMATELY  
13 TWO MONTHS.

14 BY MR. CAMPBELL:

15 Q IT WASN'T YOUR UNDERSTANDING AT THE TIME THAT THIS  
16 TRANSACTION TOOK PLACE THAT THE PURPOSE OF THAT ACCOUNT HAD  
17 CHANGED IN ANY WAY. IS THAT CORRECT?

18 A THAT'S CORRECT.

19 Q YOU CONTINUED TO UNDERSTAND AT THAT TIME THAT THE  
20 PURPOSE OF THAT ACCOUNT WAS TO COLLECT SMALL LOCAL CONTRIBU-  
21 TIONS FOR A STOP-OVER, TO BE EVENTUALLY SENT TO CONNIE HANSEN  
22 IN WASHINGTON. IS THAT CORRECT?

23 A YES. THAT WAS THE ORIGINAL PURPOSE AND INTENT OF  
24 THAT ACCOUNT.

25 Q IT WASN'T NECESSARILY TO HOLD ANY OTHER INCOME THAT



1 MRS. HANSEN MAY HAVE PRODUCED DURING THE COURSE OF THAT  
2 ACCOUNT BEING OPEN; IS THAT CORRECT?

3 A THAT'S CORRECT. I HAD NO OTHER INVOLVEMENT IN ANY  
4 OF THE PERSONAL FINANCIAL AFFAIRS, AND SO THAT WAS THE SOLE  
5 PURPOSE OF THAT ACCOUNT, WAS FOR THOSE SMALL CONTRIBUTIONS.

6 Q WHEN ALL WAS COMPLETED IN THIS ENTIRE TRANSACTION,  
7 WERE ANY OF THE BANKS HURT IN ANY WAY?

8 A NO. NOT TO MY KNOWLEDGE.

9 Q IN OTHER WORDS, IDAHO BANK AND TRUST HAD RECEIVED  
10 A \$125,000 CASHIER'S CHECK BY THE TIME THE CHECK WHICH YOU  
11 HAD WRITTEN OUT THE EARLIER WEEK ARRIVED FOR CLEARANCE; IS  
12 THAT CORRECT?

13 A YES. THE CHECK CLEARED; EVERYTHING WAS COVERED.

14 Q AND THE SAME IS TRUE AS TO -- CONSEQUENTLY, ISN'T  
15 IT TRUE THAT MR. GARVIN AT FIRST SECURITY BANK DIDN'T RECEIVE  
16 A DISHONORED CHECK IN RETURN FOR THE DEPOSIT HE HAD MADE  
17 OF THE CHECK YOU HAD WRITTEN THE EARLIER WEEK BY THE END OF  
18 THIS TRANSACTION?

19 A THAT'S CORRECT. THE CHECK CLEARED IN DUE COURSE.

20 MR. CAMPBELL: NO FURTHER QUESTIONS, YOUR HONOR.

21 THE COURT: REDIRECT, IF ANY.

22 MR. WEINGARTEN: TWO, YOUR HONOR.

23 REDIRECT EXAMINATION

24 BY MR. WEINGARTEN:

25 Q MR. CALDWELL, IS IT NOT THE CASE THAT YOUR ACCOUNT,

1 WITH \$300, WAS USED IN THE SILVER TRANSACTION SO THAT THE  
2 HANSENS COULD MAKE A RECORD THAT THE SILVER TRANSACTION WAS  
3 CONNIE'S, AND NOT THE CONGRESSMAN'S? IS THAT NOT THE REASON  
4 WHY YOUR ACCOUNT WAS USED, SIR?

5 A THAT WAS -- THE FACT THAT IT WAS CONNIE'S WAS DIS-  
6 CUSSED, BUT THAT WAS NOT THE SOLE REASON IN USING THAT ACCOUNT.

7 Q ALL RIGHT. DID YOU TESTIFY PURSUANT TO A QUESTION  
8 FROM MR. CAMPBELL THAT IT WAS YOUR UNDERSTANDING THEN AND  
9 IT'S YOUR UNDERSTANDING TODAY THAT THE SILVER TRANSACTION  
10 WAS MRS. HANSEN'S?

11 A THAT'S CORRECT.

12 Q AND ISN'T THE REAL INDICATION, THE REAL TEST OF  
13 WHOSE SILVER TRANSACTION IT WAS IS WHERE THE MONEY WENT, WHERE  
14 THE PROFIT WENT?

15 A I SUPPOSE THE PERSON THAT IT GOES TO --

16 Q THAT'S SOME INDICATION, IS IT NOT?

17 A -- WOULD BE SOME INDICATION OF WHO THE TRANSACTION  
18 BELONGED TO.

19 Q ALL RIGHT, MR. CALDWELL. AS THEIR TAX MAN, DO YOU  
20 KNOW WHERE THE \$87,000 WENT?

21 A NO.

22 Q ALL RIGHT. THANK YOU, SIR.

23 THE COURT: ANYTHING FURTHER?

24 MR. CAMPBELL: JUST ONE QUESTION, YOUR HONOR.

25

## 1 REGROSS EXAMINATION

2 BY MR. CAMPBELL:

3 Q WHEN MR. WEINGARTEN ASKED YOU WHAT THE TEST IS FOR  
4 DETERMINING WHETHER THE TRANSACTION WAS MRS. HANSEN'S OR MR.  
5 HANSEN'S, WHAT IS IT YOU ARE SAYING WHEN YOU ARE AGREEING  
6 THAT THE TEST IS WHO USES IT?

7 A I'M NOT SURE I UNDERSTAND.

8 Q LET ME REPHRASE THE QUESTION. WHAT DO YOU UNDER-  
9 STAND MR. WEINGARTEN TO MEAN WHEN HE SAYS WHAT THE TEST IS  
10 OF WHOSE TRANSACTION IT IS? WHAT KIND OF TEST ARE WE TALKING  
11 ABOUT?

12 A IN WHO USED IT -- I STILL AM NOT SURE I UNDERSTAND.

13 Q LET ME ASK YOU THIS: WAS IT CLEAR TO YOU WHAT  
14 MR. WEINGARTEN MEANT WHEN HE ASKED YOU WHAT THE TEST IS?

15 A I ASSUME HE'S GETTING AT TRYING TO PROVE WHO THE  
16 MONEY BELONGED TO AND THAT WHERE IT ENDED UP IS ONE WAY TO  
17 PROVE THAT.

18 Q ISN'T IT TRUE THAT AT THE TIME CONGRESSMAN HANSEN  
19 CALLED YOU, THAT HE TOLD YOU THAT IT WAS CONNIE'S TRANSACTION  
20 IN THE SILVER MARKET?

21 A YES. THAT WAS THE UNDERSTANDING RIGHT FROM THE  
22 FIRST MOMENT I STARTED WORKING WITH THEM.

23 Q AND ISN'T IT TRUE THAT MRS. HANSEN WAS FREE TO DO  
24 WITH THE PROCEEDS OF THAT MONEY WHAT SHE WOULD? SHE COULD  
25 DO WHATEVER SHE WANTS WITH THAT MONEY; IS THAT CORRECT?

1           A     THAT'S CORRECT.

2           MR. CAMPBELL: NO FURTHER QUESTIONS, YOUR HONOR.

3           THE COURT: ALL RIGHT. THANK YOU FOR YOUR TESTI-  
4   MONY, MR. CALDWELL. I ASK ONLY THAT YOU NOT DISCUSS IT WITH  
5   ANY OTHER POSSIBLE WITNESS IN THIS CASE UNTIL THIS MATTER  
6   IS ENTIRELY CONCLUDED. YOU ARE EXCUSED.

7           LADIES AND GENTLEMEN OF THE JURY, WOULD YOU LIKE  
8   TO HAVE A FIVE-MINUTE RECESS AT THIS -- I SEE YOU WOULD.  
9   I DON'T EVEN HAVE TO FINISH THE QUESTION.

10          LET'S SAY TEN MINUTES, BECAUSE BY THE TIME WE GET  
11   YOU OUT OF THE BOX AND BACK, THIS IS THE MID-MORNING RECESS.  
12   ALL RIGHT.

13          (SHORT RECESS TAKEN, FROM 11:15 A.M. UNTIL 11:25  
14   A.M.)

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AFTER RECESS

MR. LEWIN: BEFORE THE JURY COMES IN, WE HAVE A LEGAL  
ISSUE WE WOULD LIKE TO DISCUSS.

## AT THE BENCH:

MR. WEINGARTEN: MR. LEWIN REQUESTS THAT I MAKE A  
PROFFER FOR THE NEXT WITNESS. I WOULD BE HAPPY TO AMONG OTHER  
THINGS.

THE WITNESS IS RICHARD GARVIN, WHO IS A BANKER OF THE  
FIRST SECURITY BANK OF IDAHO. HE IS REFERRED TO BY MR.  
CALDWELL AND OTHERS.

HE RECEIVED THE TWO HUNDRED AND 12 THOUSAND DOLLARS  
FROM CHICAGO FOR THE COMMODITY EXCHANGE; 125 OF THAT WENT BACK  
TO MR. CALDWELL; 87 REMAINED IN HIS BANK.

WHAT WE PROPOSE TO DO IS SHOW A MONTH'S STATEMENT, THE  
MONTH WHERE AT THE TIME THE TWO 12 GOES IN, AND THE PURPOSE OF  
THAT WOULD BE MANIFOLD. ONE WOULD BE, AND I SHOW THE COURT THE  
STATEMENT AT THIS TIME, TO SHOW THAT IT IS A JOINT ACCOUNT, TO  
SHOW WHO USES THE ACCOUNT, AND I THINK THE EVIDENCE WILL SHOW  
THAT IT IS ALMOST EXCLUSIVELY USED BY CONGRESSMAN HANSEN.

THE COURT: YOU SAY A JOINT ACCOUNT? IT SAYS "GEORGE  
HANSEN."

MR. COLE: THERE IS AN ACCOUNT DOCUMENT SETTING IT UP.  
THE BANKER WILL TESTIFY. IT IS GEORGE'S NAME ON THAT, BUT IT  
HAS ALWAYS BEEN JOINT.

THE COURT: IT IS THE SOLE NAME ON HERE, GEORGE HANSEN.

1 MR. WEINGARTEN: MOST SIGNIFICANTLY, OF COURSE, WE WILL  
2 OFFER EVIDENCE THAT FOLLOWING THE DEPOSIT OF THE SILVER PROFIT,  
3 CHECKS WERE WRITTEN BY GEORGE HANSEN.

4 I THINK THE DISPUTE AT THIS TIME IS WHETHER OR NOT WE  
5 ARE PERMITTED TO SHOW THE FULL MONTH. I DON'T KNOW IF THAT IS  
6 A FAIR STATEMENT, DISPUTE, BUT TO ANSWER THAT, WE THINK IT'S  
7 RELEVANT TO SHOW WHO USES THIS ACCOUNT, AND WE HAVE MANY MANY  
8 STATEMENTS FROM THE FIRST SECURITY BANK. WE ONLY PROPOSE TO  
9 USE THIS ONE MONTH.

10 THE COURT: MR. LEWIN?

11 MR. LEWIN: YOUR HONOR, WITH REGARD TO MR. GARVIN'S  
12 PARTICIPATION IN THE WIRE TRANSFER, THE TWO HUNDRED AND 12  
13 THOUSAND. WE HAVE NO OBJECTION TO MR. GARVIN TESTIFYING FULLY  
14 TO THAT.

15 WITH REGARD TO THE FACT THAT A HUNDRED AND 25 THOUSAND  
16 DOLLARS WENT BACK TO COVER THE OTHER CHECK, ABSOLUTELY NO  
17 OBJECTION TO THAT.

18 WITH REGARD TO THE FACT THAT 87 THOUSAND DOLLARS WAS  
19 DEPOSITED IN THIS ACCOUNT, IT IS PERFECTLY APPROPRIATE. WITH  
20 REGARD TO THE FACT THAT CONGRESSMAN HANSEN USES THIS ACCOUNT.  
21 INDEED, AS YOUR HONOR HAS JUST NOTICED, IT IS MARKED GEORGE  
22 HANSEN. THAT IS FINE.

23 THERE ARE, AS YOUR HONOR KNOWS, WE HAVE TRIED TO BE  
24 CLEAR ON THIS, A VERY SUBSTANTIAL PRIVACY PROBLEM WITH REGARD  
25 TO ALL THESE OTHER. THE GOVERNMENT, USING THIS, IN ORDER TO

1 SHOW ALL KINDS OF OTHER EXPENSES OR CHECKS THAT EITHER  
2 CONGRESSMAN OR MRS. HANSEN ARE WRITING AT VARIOUS TIMES.

3 WE OBJECT TO PUTTING BEFORE THE JURY OR INTO THE  
4 RECORD IN ANY WAY THINGS THAT HAVE NOTHING AT ALL TO DO WITH  
5 THIS TRIAL. AND THEY ARE SIMPLY DIRECTED TO PUBLIC DISCLOSURE  
6 OF CONGRESSMAN HANSEN'S EXPENSES WRITING CHECKS AND THINGS OF  
7 THAT KIND.

8 WE ARE PREPARED TO STIPULATE THAT HE WROTE CHECKS. WE  
9 WOULD STIPULATE THAT HE WROTE ALL THE CHECKS ON THAT ACCOUNT.

10 THE COURT: STATE ONE THING AT A TIME THEN. WHAT I  
11 HAVE BEFORE ME IS A TWO-SHEET PIECE OF PAPER THAT IS CALLED  
12 STATEMENT OF ACCOUNT. IT IS FOR A SPECIFIC PERIOD OF TIME. IT  
13 LISTS REFERENCE NUMBER, DESCRIPTION, WHICH IS CATEGORIZED, AS  
14 THE WORD DEPOSIT AND CREDIT MEMO, AND NOTHING OTHER THAN THAT.

15 IT LISTS A DATE SOMETIME IN THE MONTH OF JANUARY, 1979,  
16 AND IT LISTS AMOUNTS. IT DOES NOT SAY TO WHOM THE CHECK WAS  
17 DRAWN. ON THESE TWO SHEETS OF PAPER, AND IT HAS A SUMMARY, AND  
18 I BELIEVE, ESSENTIALLY, THAT INFORMATION IS ACCURATE.

19 IN SHORT, IT DOES NOT GIVE ANY SPECIFICS AS TO THE  
20 CHECKS OTHER THAN THE DATE AND THE DOLLAR AMOUNT FOR WHATEVER  
21 PURPOSES, IT WAS USED OR TO WHOMEVER IT WAS MADE.

22 WOULD YOU HAVE ANY OBJECTION JUST TO THIS STATEMENT  
23 WITHOUT ANY OTHER INFORMATION? ONE THING AT A TIME.

24 MR. LEWIN: YOUR HONOR, LET ME JUST EXPLAIN. I THINK  
25 I WOULD OBJECT TO THAT STATEMENT.

1 THE COURT: WHY?

2 MR. LEWIN: BECAUSE, THE MERE FACT THAT IT INDICATES  
3 THAT THERE WERE EVEN DEPOSITS OF THE DOLLAR AMOUNTS, WHATEVER  
4 THEY HAPPEN TO TO BE, AND THAT BECOMES PART OF THE PUBLIC  
5 RECORD WILL LEAD PEOPLE TO SAY, WHAT WAS THE CONGRESSMAN  
6 DEPOSITING THERE AT THAT PARTICULAR TIME?

7 AND IT HAS NOTHING TO DO WITH THE CHARGES IN THIS CASE  
8 AND CONSEQUENTLY WE ARE PREPARED TO STIPULATE THAT IT WAS  
9 DEPOSITED INTO THAT ACCOUNT.

10 WE ARE PREPARED TO STIPULATE THAT HE DREW CHECKS ON  
11 THAT ACCOUNT.

12 THE COURT: WILL YOU ACCEPT THE STIPULATION?

13 MR. WEINGARTEN: NO.

14 THE COURT: LET ME ASK YOU HOW MUCH FURTHER THAN THE  
15 TWO PAGES YOU WANT TO GO INTO, MR. WEINGARTEN? YOU WANT ALL  
16 THE CHECKS?

17 MR. WEINGARTEN: FOR THIS MONTH.

18 THE COURT: BUT ALL THE CHECKS THAT WERE THE BASIS OF  
19 THIS STATEMENT OF ACCOUNT, YOU WOULD WANT THE CHECKS THEMSELVES  
20 TO BE PUT BEFORE THE JURY?

21 MR. WEINGARTEN: YES.

22 THE COURT: FOR ITEMS THAT DO NOT RELATE TO THE MATTER?

23 MR. WEINGARTEN: IN THE SPIRIT OF COMPROMISE.

24 THE COURT: YES, I THOUGHT SO WITH A LITTLE  
25 ENCOURAGEMENT.



1 MR. WEINGARTEN: WE WANT TO INTRODUCE THE CHECKS THAT  
2 FOLLOW THE DEPOSIT OF THE SILVER PROFIT AND WE WILL ACCEPT, ASK  
3 MR. GARVIN NOT TO INTRODUCE THE OTHER CHECKS BUT SIMPLY TO  
4 TESTIFY THEY WERE ALL WRITTEN BY GEORGE HANSEN.

5 THE COURT: WHEN YOU SAY THE CHECKS TO FOLLOW, YOU  
6 MEAN THE CHECKS SPECIFICALLY RELATING TO THE SILVER TRANSACTION,  
7 IS THAT WHAT YOU MEAN?

8 MR. WEINGARTEN: NO. WE INTEND TO PROFFER THE SILVER  
9 TRANSACTION GOING INTO THIS ACCOUNT AND THEN WE WANT TO  
10 INTRODUCE THE CHECKS THEMSELVES THAT FOLLOW THAT DEPOSIT. I  
11 THINK WE ARE ENTITLED TO DO THAT.

12 THE COURT: CAN I SEE WHICH ONES YOU REFER TO? ARE  
13 THEY CHECKS FOR FOOD?

14 MR. WEINGARTEN: ALMOST EXCLUSIVELY MADE OUT TO  
15 CASHIER'S CHECKS THAT WERE DEPOSITED IN ONE PARTICULAR BANK.  
16 THESE ARE THE CHECKS. THESE ARE NOT THE GREATEST COPIES.

17 THE COURT: YOU ARE RIGHT. THEY ARE NOT THE GREATEST  
18 COPIES.

19 MR. LEWIN: MAY I SEE THEM?

20 MR. WEINGARTEN: I AM SURE WE GAVE THEM.

21 MR. LEWIN: THEY ARE TOTALLY ILLEGIBLE.

22 THE COURT: WHEN DID YOU RECEIVE THESE AND KNEW THEY  
23 WERE ILLEGIBLE?

24 MR. LEWIN: WE RECEIVED THEM SEVERAL WEEKS AGO AND WE  
25 TOLD THEM THEY WERE ILLEGIBLE.

1 MR. WEINGARTEN: HE RECEIVED THEM A YEAR AGO. MR.  
2 BRAGA CAME TO MY OFFICE.

3 MR. LEWIN: A YEAR AGO MR. BRAGA WAS NOT IN THE  
4 OFFICE.

5 THE COURT: IN MANY INSTANCES, THESE ARE UNCLEAR  
6 ALTOGETHER AND SOME CANNOT BE MADE OUT, AND SOME ARE VERY CLEAR.  
7 BUT IF YOU HAD A PROBLEM WITH THAT, I REALLY WISH YOU HAD DONE  
8 THAT BEFORE YOU HAD A BENCH CONFERENCE IN THE MIDDLE OF TRIAL  
9 AND HAD TAKEN CARE OF IT. I AM SORRY. MR. LEWIN WANTED TO SEE  
10 THOSE CHECKS YOU HAD IN MIND. YOU ARE NOT ASKING FOR ALL OF  
11 THOSE YOU ARE NOW HOLDING TO BE PRESENTED. JUST HOW MANY?

12 MR. WEINGARTEN: IF THE COURT LOOKS AT THE STATEMENT,  
13 THE TWO HUNDRED AND 12 THOUSAND DOLLARS WAS DEPOSITED JANUARY  
14 22. WHAT WE PROPOSE TO OFFER ARE ALL CHECKS THAT WERE WRITTEN  
15 ON THE ACCOUNT AFTER JANUARY 22. UP TO LET'S SAY JANUARY 29,  
16 THAT WOULD BE ACCEPTABLE, WHICH WOULD BE FIVE CHECKS.

17 THE COURT: YOUR PURPOSE FOR DOING THIS IS?

18 MR. WEINGARTEN: TO SHOW USE.

19 THE COURT: OF THE MONIES?

20 MR. WEINGARTEN: YES.

21 MR. LEWIN: LET ME SAY, I AM VERY RELUCTANT TO MAKE  
22 ALLEGATIONS AGAINST OTHER COUNSEL. I HAVE NOT DONE THAT. BUT  
23 I THINK MR. WEINGARTEN IS NOT BEING CANDID WITH YOUR HONOR. HE  
24 KNOWS HE IS TRYING TO INTRODUCE THESE CHECKS TO CREATE A SMOKE  
25 SCREEN REGARDING HUGE AMOUNTS OF CHECKS. CHECKS THAT ARE RUN

1 BECAUSE THEY ARE IN LARGE AMOUNTS SO AS TO BE ABLE TO IMPLY TO  
2 THE JURY THAT THERE WAS OTHER IMPROPRIETY WITH REGARD TO THE  
3 CONGRESSMAN BECAUSE HE WAS WRITING HUGE CHECKS.

4 THE COURT: WILL THE CONGRESSMAN MAKE A STIPULATION  
5 THAT THE TWO HUNDRED AND 12 WAS USED BY HIM?

6 MR. LEWIN: THAT THE MONEY WAS PUT IN HIS ACCOUNT;  
7 THAT HE HAD CONTROL OF AND HE MADE CHECKS. BUT I THINK MR.  
8 WEINGARTEN IS DOING THAT AT THIS STAGE WHEN HE KNOWS THAT HIS  
9 CASE IS COLLAPSING, IN ORDER TO PUT IN HUGE AMOUNTS OF THE  
10 CHECKS WITH HUGE AMOUNTS OF DOLLARS IN ORDER TO TRY TO INFLAME  
11 THIS JURY.

12 THE COURT: MR. WEINGARTEN, WOULD YOU ACCEPT THE  
13 STIPULATION THAT THE CONGRESSMAN, SOMETHING TO THIS EFFECT THAT  
14 THE CONGRESSMAN, THAT THE TWO HUNDRED AND 12 THOUSAND DOLLARS  
15 WAS PUT INTO THE CONGRESSMAN'S ACCOUNT. THAT THE CONGRESSMAN  
16 USED THIS TWO HUNDRED AND 12 THOUSAND DOLLARS FOR HIS OWN  
17 PERSONAL USE AND INTERESTS, AND THAT CHECKS THAT FOLLOWED THAT  
18 WERE WRITTEN BY THE CONGRESSMEN WERE DRAWN ON THAT SUM OF MONEY,  
19 THE TWO HUNDRED AND 12 THOUSAND DOLLARS. HOWEVER INARTFULLY I  
20 MAY HAVE EXPRESSED IT. SOMETHING TO THAT EFFECT. WOULD YOU  
21 ACCEPT THE STIPULATION, WHICH WOULD, I PRESUME, TAKE CARE OF  
22 OTHER THAN THROUGH THE WORDS OF THE BANKER, THE SAME MATTER  
23 THAT YOU WERE ATTEMPTING TO PRODUCE? IT MIGHT MAKE IT CLEARER  
24 THAN THESE CHECKS.

25 MR. LEWIN: YOUR HONOR, IT IS NOT THE TWO HUNDRED AND

1 12 THOUSAND. IT WAS 87 THOUSAND. THE HUNDRED AND FIVE  
2 THOUSAND SIMPLY WENT BACK TO COVER THE CHECKS WRITTEN FOR THE  
3 MARGIN. SO, WE ARE NOT FIGHTING ABOUT THE TWO HUNDRED AND 12.  
4 WE ARE TALKING ABOUT THE EIGHTY-SEVEN THOUSAND DOLLAR PROFIT.

5 THE COURT: WHO WROTE THE HUNDRED AND 25 THOUSAND  
6 DOLLARS CHECK?

7 MR. LEWIN: MR. CALDWELL DID.

8 MR. WEINGARTEN:. I BITTERLY RESENT THE  
9 MISREPRESENTATION THAT I AM NOT BEING CANDID. SINCE DISCOVERY  
10 WAS MADE ONE YEAR AGO, AND --

11 THE COURT: GENTLEMEN, BE RELATIVELY CIVIL AT LEAST ON  
12 THE SURFACE. LET'S KEEP IT THAT WAY, AND I REALLY WOULD HOPE  
13 THAT WE DON'T HAVE TO HAVE ANY OF THESE UNCOMFORTABLE FACTORS.  
14 THE CASE IS GOING TO BE LONGER THAN SOME CASES AND THE HOURS  
15 ARE LONGER. WE ARE ALL TIRED. BUT IT IS UNNECESSARY TO TALK  
16 ABOUT EACH OTHER'S SMOKE SCREENS AND I WOULD HOPE WE KEEP IT ON  
17 THAT BASIS.

18 LET'S TALK ABOUT THE ISSUE THAT YOU HAD TO APPROACH  
19 THE BENCH ON.

20 MR. WEINGARTEN: MR. LEWIN INTRODUCED CHECKS FROM THE  
21 OTHER BANK, ARLINGTON COUNTY, AND I THINK THE JURY IS ENTITLED  
22 TO SEE WHAT USE IS MADE OF THIS MONEY, AND I AM A HUNDRED PER  
23 CENT SURE WE WON'T BE ABLE TO SIT DOWN AND MAKE UP A  
24 STIPULATION THAT IS AGREEABLE TO THE PARTIES.

25 THE COURT: I'LL ALLOW YOU TO USE IT. YOU MAKE YOUR

1 OBJECTION, MR. LEWIN. THE OBJECTION IS NOTED FOR THE RECORD.

2 MR. LEWIN: YOUR HONOR, I WANT TO STATE FOR THE RECORD  
3 IT SEEMS TO ME IT IS GROSSLY PREJUDICIAL. IT IS BEING  
4 INTRODUCED, A MATTER WHICH HAS NO RELEVANCE AT ALL TO THIS CASE.  
5 IT IS SIMPLY BEING DONE TO INFLAME THE JURY.

6 AND I SUBMIT, YOUR HONOR, THAT AS TO THIS VERY  
7 CRITICAL POINT, IF IN FACT WHAT MR. WEINGARTEN IS TRYING TO DO,  
8 IS LEGITIMATELY WITHIN THE CONFINES OF THE ISSUE THAT IS BEFORE  
9 THE JURY, THEN CERTAINLY THE FACT THAT THE CONGRESSMAN USED  
10 THAT ACCOUNT AND USED THAT MONEY IS WHAT THE JURY IS ENTITLED  
11 TO HEAR. NOT THE SIZE OF CHECKS WHICH EXCEEDED AS HE KNOWS  
12 87 THOUSAND DOLLARS, AND WHATEVER PURPOSE THEY MAY HAVE BEEN  
13 USED FOR, AND HE IS TRYING TO SUGGEST THINGS TO THAT JURY,  
14 WHICH I THINK IT IS PLAIN BAR TO RELEVANCE OF ISSUES IN THE  
15 CASE.

16 THE COURT: SIR, WE HEARD ABOUT OTHER CHECKS IN THE  
17 ARLINGTON COUNTY BANK, SEVERAL THOUSAND DOLLARS, MANY OF THE  
18 CHECKS AND SOME SMALLER, IN THE 10'S AND 100'S.

19 MR. LEWIN: PRECISELY, BECAUSE HE PUT IN 3 NINE  
20 THOUSAND DOLLARS CHECKS WHICH ANTIDATED THE DEPOSIT IN THE  
21 ARLINGTON BANK. AND YOUR HONOR SAW HOW I WAS GIVEN THOSE  
22 CHECKS FOR THE FIRST TIME, THE CHECKS HE WAS GOING TO INTRODUCE  
23 RIGHT THERE IN THE COURTROOM AND TO SAVE TIME I SAID TO YOUR  
24 HONOR, O. K. ON THE REPRESENTATION HE WOULD EXCEPT THESE, AND I  
25 LOOKED AT THE DATES AND SAW HE PUT IN 3 NINE THOUSAND DOLLAR

1 CHECKS THAT CAME BEFORE THE DATE OF THE DEPOSIT.

2 I PRESENTED THEM TO THE WITNESS, AND THE REASON I  
3 PRESENTED THE OTHER CHECKS WAS TO SHOW MRS. HANSEN WAS WRITING  
4 OUT CHECKS. THEY WERE TRYING TO MISLED THE JURY TO SHOW THAT  
5 ONLY CONGRESSMAN HANSEN WAS WRITING CHECKS.

6 THE COURT: GENTLEMEN, CAN YOU WORK OUT A STIPULATION?  
7 MR. WEINGARTEN INDICATED YOU COULD NOT. YOU ARE GOING TO  
8 CONFINE THIS TO THE FOUR OR FIVE CHECKS THAT SUCCEEDED THE TWO  
9 HUNDRED AND TWELVE THOUSAND DOLLARS. LET'S MOVE ON OVER  
10 OBJECTION.

11 OPEN COURT:

12 (WHEREUPON, AT 11:45, THE JURY ENTERED.)

13 THE COURT: MR. GARVIN, WOULD YOU COME AROUND HERE AND  
14 THE OATH WILL BE ADMINISTERED.  
15 WHEREUPON,

16 RICHARD W. GARVIN  
17 WITNESS CALLED BY THE GOVERNMENT, HAVING BEEN DULY SWORN, WAS  
18 EXAMINED AND TESTIFIED AS FOLLOWS:

19 DIRECT EXAMINATION

20 THE COURT: GOOD MORNING, MR. GARVIN.

21 BY MR. WEINGARTEN:

22 Q. YOUR FULL NAME, SIR?

23 A. FULL NAME IS RICHARD W. GARVIN.

24 Q. FOR THE RECORD WOULD YOU SPELL YOUR LAST NAME?

25 A. G A R V I N.

1 Q. WHERE DO YOU LIVE, SIR,?

2 A. POCATELLO, IDAHO.

3 Q. HOW ARE YOU EMPLOYED?

4 A. I AM SENIOR VICE PRESIDENT WITH THE FIRST SECURITY  
5 BANK OF IDAHO.

6 Q. AND WHERE'S THE BANK?

7 A. THE BANK'S PRINCIPAL HEADQUARTERS IN BOISE. THE BANKING  
8 OFFICES IN WHICH I WORK ARE IN POCATELLO.

9 Q. DO YOU KNOW AN INDIVIDUAL NAMED GEORGE HANSEN?

10 A. YES, I DO.

11 Q. HOW LONG HAVE YOU KNOWN HIM?

12 A. APPROXIMATELY 18, 19 YEARS.

13 Q. IN WHAT CAPACITY?

14 A. HE HAS BANKED WITH FIRST SECURITY BANK SINCE THAT TIME  
15 AT LEAST.

16 Q. AND HAVE YOU DEALT WITH HIM PERSONALLY?

17 A. YES, I HAVE.

18 Q. AND WHAT KIND OF BANKING HAS HE DONE AT FIRST SECURITY?

19 A. OVER THE YEARS, HE HAS HAD A CHECKING ACCOUNT, SAVINGS  
20 ACCOUNT, NUMEROUS COMMERCIAL TYPE LOANS, AND NUMEROUS  
21 INSTALMENT LOANS, AND ONE OR MORE REAL ESTATE LOANS.

22 Q. MR. GARVIN, DO YOU KNOW CONNIE HANSEN?

23 A. YES, I DO.

24 Q. DO YOU KNOW HER PERSONALLY?

25 A. YES.

1 Q. HAS SHE HAD ACCOUNTS WITH YOUR BANK AS WELL?

2 A. NOT THAT I KNOW IN HER OWN NAME.

3 Q. HAS SHE HAD JOINT ACCOUNTS WITH HER HUSBAND,

4 CONGRESSMAN GEORGE HANSEN?

5 A. YES.

6 Q. WHAT KIND OF ACCOUNTS?

7 A. AGAIN, CHECKING ACCOUNT, SAVINGS ACCOUNT. AND I AM  
8 SURE SHE WAS A PARTY ON THE REAL ESTATE LOANS. AS TO THE OTHER  
9 LOANS, I AM NOT SURE.

10 Q. MR. GARVIN, DID THERE COME A TIME, TO BE SPECIFIC  
11 JANUARY 16, SOMETIME IN JANUARY, 1979, WHEN YOU RECEIVED A  
12 PHONE CALL FROM CONGRESSMAN HANSEN AND A REQUEST?

13 A. YES.

14 Q. RELATING TO A SILVER TRANSACTION?

15 A. I GOT A PHONE CALL IN THE MORNING INDICATING THAT  
16 CONGRESSMAN HANSEN WOULD NEED 125 THOUSAND DOLLARS WITHDRAWN  
17 FROM HIS CHECKING ACCOUNT WITHIN JUST A VERY SHORT PERIOD OF  
18 TIME, A MATTER OF HOURS, AND HAD MADE A CALL TO ME TO SEE IF I  
19 COULD GET IT EFFECTED.

20 Q. WHAT DID YOU DO?

21 A. WE CHECKED THE ACCOUNT BALANCE AND FOUND THAT IT DID  
22 NOT CONTAIN 125 THOUSAND DOLLARS, AND AS I THINK THE  
23 CONGRESSMAN KNEW WHEN HE CALLED THAT IT DID NOT, SO AT THAT  
24 POINT, WE ENTERED INTO A CONVERSATION ON THE TELEPHONE AS TO  
25 HOW WE COULD IN FACT WITHDRAW THE 125 THOUSAND DOLLARS WHEN IT



1 WASN'T THERE AT THAT TIME.

2 Q. WHO WERE YOU SPEAKING WITH?

3 A. I WAS SPEAKING WITH CONGRESSMAN HANSEN AT THAT POINT.

4 Q. WAS SOME ARRANGEMENT REACHED?

5 A. HE INDICATED THAT IT WAS A COMPLICATED TRANSACTION, AS  
6 I RECALL, AND THAT HE WOULD BE HAVING A BROKER IN CHICAGO  
7 CALLING ME WITHIN JUST A FEW MOMENTS OF THE TELEPHONE CALL FROM  
8 CONGRESSMAN HANSEN TO EXPLAIN HOW THE FUNDS WOULD BE WIRED INTO  
9 THE ACCOUNT IN MY BANK.

10 Q. ALL RIGHT. PURSUANT TO THE CONVERSATION YOU HAD WITH  
11 CONGRESSMAN HANSEN, WHAT EVENTS TRANSPIRED?

12 AND I TELL YOU THAT MR. CALDWELL HAS JUST TESTIFIED,  
13 AND HE HAS TESTIFIED AS TO WHAT HE DID.

14 A. I GOT A CALL FROM A GENTLEMEN IN CHICAGO INDICATING  
15 THAT FUNDS WOULD BE WIRED INTO THE BANK THROUGH OUR HEAD OFFICE  
16 IN BOISE, IDAHO, AND ASSURED ME THAT THE MONEY WAS EN ROUTE, AS  
17 I RECALL, GAVE ME THE BANK FROM WHICH IT WOULD EMANATE IN  
18 CHICAGO, INDICATING THAT WE COULD SAFELY WITHDRAW THE 125  
19 THOUSAND DOLLARS EITHER LATER THAT MORNING OR IN THE AFTERNOON  
20 OF THE SAME DAY.

21 Q. AND IN FACT, WAS THAT DONE?

22 A. THAT WAS DONE, YES, AND SOMETIME THAT DAY, ON THE 22ND  
23 OF JANUARY, THE FUNDS WERE WITHDRAWN, IN THE FORM OF A DEBIT TO  
24 THE CHECKING ACCOUNT OF CONGRESSMAN AND MRS. HANSEN, AND A  
25 CASHIER'S CHECK FOR 125 THOUSAND DOLLARS WAS PREPARED, I

1 BELIEVE, TO CONNIE HANSEN.

2 Q. WHY WAS CALDWELL'S CHECK NECESSARY? WHAT ROLE DID  
3 THAT PLAY?

4 A. I AM NOT ABLE TO EVEN INDICATE AT THIS POINT WHAT PART  
5 IT PLAYED. I DON'T RECALL, AND, CERTAINLY, AT THAT TIME EVEN  
6 BEING AWARE THAT THERE WAS A CHECK FOR 125 INVOLVED FROM LEE  
7 CALDWELL.

8 Q. IF CONGRESSMAN HANSEN HAD HAD THAT KIND OF MONEY IN  
9 HIS CHECKING ACCOUNT, COULD YOU HAVE WIRED IT PURSUANT TO HIS  
10 INSTRUCTION FROM WASHINGTON.

11 A. YES.

12 Q. DID YOU NEED SOMEONE TO COME TO YOUR BANK AND SIGN FOR  
13 THE CHECK?

14 A. NO.

15 Q. MR. GARVIN, I HAND YOU WHAT HAS BEEN MARKED  
16 GOVERNMENT'S EXHIBIT 39-A AND ASK YOU IF YOU CAN IDENTIFY IT?

17 A. I HAVE NOT SEEN THIS BEFORE.

18 Q. DOES IT MENTION FIRST SECURITY?

19 A. IT HAS FIRST SECURITY BANK, BOISE, FOR THE POCA TELLO  
20 BRANCH, CREDIT CONNIE HANSEN. AND THE ITEM APPARENTLY ORIGINATED  
21 IN THE CONTINENTAL BANK OF CHICAGO.

22 Q. DOES THAT REFLECT THE WIRE TRANSFER YOU JUST TESTIFIED  
23 ABOUT?

24 A. I WOULD SUSPECT IT DOES. I AM NOT FAMILIAR WITH THE  
25 DOCUMENTATION COMMON TO THE WIRE DEPARTMENT OF OUR HEAD OFFICE

1 BANK, BUT IT APPEARS TO BE A CREDIT FOR THEIR ACCOUNT.

2 Q. IS THAT CONSISTENT WITH YOUR TESTIMONY AS TO HOW THE  
3 MONEY WAS WIRED FROM YOUR BANK TO CHICAGO?

4 A. IT WOULD BE CONSISTENT, YES.

5 MR. WEINGARTEN: WE MOVE INTO EVIDENCE, GOVERNMENT  
6 EXHIBIT 39-A, YOUR HONOR.

7 THE COURT: NO OBJECTION?

8 MR. LEWIN: NO OBJECTION.

9 THE COURT: IT IS IN EVIDENCE.

10 (WHEREUPON, GOVERNMENT'S EXHIBIT NO.  
11 39-A WAS RECEIVED INTO EVIDENCE.

12 BY MR. WEINGARTEN:

13 Q. MR. GARVIN, I HAND YOU WHAT HAS BEEN MARKED GOVERNMENT  
14 EXHIBIT 39-B, AND ASK YOU, SIR, IF YOU CAN IDENTIFY THAT?

15 A. IT IS A COPY OF THE JOINT ACCOUNT, SIGNATURE CARD  
16 WHICH MY BANK USES.

17 Q. AND WHO IS ON THAT SIGNATURE CARD?

18 A. GEORGE V. HANSEN, AND CONNIE S. HANSEN.

19 Q. WHAT TYPE OF AN ACCOUNT IS THAT, SIR?

20 A. IT IS A JOINT ACCOUNT.

21 Q. CHECKING AND SAVINGS?

22 A. IT IS A CHECKING ACCOUNT, YES.

23 Q. WHEN WAS THE ACCOUNT OPENED?

24 A. THE ACCOUNT WAS OPENED JUNE 1 OF 1966.

25 Q. AND TO YOUR KNOWLEDGE, DID IT REMAIN OPEN FOR A PERIOD

1 OF TIME?

2 A. YES, IT DID.

3 Q. IS IT OPEN TODAY?

4 A. I DON'T THINK IT IS OPEN TODAY, BUT IT WOULD HAVE BEEN  
5 OPEN UP UNTIL CERTAINLY TWO YEARS AGO.

6 Q. MOVE INTO EVIDENCE GOVERNMENT EXHIBIT 39-B.

7 MR. LEWIN: NO OBJECTION.

8 THE COURT: IT IS IN EVIDENCE.

9 (WHEREUPON, GOVERNMENT'S EXHIBIT 39-B  
10 WAS RECEIVED INTO EVIDENCE.)

11 BY MR. WEINGARTEN:

12 Q. THANK YOU. I HAND YOU SIR, GOVERNMENT EXHIBIT 39-C,  
13 AND ASK YOU IF YOU CAN IDENTIFY IT?

14 A. IT'S A PHOTOCOPY OF THE CHECKING ACCOUNT STATEMENT OF  
15 THIS JOINT CHECKING ACCOUNT OF CONGRESSMAN AND MRS. HANSEN.

16 Q. WHEN IS IT DATED, SIR?

17 A. THE STATEMENT DATE IS JANUARY 31, 1979.

18 Q. AND WHAT PERIOD OF TIME DOES IT COVER?

19 A. IT COVERS THE PERIOD OF TIME FROM DECEMBER 29, 1978,  
20 THROUGH JANUARY 31, 1979.

21 Q. IS THERE ANYWHERE INDICATED ON THAT ACCOUNT, THE WIRE  
22 TRANSFER OF 125 THOUSAND DOLLARS FROM YOUR BANK TO CHICAGO?

23 A. A WIRE TRANSFER? NO, THERE IS NOT.

24 Q. ALL RIGHT. IS THERE ANYWHERE INDICATED, THE 125  
25 THOUSAND DOLLARS CHECK THAT WENT FROM YOUR BANK TO IDAHO BANK

1 AND TRUST, THE CALDWELL CHECK?

2 A. THERE IS AN INDICATION ON THE SECOND PAGE OF THE  
3 STATEMENT INDICATING DEBIT MEMO, ON JANUARY 22, 1979, IN THE  
4 AMOUNT OF 125 THOUSAND WHICH WAS THE ENTRY TO THAT ACCOUNT USED  
5 FROM WHICH IS GENERATED A CASHIER'S CHECK.

6 Q. AND IS THERE ALSO INDICATED SOMEWHERE ON THAT ACCOUNT  
7 THE RECEIPT OF TWO HUNDRED AND 12 THOUSAND DOLLARS FROM THE  
8 CHICAGO COMMODITIES HOUSE?

9 A. THERE IS AN INDICATION ON JANUARY 22 OF 1979, OF A  
10 DEPOSIT IN THE AMOUNT OF TWO HUNDRED AND 12 THOUSAND FOUR  
11 HUNDRED AND 75 DOLLARS. BY VIRTUE OF THIS STATEMENT HERE IT  
12 DOES NOT INDICATE THE SOURCE OF THE FUNDS.

13 Q. DO YOU HAVE PERSONAL KNOWLEDGE OF THAT?

14 A. I HAVE PERSONAL KNOWLEDGE THAT IT WAS IN THE FORM OF A  
15 WIRE.

16 Q. FROM CHICAGO?

17 A. CORRECT.

18 Q. MAY I APPROACH YOU WITH 39-D?

19 THE COURT: YOU MAY APPROACH THE WITNESS.

20 BY MR. WEINGARTEN:

21 Q. I HAND YOU, SIR, WHAT HAS BEEN MARKED GOVERNMENT  
22 EXHIBIT 39-D, AND ASK YOU IF YOU CAN IDENTIFY IT?

23 A. IT IS A PHOTOCOPY OF A DEPOSIT SLIP, DATED JANUARY 22  
24 OF 1979, INDICATING A WIRE TRANSFER FOR TWO HUNDRED 12 THOUSAND  
25 FOUR HUNDRED -- IT IS HARD TO READ -- 75 DOLLARS.

1 Q. DOES THAT CORRESPOND, SIR, WITH YOUR RECOLLECTION OF  
2 THE WIRE TRANSFER FROM CHICAGO?

3 A. YES.

4 Q. AND IS THAT DEPOSIT SLIP REFLECTED ON GOVERNMENT  
5 EXHIBIT 39-C?

6 A. YES, IT IS.

7 MR. WEINGARTEN: WE MOVE INTO EVIDENCE AT THIS POINT  
8 39-C AND 39-D.

9 THE COURT: COUNSEL?

10 MR. LEWIN: WE OBJECT TO THE 39-C.

11 THE COURT: OVER OBJECTION, 39-C IS IN EVIDENCE. AS  
12 TO 39-D?

13 MR. LEWIN: NO OBJECTION.

14 THE COURT: 39-D IS IN EVIDENCE.

15 (WHEREUPON, GOVERNMENT'S EXHIBITS 39-C  
16 AND 39-D WERE RECEIVED INTO EVIDENCE.)

17 BY MR. WEINGARTEN:

18 Q. ARE THERE CHECKS WRITTEN ON THIS ACCOUNT REFLECTED BY  
19 39-C?

20 A. YES, THERE ARE.

21 Q. DO YOU HAVE PERSONAL KNOWLEDGE AS YOU SIT AT THE  
22 WITNESS TABLE, WHO WROTE MOST OF THE CHECKS IN THAT ACCOUNT?

23 A. I DON'T HAVE PERSONAL KNOWLEDGE OF WHO WROTE THEM  
24 WITHOUT LOOKING AT THE EXHIBITS. THEY COULD HAVE BEEN SIGNED BY  
25 GEORGE HANSEN. THEY MAY HAVE BEEN SIGNED BY ONE OF HIS AGENTS.

1 Q. WELL, DO YOU RECALL WHOSE SIGNATURE APPEARS IN ALMOST  
2 EVERY INSTANCE ON THAT ACCOUNT ON THE SIGNATURE LINE?

3 A. GEORGE HANSEN'S NAME USUALLY APPEARED.

4 Q. IS IT USUALLY OR IS IT ALMOST ALWAYS OR WOULD YOU  
5 PREFER TO SEE THE CHECKS?

6 A. LET'S SAY I DON'T RECALL ANY OTHER NAME OTHER THAN  
7 GEORGE HANSEN BEING ON THOSE ACCOUNTS.

8 Q. IN YOUR EXPERIENCE WITH THAT ACCOUNT, HAVE YOU EVER  
9 SEEN CONNIE HANSEN'S NAME ON ANY CHECK?

10 A. I DO NOT SPECIFICALLY REMEMBER ANY.

11 Q. AND HOW LONG ARE YOU FAMILIAR WITH THE EXISTENCE OF  
12 THIS ACCOUNT?

13 A. FOR A GOOD 15 YEARS.

14 Q. MR. GARVIN, TAKE A LOOK, IF YOU WOULD AT THAT  
15 STATEMENT, GOVERNMENT EXHIBIT 39-C, AND SEE IF YOU CAN FIND  
16 WHETHER OR NOT CHECKS WERE WRITTEN ON THE ACCOUNT AFTER THE  
17 RECEIPT OF THE TWO HUNDRED AND 12 THOUSAND DOLLARS?

18 A. YES, THERE WERE CHECKS WRITTEN. THE ONE DEBT-MEMO TO  
19 WHICH I REFERRED EARLIER IN THE AMOUNT OF 125 THOUSAND WAS  
20 WITHDRAWN FROM THAT ACCOUNT THAT DAY.

21 ALSO, ON THE 22ND OF JANUARY, THERE WERE CHECKS DRAWN --

22 Q. ALL RIGHT. WHY DON'T WE SAY FOLLOWING JANUARY 22, THE  
23 DAY FOLLOWING?

24 A. O. K., THERE WERE NUMEROUS CHECKS ON THAT DATE.

25 Q. EXCUSE ME. WHY DON'T YOU BEGIN WITH JANUARY 24, 1979.

1 ARE THERE ANY CHECKS WRITTEN ON JANUARY 23RD?

2 A. NO, THERE ARE NOT.

3 Q. ALL RIGHT. ON JANUARY 24, IS THERE A CHECK WRITTEN ON  
4 THE ACCOUNT?

5 A. A CHECK WAS CLEARED THROUGH THE ACCOUNT ON JANUARY 24  
6 IN THE AMOUNT OF 30 THOUSAND.

7 Q. WHAT ABOUT THE 25TH?

8 A. ON THE 25TH, THERE WERE TWO IN THE AMOUNT OF 30  
9 THOUSAND AND 43 THOUSAND DOLLARS.

10 Q. WHAT ABOUT THE NEXT DAY?

11 A. THE 26TH, A CHECK FOR 28 THOUSAND DOLLARS.

12 Q. WHOSE SIGNATURE APPEARS ON THOSE CHECKS, SIR, DO YOU  
13 KNOW?

14 A. NOT WITHOUT REFERRING TO THE ITEMS, NO, SIR.

15 Q. I HAND YOU, SIR, GOVERNMENT EXHIBIT 39-E. I ASK YOU IF  
16 THOSE CHECKS CORRESPOND WITH THE CHECKS THAT YOU HAVE JUST  
17 RECITED. ARE THOSE COPIES TOUGH TO READ?

18 A. THEY ARE A LITTLE FADED BUT I CAN SEE THEM. YES, THEY  
19 APPEAR TO COINCIDE.

20 Q. WHOSE SIGNATURE APPEARS ON THE SIGNATURE LINE OF THOSE  
21 CHECKS?

22 A. GEORGE V. HANSEN.

23 Q. MR. GARVIN, IF YOU LOOK AT THE BALANCE ON THAT ACCOUNT  
24 AS OF JANUARY 25, WHAT WOULD IT BE, SIR, IF THAT IS REFLECTED?

25 A. JANUARY 25, THE BALANCE WAS FOUR THOUSAND FOUR HUNDRED



1 27 DOLLARS 14 CENTS.

2 Q. MR. GARVIN, DO YOU HAVE KNOWLEDGE OF WHERE THOSE  
3 CHECKS WENT, THOSE FOUR CHECKS, WHAT MR. HANSEN DID WITH THEM?

4 A. NO, I REALLY DON'T.

5 Q. DO YOU KNOW IF HE DID ANYTHING WITH REFERENCE TO YOUR  
6 BANK WITH THOSE CHECKS? DO YOU RECALL?

7 A. NO, I DO NOT. THE ONLY THING IT DOES INDICATE THAT  
8 THERE WERE CASHIER'S CHECKS PREPARED, AND THESE WERE THE DEBITS  
9 REMOVING THE FUNDS FROM THE CHECKING ACCOUNT SO THAT A  
10 CASHIER'S CHECK COULD BE PREPARED.

11 Q. ALL RIGHT. JUST SO IT IS CLEAR: FROM THOSE CHECKS  
12 THAT WERE WRITTEN ON JANUARY 24, 25, AND 26, CASHIER'S CHECKS  
13 WERE PREPARED BY YOUR BANK?

14 A. THAT IS CORRECT.

15 Q. AND, AGAIN, WHO SIGNED THOSE CHECKS, OR WHOSE  
16 SIGNATURE APPEARS?

17 A. GEORGE V. HANSEN.

18 Q. MR. GARVIN, ARE YOU FAMILIAR WITH ANY PROPERTY  
19 SEPARATION AGREEMENT THAT WAS EVER REACHED BY MR. AND MRS.  
20 HANSEN?

21 A. I HAVE HEARD OF IT. THE RECORDS AT THE BANK, AS FAR  
22 AS I KNOW, DID NOT CONTAIN WRITTEN EVIDENCE OF IT.

23 Q. DID THEY EVER COME TO YOU, AND SAY, MR. GARVIN, WE  
24 SEPARATED OUR PROPERTY, AND WE WANT TO SEPARATE OUR ACCOUNTS?

25 A. NO, I DON'T BELIEVE SO.

1 Q. HAVE THEY ALWAYS HAD JOINT ACCOUNTS AT YOUR BANK?

2 A. OUR RECORDS WOULD INDICATE THAT IS THE CASE, YES.

3 Q. WAS THERE ANY CHANGE IN THE STATUS OF THEIR ACCOUNTS  
4 IN 1977?

5 A. I DON'T KNOW OF ANY.

6 Q. MR. GARVIN, YOU HAVE INDICATED THAT IN ADDITION TO  
7 HAVING AN ACCOUNT AT YOUR BANK, MR. HANSEN DOES OTHER BUSINESS,  
8 OR DID OTHER BUSINESS WITH THE FIRST SECURITY BANK, AND WHAT  
9 TYPE OF BUSINESS WOULD THAT BE?

10 A. VARIOUS TYPES OF LOANS.

11 Q. DID HE EVER RECEIVE A DEED OF TRUST FROM YOUR BANK?

12 A. HE GRANTED US A DEED OF TRUST ON AT LEAST ONE OCCASION  
13 AND PERHAPS TWO.

14 Q. AND WAS COLLATERAL PUT UP TO SUPPORT THAT DEED OF  
15 TRUST?

16 A. YES, THEIR PERSONAL RESIDENCE AT POCATELLO WAS USED.

17 Q. WHOSE NAME WAS ON THE LOANS IF YOU KNOW?

18 A. IT WOULD BE IN THE NAME OF GEORGE V. HANSEN AND CONNIE  
19 S. HANSEN.

20 Q. DO YOU RECALL WHETHER OR NOT THESE DEEDS OF TRUST  
21 OCCURRED, OR DO YOU REMEMBER WHAT TIME THEY WOULD HAVE OCCURRED?

22 A. NOT SPECIFICALLY. THE FIRST ONE I WOULD BE VAGUELY  
23 AWARE OF WOULD BE IN THE EARLY 70'S.

24 Q. WERE THERE OTHERS?

25 A. I BELIEVE THERE MAY WELL HAVE BEEN, YES.

1 Q. WAS THERE EVER A REPRESENTATION TO YOU THAT THE  
2 PERSONAL RESIDENCE IN IDAHO BELONGED TO MRS. CONNIE HANSEN AND  
3 NOT TO CONGRESSMAN HANSEN?

4 A. NO, THAT WAS NEVER MENTIONED.

5 Q. AND TO SUPPORT LOANS THAT GEORGE HANSEN RECEIVED FROM  
6 YOUR BANK DID HE EVER SUBMIT A FINANCIAL STATEMENT TO YOU?

7 A. YES.

8 Q. I HAND YOU SIR, 39-E.

9 THE COURT: 39-E?

10 MR. WEINGARTEN: NO, 39-F.

11 BY MR. WEINGARTEN:

12 Q. I HAND YOU 39-F AND ASK YOU IF YOU CAN IDENTIFY IT.

13 A. THIS IS A COPY OF THE FINANCIAL STATEMENT TO MY BANK  
14 DATED NOVEMBER 9TH OF 1978 IN THE NAME OF GEORGE V. HANSEN.

15 Q. WHEN YOU SAY YOUR BANK?

16 A. THE FIRST SECURITY BANK OF IDAHO.

17 Q. AND YOU RECOGNIZE THAT DOCUMENT?

18 A. I DON'T RECALL SPECIFICALLY HAVING SEEN THIS, BUT IF  
19 IT WERE IN THE FILE I AM SURE I HAVE AT ONE POINT OR ANOTHER.

20 Q. ALL RIGHT. IS IT CONSISTENT WITH THE KIND OF DOCUMENTS  
21 THAT WOULD BE IN YOUR FILE?

22 A. YES, IT WOULD BE.

23 Q. AND ARE YOU FAMILIAR AND HAVE YOU RELIED ON FINANCIAL  
24 STATEMENTS FROM CONGRESSMAN HANSEN?

25 A. YES, WE HAVE.

1 MR. WEINGARTEN: WE MOVE INTO EVIDENCE GOVERNMENT'S  
2 EXHIBIT 39-F.

3 MR. CAMPBELL: I AM SORRY, YOUR HONOR, I AM NOT CERTAIN.

4 THE COURT: WOULD YOU?

5 MR. WEINGARTEN: 39-F, THE FINANCIAL STATEMENT.

6 THE COURT: IS THERE ONLY ONE?

7 MR. LEWIN: YOUR HONOR, MIGHT I HAVE A BRIEF VOIR DIRE?

8 THE COURT: AS TO THIS BEING A RECORD OF THE BANK?

9 MR. LEWIN: YES.

10 THE COURT: YES, OF COURSE.

11 BY MR. LEWIN:

12 Q. WITH REGARD TO THIS DOCUMENT, MR. GARVIN, YOU SAID YOU  
13 DON'T SPECIFICALLY RECOGNIZE THIS DOCUMENT THAT IS BEFORE YOU?

14 A. I DON'T SPECIFICALLY RECOGNIZE IT IN THAT IT IS NOT  
15 THE FORM OF FINANCIAL STATEMENT WE CUSTOMARILY USE.

16 MR. LEWIN: IN OTHER WORDS, YOU DON'T KNOW WHETHER THE  
17 ORIGINAL OF THIS ACTUALLY IS IN THE FILE OF THE BANK?

18 A. I DO NOT SPECIFICALLY KNOW THAT IT IN THE FILE OF THE  
19 BANK, NO.

20 MR. LEWIN: WE OBJECT TO IT.

21 THE COURT: COUNSEL TO THE BENCH. YOU MAY STEP DOWN,  
22 MR. GARVIN.

23 AT THE BENCH:

24 THE COURT: APPARENTLY, THE WITNESS SAYS IT IS NOT THE  
25 USUAL FORM THAT BANK USES. IT IS NOT PRINTED AT THE TOP

1 ALTHOUGH THAT IS WRITTEN IN AT THE TOP. AND HE ONLY SAID HE  
2 ASSUMED IT CAME FROM THE BANK, BUT HE CANNOT TELL.

3 MR. WEINGARTEN: IT WAS TURNED OVER TO US BY A SUBPOENA.

4 THE COURT: THAT MAY BE BUT CLEARLY THIS WITNESS HAS  
5 NOT BEEN ABLE TO SO TESTIFY.

6 MR. WEINGARTEN: LET ME HAVE ONE MORE SHOT AND IF I  
7 CAN'T DO IT WE WILL TAKE ALTERNATIVE MEASURES.

8 IN OPEN COURT:

9 THE COURT: WOULD YOU RESUME THE STAND, MR. GARVIN.

10 BY MR. WEINGARTEN:

11 Q. MR. GARVIN, DO YOU RECALL RECEIVING A GRAND JURY  
12 SUBPOENA A LONG TIME AGO IN THIS CASE?

13 A. YES.

14 Q. AND YOU RECALL PRODUCING CERTAIN DOCUMENTS?

15 A. YES.

16 Q. CONSISTENT WITH THAT SUBPOENA?

17 A. YES.

18 Q. AND DO YOU RECALL PRODUCING LOAN DOCUMENTS CONSISTENT  
19 WITH THAT SUBPOENA?

20 A. YES, WE DID.

21 Q. AND PURSUANT TO THAT SUBPOENA, DID YOU PRODUCE A  
22 FINANCIAL STATEMENT WHICH IS IDENTICAL TO GOVERNMENT EXHIBIT  
23 39-F?

24 A. I DON'T RECALL ALL OF THE DOCUMENTS. I BROUGHT SOME  
25 TWO YEARS AGO. THERE WERE QUITE A LOT OF THEM. I WOULD HAVE

1 BROUGHT WHATEVER FINANCIAL STATEMENT FORM WOULD HAVE BEEN IN  
2 THOSE LOAN FILES.

3 Q. SO, IS IT FAIR TO SAY IN YOUR DEALINGS WITH GEORGE  
4 HANSEN YOU DON'T RECALL THAT FINANCIAL STATEMENT SITTING ON THE  
5 TABLE?

6 A. NOT SPECIFICALLY, NO.

7 Q. HAVE YOU RELIED ON FINANCIAL STATEMENTS FROM  
8 CONGRESSMAN HANSEN IN MAKING LOANS?

9 A. YES, I HAVE.

10 Q. AND DO YOU RECALL ON THAT FINANCIAL STATEMENT HOW HE  
11 REPRESENTS THE OWNERSHIP OF REAL ESTATE?

12 A. AS I RECALL IT WAS ALWAYS SHOWN AS JOINT OWNERSHIP.

13 Q. HOW ABOUT OWNERSHIP OF CARS?

14 A. THERE WAS NOTHING TO INDICATE THEY WERE SEPARATED ON  
15 THE FINANCIAL STATEMENT.

16 THE COURT: WELL, HOW WAS IT SHOWN?

17 THE WITNESS: WITHOUT REFERRING TO FINANCIAL  
18 STATEMENTS, I WOULD HAVE A DIFFICULT TIME ANSWERING THAT, YOUR  
19 HONOR.

20 BY MR. WEINGARTEN:

21 Q HAS IT EVER COME TO YOUR ATTENTION THAT IN YOUR  
22 DEALINGS WITH CONGRESSMAN HANSEN THAT AUTOMOBILES OWNED BY THE  
23 HANSENS ARE ONLY OWNED BY CONNIE HANSEN?

24 A. TO MY RECOLLECTION THERE WAS NO DISTINCTION AS TO  
25 OWNERSHIP. IT WAS MY ASSUMPTION THEY WERE OWNED JOINTLY.

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1 MR. WEINGARTEN: ALL RIGHT. WE WITHDRAW GOVERNMENT  
2 EXHIBIT 39-F AT THIS TIME.

3 NO FURTHER QUESTIONS.

4 THE COURT: DO YOU WISH TO CONTINUE YOUR  
5 CROSS-EXAMINATION FOR FIVE OR 10 MINUTES, MR. LEWIN, OR DO YOU  
6 WISH TO HAVE THE CROSS-EXAMINATION IF IT IS GOING TO TAKE  
7 LONGER THAN THAT AFTER LUNCH?

8 MR. LEWIN: AFTER LUNCH.

9 THE COURT: ALL RIGHT. MR. GARVIN, APPARENTLY YOU  
10 WILL BE NEEDED FOR MORE THAN FIVE MINUTES AFTER LUNCH. I ASK  
11 YOU NOT DISCUSS IT WITH ANYONE ELSE UNTIL THIS MATTER IS  
12 CONCLUDED. HAVE A GOOD LUNCH.

13 LADIES AND GENTLEMEN OF THE JURY WE WILL RETIRE FOR  
14 LUNCHEON NOW. COME BACK AT 1:30 THIS AFTERNOON FOR A  
15 CONTINUATION OF THE TESTIMONY IN THIS CASE SPECIFICALLY  
16 BEGINNING WITH CROSS-EXAMINATION OF MR. GARVIN.

17 HAVE A GOOD LUNCH AND REMEMBER THE ADMONITION NOT TO  
18 DISCUSS THE CASE.

19 (WHEREUPON, AT 12:10 P. M., THE ABOVE-ENTITLED  
20 MATTER WAS RECESSED FOR LUNCHEON, TO RECONVENE THE SAME DAY AT  
21 1:30 P. M.)  
22  
23  
24  
25

AFTERNOON SESSION

THE COURT: Good afternoon.

Are we ready for the jury?

MR. WEINGARTEN: Yes.

MR. LEWIN: Yes.

THE COURT: Bring the jury in.

We will go this afternoon until approximately 4:00.

(Jury present at 1:35)

THE COURT: Good afternoon, ladies and gentlemen.

Shall we continue. Mr. Garvin, will you kindly come back to the witness chair. You are, of course, still under oath and we will continue in that measure. Whereupon,

RICHARD GARVIN

resumed the stand and, having been previously duly sworn by the Deputy Clerk, was examined and testified further as follows:

THE COURT: Mr. Lewin, cross-examination.

CROSS-EXAMINATION

BY MR. LEWIN:

Q. Good afternoon, Mr. Garvin. I haven't talked to you before? You haven't met me?

A. No.

Q. Just briefly in the hall?

A. That is it.

Q. Let me turn, first, to the matter of this \$212,000



1 transaction that you testified about. The details of how that  
2 all happened are really pretty fuzzy in your mind, aren't they?

3 A. They are at this time, yes.

4 Q. They were, in fact, more than two years ago, back in  
5 December of 1981 when you testified before the grand jury, they  
6 were fuzzy?

7 A. They were, yes.

8 Q. You said then that you didn't recall the details of  
9 the events of that day, isn't that true?

10 A. That is correct.

11 Q. But you do know that in terms of what actually  
12 happened on that day, or in those few days when this  
13 transaction occurred, nobody was hurt, no bank was left with  
14 any liability or anything like that?

15 A. There was no exposure for us, no.

16 Q. You got an assurance from somebody in Chicago that  
17 \$125,000 was being held and would be released, is that right?

18 A. We were assured by them that we would be covered, yes.

19 Q. In fact, that money was sent to you, to your bank,  
20 and it was covered, that check was covered?

21 A. That is correct.

22 Q. In fact, I think you used the word "conduit" in the  
23 grand jury, didn't you, that the Chicago broker was sort of the  
24 conduit in terms of this money? He told you he was the conduit,  
25 the money would be received by him and he would release the

1 equivalent amount back to you?

2 A. That is as I understood it.

3 Q. Yes. You did know, at least at the time, didn't you,  
4 that it had something to do with a silver commodities purchase  
5 of some kind?

6 A. I am not even sure at this time that the word "silver"  
7 was mentioned. It may have been.

8 Q. It has been some time since you testified before the  
9 grand jury, but you did testify before the grand jury, did you  
10 not, in answer to Mr. Weingarten's question --

11 THE COURT: Mr. Lewin, do you have an extra copy?

12 MR. LEWIN: It is page 17 of the transcript.

13 THE COURT: You have another copy, I hope?

14 MR. LEWIN: Yes, Your Honor.

15 THE COURT: Thank you.

16 BY MR. LEWIN:

17 Q. Page 17 of the transcript, Mr. Weingarten asked you,  
18 "Did you or did you not, to the best of your recollection, know  
19 that the January transaction in 1979 had something to do with  
20 silver?"

21 And you said, "I believe it did. It rings a bell  
22 with me, yes."

23 THE COURT: Your answer is yes, sir?

24 THE WITNESS: That is substantially correct.

25 BY MR. LEWIN:

1 Q. It did ring a bell that there had been some  
2 conversation about silver with someone at that time?

3 A. Apparently, yes.

4 Q. All right. Let's now then talk about the other  
5 matter that you covered with Mr. Weingarten, which is the  
6 matter of Congressman Hansen as a customer of the bank. You  
7 say he has been a customer of the bank for how long?

8 A. I don't know how long specifically, but I came with  
9 the bank in 1965 and Congressman Hansen was already banking  
10 with the bank then.

11 Q. He had had loans with the bank during the period of  
12 time that you have been with it?

13 A. Correct.

14 Q. Are you familiar with the bank's loan policies?

15 A. I am.

16 Q. What are your responsibilities specifically, with  
17 regard to loans?

18 A. At this time I am in charge of the lending in 21  
19 banks. At that time I was in charge of just four banks in  
20 Pocatello.

21 Q. During all that time you have really been familiar  
22 with the bank's loan policies and with the fact that the  
23 Congressman has had loans at your bank?

24 A. Yes.

25 Q. During the period of time that you have been

1 responsible for that, have you also known, just from what you  
2 have heard as a resident in Idaho, that the Congressman has  
3 been in difficult personal financial circumstances during that  
4 period of time?

5 A. I was aware of that.

6 Q. You were aware of that?

7 A. Yes.

8 Q. That has been widely reported, has it not, in the  
9 press in Idaho?

10 A. It has.

11 Q. For about how long, would you say, Mr. Garvin?

12 A. I would have to say eight to ten years.

13 Q. Certainly eight to ten years.

14 Specifically, directing your attention back to about  
15 February of 1977, there is no reason you should know that date,  
16 but if I told you that it was around then that Congressman  
17 Hansen applied to the Federal Election Commission, would that  
18 ring a bell in your mind as to whether there was any general  
19 notice in Idaho about his financial problems?

20 A. That would probably precipitate some press, yes.

21 Q. It did in fact precipitate substantial press, did it  
22 not?

23 A. I don't know the definition of "substantial". But  
24 generally it would, yes, of a substantive nature.

25 Q. But in terms of what you recall, do you recall having

1 read in the Idaho press at the time about his application to  
2 the Federal Election Commission?

3 A. I am sure I did.

4 Q. You recall with regard to that that --

5 MR. WEINGARTEN: Excuse me.

6 THE COURT: Counsel, would you approach the bench,  
7 please.

8 Would you step down, Mr. Garvin.

9 (Bench conference).

10 MR. WEINGARTEN: I respectfully request a proffer at  
11 this point.

12 THE COURT: Is this going to tie in somehow with the  
13 loans?

14 MR. LEWIN: It is going to tie in.

15 THE COURT: Otherwise I am failing to see the  
16 relevance.

17 MR. LEWIN: It is going to tie in with the fact that  
18 the bank officer, as everybody else in Idaho knew, that  
19 Congressman Hansen had these financial difficulties.

20 THE COURT: He may not have known specifically.

21 MR. LEWIN: But loans were granted with the knowledge  
22 of these problems so it wasn't based on the loan documents.

23 THE COURT: Can we zero in on that question?

24 MR. LEWIN: Yes.

25 THE COURT: Clearly he has made the response that,

1 yes, he had a general impression of eight to ten years that the  
2 gentleman has had some difficulty. So, now, if you don't mind  
3 so we can move along, we have a short afternoon.

4 MR. LEWIN: I will get to that.

5 MR. WEINGARTEN: With respect to any questions that  
6 what Mr. Garvin knew from the newspaper I think that is  
7 irrelevant. What Mr. Garvin knew as a banker is relevant but  
8 what he knew about what the Congressman was doing in  
9 Washington, D.C., as a result of reading the Pocatello press, I  
10 suggest is totally irrelevant.

11 THE COURT: Certainly it is not specific and may or  
12 may not be accurate. So I agree that if Mr. Lewin wishes to  
13 prove his point he is going to have to bring it into the loans  
14 and the activity of the bank vis-a-vis any knowledge of  
15 difficulty, specific knowledge of difficulty. So all that I am  
16 saying is let's get to the point.

17 (End of bench conference).

18 BY MR. LEWIN:

19 Q. I asked you, I believe, before we approached the  
20 bench, whether you knew, in February, 1977, and thereafter,  
21 that Congressman Hansen had these difficult personal financial  
22 circumstances?

23 THE COURT: We have had that answered in general.

24 THE WITNESS: Yes.

25 MR. LEWIN: Right.

1 BY MR. LEWIN:

2 Q. When you knew that, that was knowledge even though  
3 you didn't acquire it from records at the bank, that was  
4 knowledge that you could use in terms of deciding how to deal  
5 with Congressman Hansen as a customer of the bank, is that true?

6 A. It was.

7 Q. It was knowledge which bankers generally in Idaho had  
8 available to them?

9 A. It was.

10 Q. Was it knowledge that the bankers could consider or  
11 that you did consider in determining whether to continue or  
12 grant loans to Congressman Hansen?

13 A. It is a factor that was considered.

14 Q. So that it is fair to say that in approving or  
15 continuing a loan to Congressman Hansen, you didn't rely  
16 exclusively on what may appear on a loan application?

17 A. We rely on character and past credit, factors other  
18 than what is written on a financial statement.

19 Q. And on what you know from what is reported in the  
20 press?

21 A. Yes.

22 Q. And in fact, you personally are politically aware,  
23 are you not, Mr. Garvin?

24 A. Reasonably.

25 Q. Are you active politically?

1 A. Not active.

2 Q. But have you participated in any way in political  
3 campaigns in Idaho?

4 A. Yes, I have.

5 Q. In fact, you have endorsed the Congressman's  
6 opponents, haven't you, at various times?

7 A. I don't recall that I have.

8 Q. You haven't? All right. Is there another Richard  
9 Garvin in Pocatello?

10 A. Yes, there is.

11 Q. There is a Richard Garvin who has endorsed the  
12 Congressman's opponents?

13 A. I don't know if he has or not.

14 THE COURT: We will concentrate on you as the Richard  
15 Garvin.

16 THE WITNESS: I am sorry.

17 THE COURT: We will concentrate on you, Mr. Garvin,  
18 as the Richard Garvin.

19 THE WITNESS: All right.

20 BY MR. LEWIN:

21 Q. Now, I believe you testified, Mr. Garvin, that you  
22 had heard of the property settlement agreement.

23 A. Yes, I have heard of it, yes.

24 Q. How did you hear of it?

25 A. I suspect again in the newspaper, or television.



1 Q. The property settlement agreement was very  
2 substantial -- you are correct if you say you don't know what  
3 the word "substantial" means -- but it was reported in the  
4 press, wasn't it, the existence of the property settlement  
5 agreement?

6 A. The whole subject concerning the division of assets  
7 was in the paper, yes.

8 Q. And the fact that the Congressman had undertaken  
9 obligations to pay for things such as cars and a home mortgage,  
10 that was in the paper as well, was it not?

11 A. Yes, it was.

12 Q. That was information which, even though it didn't  
13 appear on the form that is submitted to the bank, you had in  
14 your head and could consider in determining how to treat loan  
15 applications, is that right?

16 A. It was general knowledge available to us, yes.

17 THE COURT: May I see counsel up here for a moment,  
18 please.

19 (Bench conference)

20 THE COURT: As best as I can understand, the inquiry  
21 I am going to put to you is a matter of timing. I understand  
22 from my clerk that Mr. McAfee, who is in the witness room, has  
23 a call downstairs from his son. I guess you are asking me if  
24 he can be released from the witness room.

25 DEPUTY CLERK: Yes.

1 THE COURT: I don't know whether he is our next  
2 witness but why don't you say, "Yes, go down and make your  
3 phone call, whatever it is, please be back in five or ten  
4 minutes." I assume that is where we are going with this.

5 DEPUTY CLERK: Shall I go out there?

6 THE COURT: Yes. By all means.

7 (End of bench conference).

8 BY MR. LEWIN:

9 Q. Do you, Mr. Garvin, speak with others who are in the  
10 banking field in Idaho? I mean, are you familiar with other  
11 bankers? Do you speak to them?

12 A. I think it would be representative, yes.

13 Q. Would you say it is fair to say that it was generally  
14 known among banks in Idaho, both that Congressman Hansen had  
15 difficult personal financial circumstances --

16 MR. WEINGARTEN: Excuse me, Mr. Lewin. I am going to  
17 object to that question. It is irrelevant and calling for  
18 hearsay.

19 THE COURT: I will agree that the objection should be  
20 sustained. Let's move onto this gentleman's knowledge and why  
21 he acted, if he did, in any particular way, based on that  
22 knowledge, his own knowledge.

23 BY MR. LEWIN:

24 Q. Has there ever been a time, in your dealings with  
25 Congressman Hansen, that you thought that anything had been

1 concealed from you with regard to bank applications?

2 A. No.

3 THE COURT: Redirect, if any.

4 MR. WEINGARTEN: Very briefly, Your Honor.

5 REDIRECT EXAMINATION.

6 BY MR. WEINGARTEN:

7 Q. Now, there was some questions with regard to your  
8 financial statements when you make loans. Do you rely on them?

9 A. We use them as a basic tool, yes.

10 Q. In a deed of trust, for example, if collateral is put  
11 up and the collateral is a house, is it of some importance who  
12 has title to that house and who owns it in terms of who the  
13 loan is being made?

14 A. It is critical.

15 Q. Was there any indication in your bank, sir, during  
16 the time that you have worked there and the time that George  
17 Hansen was a customer, that Connie and George Hansen had  
18 actually in fact split up their property?

19 A. It was not a part of our bank records, any evidence  
20 of that.

21 Q. You have testified on cross-examination that you had  
22 heard in the press that there was property separation between  
23 them.

24 Do you recall in the grand jury there was a question  
25 on page 21, the question reads as follows: "Are you familiar

1 with any sort of financial splitting of property that the  
2 Hansens went through, I believe just prior to 1979 or possibly  
3 a year earlier?

4 "Answer: I don't know of any."

5 A. That is correct. The question was presented to me,  
6 it was interpreted was I aware of it in general, and the answer  
7 was yes.

8 Q. But in your specific knowledge, as a banker, you had  
9 no direct knowledge of it, is that a fair statement?

10 A. Prior to this event in 1979, I did not.

11 MR. WEINGARTEN: Thank you, sir.

12 THE COURT: Anything further, Mr. Lewin?

13 MR. LEWIN: No further questions.

14 THE COURT: Mr. Garvin, you are excused. I just ask  
15 that you not discuss your testimony with any other possible  
16 witness in this case until the matter is concluded. Good day.

17 THE WITNESS: All right.

18 THE COURT: To the counsel, thank you for your copy  
19 of the testimony, which is now returned to you. The particular  
20 witness was not there when my clerk went out so he probably  
21 went to answer the phone.

22 Whereupon,

23 George Jones

24 was called as a witness by counsel for the Government and,  
25 having been duly sworn by the Deputy Clerk, was examined and

1 testified as follows:

2 DIRECT EXAMINATION

3 BY MR. WEINGARTEN:

4 Q. Your name, sir?

5 A. George Jones.

6 Q. Where do you live, sir?

7 A. Glenns Ferry, Idaho.

8 Q. Some of the folks here may not be familiar where that  
9 is. Could you tell us where Glenns Ferry is in relation to  
10 Pocatello and Boise?

11 A. It is approximately 235 miles from Pocatello, and we  
12 live approximately 65 miles out of Boise.

13 Q. How are you employed, sir?

14 A. I am vice president and cashier of the Idaho State  
15 Bank.

16 Q. Where is the Idaho State Bank?

17 A. The headquarters are located in Glenns Ferry, Idaho.

18 Q. Pursuant to a subpoena did you bring certain records  
19 to Washington, D.C., for this trial?

20 A. Yes, I did.

21 Q. Were they bank records?

22 A. Yes, they were.

23 Q. And bank records in whose name?

24 A. George and Connie Hansen.

25 Q. To your knowledge, do they have an account at your

1 bank?

2 A. They do.

3 Q. What kind of an account would that be?

4 A. They have a joint checking account.

5 Q. For purposes of identification only, sir, I hand you  
6 what will be marked as Government's Exhibit 40C.

7 DEPUTY CLERK: Government's Exhibit 40C marked for  
8 identification.

9 (Whereupon, Government's Exhibit No.  
10 40C was marked for identification).

11 (Bench conference)

12 THE COURT: What is this 40C?

13 MR. LEWIN: Let me state for the record, I have not  
14 seen 40C until two minutes ago. Mr. Weingarten tells me he is  
15 not planning to introduce 40C but just wants the witness to  
16 refer to it, but I still think I should have been given the  
17 pleasure and the opportunity to examine it sometime prior to in  
18 court.

19 MR. WEINGARTEN: I thought I had given them  
20 everything that this witness gave me. I gave them a big  
21 envelope of stuff.

22 THE COURT: But apparently not this.

23 MR. WEINGARTEN: I believe him if he says he didn't  
24 get it.

25 MR. LEWIN: What we do have, apparently, I had not

1 realized or else I would have raised this before the jury came  
2 in, is that Mr. Weingarten is again planning to do with this  
3 witness what he did with the other witness, which is to  
4 introduce a whole series of checks following the date of  
5 January, what is it, 22, 1979?

6 MR. WEINGARTEN: Maybe I can simplify the proffer  
7 this way. The last witness introduced four checks written by  
8 Congressman Hansen. I intend to prove that those checks went  
9 into this account and I want to introduce a series of checks  
10 from this account immediately following the deposit of the  
11 cashiers collection.

12 MR. LEWIN: As we have indicated heretofore and as we  
13 indicate again, we were prepared to stipulate in order to avoid  
14 having to hear relevant questions and inflammatory matters  
15 raised in this record that the congressman used this fund and  
16 wrote out checks. Now we are going to get a series of a dozen  
17 or how many checks are there?

18 THE COURT: What is the extent of the stipulation you  
19 wanted to give? I couldn't get it clear the last time. I  
20 asked you a few questions.

21 MR. WEINGARTEN: There are some checks in there of  
22 Mrs. Hansen.

23 THE COURT: Let me hear the extent of your  
24 stipulation.

25 MR. LEWIN: The extent of my stipulation previously

1 was that the --

2 THE COURT: Excuse me.

3 Now, we will hear it now.

4 MR. LEWIN: That the cashiers checks that were  
5 written out were deposited in an account from which Congressman  
6 Hansen wrote checks, wrote the bulk of checks or wrote whatever  
7 words Mr. Weingarten wants to use in that regard. I was  
8 prepared to stipulate, and I think I did state on the record  
9 the last time, that he wrote all the checks. I again am  
10 prepared to stipulate substantially, and I will look at the  
11 underlying checks, because I hadn't realized that was going to  
12 be in issue, but I would be prepared to stipulate to that with  
13 regard to these checks at all.

14 THE COURT: Will you accept that?

15 MR. WEINGARTEN: It is imprecise.

16 THE COURT: Can you make it more precise?

17 MR. LEWIN: I am prepared to stipulate it was in  
18 excess of the amount of the amount that was deposited with all  
19 the cashiers checks.

20 MR. WEINGARTEN: Then what is the objection of  
21 putting on the evidence of this witness?

22 MR. LEWIN: The objection is, and Mr. Weingarten  
23 knows very well what the objection is because we have discussed  
24 it before court, but the objection is that it is purely  
25 inflammatory and prejudicial because there are large checks in



1 the amount of 9,000 and some odd dollars which, I suppose, it  
2 can be implied to the jury that there was some impropriety with  
3 regard to those checks.

4 THE COURT: Where does the Congressman live in Idaho?

5 MR. LEWIN: He was not in Idaho during that period.

6 THE COURT: Does he have a home somewhere in Idaho,  
7 in Pocatello?

8 MR. LEWIN: In Pocatello.

9 THE COURT: That is fine.

10 MR. WEINGARTEN: First of all, there is no  
11 impropriety in writing a check for \$9,000. I don't think there  
12 is anything inherently prejudicial about it and I think the  
13 jury should be permitted to see with their own eyes and feel  
14 with their own hands the checks we used from the \$87,000 profit.

15 THE COURT: Are you saying then that you cannot  
16 accept the stipulation?

17 MR. WEINGARTEN: If the stipulation includes the  
18 checks and the specific amount, I mean Connie Hansen wrote some  
19 of those checks and we intend to produce those. I want the  
20 jury to have the idea. A naked stipulation is something we  
21 can't accept.

22 THE COURT: What is the relationship of what they  
23 used the money for to the focus of this case?

24 MR. WEINGARTEN: The fact --

25 THE COURT: I mean I want you to put it on the record,

1 Mr. Weingarten. I understand.

2 MR. LEWIN: I don't understand.

3 THE COURT: I think I did. I think I divine where he  
4 is going but I may be wrong.

5 MR. WEINGARTEN: The fact that Congressman Hansen  
6 used this \$87,000 silver profit obliges him to report that  
7 silver profit on his financial disclosure statement.

8 MR. LEWIN: We are prepared to stipulate that he used  
9 it. The question is whether it is important to stipulate it or  
10 to have checks that indicate these amounts which are in excess  
11 of \$87,000 and are specific checks made out -- I don't know  
12 exactly how they are made out but made out in various ways. If  
13 I am prepared to stipulate as I have all along, that the money  
14 was used by Congressman Hansen, that covers entirely what Mr.  
15 Weingarten said was relevant.

16 MR. WEINGARTEN: And the manner, the way he used the  
17 checks, obviously goes to intent and if he wrote checks himself  
18 and checks went out, he knew about it.

19 THE COURT: If I understand Mr. Lewin correctly, he  
20 is now saying that he will say that Mr. Hansen wrote checks  
21 drawing on this sum of money and he utilized this sum of money  
22 which had been deposited in this bank, by Mr. Hansen?

23 MR. LEWIN: It was deposited pursuant to the cashiers  
24 checks, which were written out when Congressman Hansen wrote  
25 the checks to the other bank.

1 THE COURT: How would the cashiers checks be endorsed?  
2 Is all this going to be a part of the stipulation? If it is  
3 perhaps we don't need the checks.

4 MR. LEWIN: The checks are made out to the Honorable  
5 George V. Hansen.

6 THE COURT: The checks were made out to him?

7 MR. LEWIN: Yes, they were deposited in the account.

8 THE COURT: They were deposited by Mr. Hansen in the  
9 account and from those sums of money Mr. Hansen wrote other  
10 checks for various sums of money for his own use? That is what  
11 you want to say in the stipulation?

12 MR. WEINGARTEN: Can we excuse the jury and see if we  
13 cannot hammer it out and read it now?

14 THE COURT: Sure. Ladies and gentlemen of the jury,  
15 let us excuse you for five minutes while counsel will save us  
16 something we think will take, otherwise, an hour. Don't  
17 discuss anything, please, about the case.

18 (End of bench conference).

19 THE COURT: We are going to leave you to your work  
20 for five minutes. We will be back.

21 (Recess)

22 THE COURT: Gentlemen, are we ready?

23 MR. WEINGARTEN: Counsel wants to show it to the  
24 defendant.

25 MR. LEWIN: I think we have reached agreement on two

1 points that will save a substantial amount of time, Your Honor.

2 MR. WEINGARTEN: Why don't we all sign it and then we  
3 will have it typed up.

4 THE COURT: You don't have to have it typed up, if  
5 you sign it. Just put it in.

6 MR. WEINGARTEN: I wasn't planning on having it typed  
7 this minute.

8 THE COURT: If you want.

9 Are you ready for the jury?

10 MR. WEINGARTEN: Yes.

11 THE COURT: Sir, please come back to the witness  
12 chair in the meantime.

13 MR. LEWIN: Just to make the record clear, we have  
14 agreed on two items. One is that the stipulation we have  
15 worked on will obviate any needs for the records which we had  
16 any disagreement and it also obviates any need for the record  
17 to contain some of the material that was submitted through the  
18 prior witness, specifically that bank statement that we had  
19 objected to for the one month and those checks, so they would  
20 be withdrawn.

21 THE COURT: Very good.

22 MR. LEWIN: Also, our agreement on a document that  
23 Mr. Weingarten has before him will obviate the need for  
24 disagreement over various other documents.

25 MR. WEINGARTEN: It was worthwhile.

1 THE COURT: I thank you both for saying it was  
2 worthwhile. Sometimes 20 minutes or so, rather than two hours  
3 is far more effective. We get also other things accomplished.  
4 Let's have the jury.

5 (Jury present at 2:25)

6 THE COURT: Ladies and gentlemen, we are going to  
7 take that as our mid-afternoon recess, and we also do want to  
8 say that although it took us a little longer than five minutes,  
9 we believe that in the long run, we will have saved  
10 substantially more time than I had indicated to you earlier.  
11 So every bit helps.

12 Now do you wish to tell the jury about the  
13 stipulation, Mr. Weingarten?

14 MR. WEINGARTEN: Yes. I believe it is stipulation  
15 No. 8. I request permission to publish it to the jury.

16 THE COURT: Of course.

17 MR. WEINGARTEN: It is hereby agreed and stipulated  
18 by the parties that the entire \$87,475 silver profit deposited  
19 into the First Security Bank was used by George V. Hansen  
20 through checks written by George V. Hansen with knowledge that  
21 it was the profit from the 1979 silver commodities transaction,  
22 signed by the parties.

23 THE COURT: You may consider that, ladies and  
24 gentlemen, as undisputed evidence in the case.

25 BY MR. WEINGARTEN:

1 Q. Mr. Jones, did you also bring, in addition to checks,  
2 a loan file?

3 A. I did.

4 MR. WEINGARTEN: I would ask that it be marked for  
5 identification purposes only as Government Exhibit 40C, and ask  
6 you, sir, if you can identify this loan file.

7 Sir, is that a loan document from your bank?

8 A. Yes, it is.

9 Q. In whose name is that loan?

10 A. George V. Hansen.

11 Q. Sir, I hand you what has been marked as Government's  
12 Exhibit 40BD and ask you, sir, if that is a copy of a piece of  
13 paper found in Government 40C, and I direct you to the first  
14 page of the right hand side.

15 A. It is.

16 Q. Is 40D a part of the loan file of George V. Hansen?

17 A. It is.

18 MR. WEINGARTEN: We move into evidence at this time  
19 40D, Your Honor, not 40C.

20 MR. LEWIN: No objection.

21 THE COURT: It is in evidence, 40D.

22 (Whereupon, Government's Exhibit  
23 No. 40D was received into evidence).

24 BY MR. WEINGARTEN:

25 Q. What is 40D?

1 A. It is a writeup on a loan -- of a renewal of a loan  
2 in the amount of \$15,000, dated August 27th, 1981, on George V.  
3 Hansen.

4 Q. What type of information is contained on that  
5 document?

6 A. The date, the maturity, the rate, the total amount of  
7 the loan, and a writeup as to what the loan is for, where the  
8 loan is to be repaid from.

9 Q. Is that writeup found on the bottom of 40D?

10 A. It is. It is under Item 5 called "comments".

11 Q. What does it say there, sir?

12 A. "George has his book printed now and hopes to sell  
13 enough to pay this off. He paid back \$5,000 of the original  
14 note and interest to date".

15 Q. When it says, "pay this off," what is it referring to?

16 A. To the \$15,000 renewal note made on this date.

17 Q. The note was made to whom, sir?

18 A. George V. Hansen.

19 MR. WEINGARTEN: Thank you. No further questions.

20 THE COURT: Any cross-examination of Mr. Jones?

21 MR. LEWIN: We have no questions.

22 THE COURT: Thank you for your testimony, Mr. Jones.

23 We ask only that you not discuss it with any other possible  
24 witness in this case until the matter is concluded. Have a  
25 good day.