

1 THE WITNESS: Thank you.

2 THE COURT: The government's next witness, please.

3 MR. WEINGARTEN: At this time we would like to
4 complete our second chart.

5 I would request permission to place an entry on the
6 chart, Your Honor.

7 THE COURT: All right. Counsel has seen it?
8 Yes, but the Court hasn't seen it. That is all right.

9 MR. WEINGARTEN: I would like to publish it to the
10 jury, "George Hansen directs Caldwell to write \$125,000 on
11 Connie Hansen and C. Lee Caldwell special account at Idaho Bank
12 and Trust".

13 MR. LEWIN: Again, Your Honor, the government's chart,
14 it may be the government's theory.

15 THE COURT: Could you turn it this way so I could
16 have a look at it also?

17 MR. WEINGARTEN: Surely. Apparently there is some
18 issue between Garvin and Caldwell.

19 THE COURT: All right.

20 MR. WEINGARTEN: I request permission to publish it.

21 THE COURT: You may.

22 MR. WEINGARTEN: "George Hansen directs Caldwell to
23 wire \$125,000 to Cargill as margin payment for 125 silver
24 contracts."

25 THE COURT: You may.

1 MR. WEINGARTEN: All right. "Cargill acquires
2 \$212,475 (\$125,000 margin payment plus \$87,475 profit) to
3 George and Connie Hansen's account at First Security Bank,"
4 January 19th.

5 THE COURT: You may publish it.

6 MR. WEINGARTEN: January 22nd, "\$125,000 withdrawn
7 from George and Connie Hansen's First Security Bank account and
8 deposited into special account Idaho Bank and Trust."

9 I believe this is Government's Exhibit No. 8B. We
10 move 8B into evidence at this time.

11 THE COURT: With the continuing objection?

12 MR. LEWIN: Yes, Your Honor.

13 THE COURT: It is in evidence, over objection.

14 (Whereupon, Government's Exhibit
15 No. 8B was received into evidence).

16 MR. WEINGARTEN: There is another stipulation that I
17 would like to publish at this time that we have reached.

18 THE COURT: You may.

19 MR. WEINGARTEN: Stipulation No. 9.

20 THE COURT: Is it No. 9?

21 DEPUTY CLERK: Yes, it is.

22 THE COURT: All right.

23 MR. WEINGARTEN: "It is hereby stipulated and agreed
24 between the United States and the defendant, George V. Hansen,
25 that the person who wrote the blackmail letter to Nelson Bunker

1 Hunt was Arthur Emens, III, an employee of Ming Commodity
2 Services in Oklahoma City, Oklahoma, from October, 1979, until
3 May 1981. Prior to his employment with Ming Commodity Service,
4 Mr. Emens was employed by Cargill Investor Services on the
5 floor of the Commodities Exchange in New York City. Mr. Emens
6 pleaded guilty of blackmail on May 27th, 1982. Respectfully
7 submitted, the parties."

8 THE COURT: You may consider that, ladies and
9 gentlemen, as undisputed evidence.

10 MR. WEINGARTEN: The government would call Mr. McAfee..
11 Whereupon,

12 CARL MCAFEE
13 was called as a witness by counsel for the Government and,
14 having been duly sworn by the Deputy Clerk, was examined and
15 testified as follows:

16 DIRECT EXAMINATION

17 BY MR. WEINGARTEN:

18 Q. Your name, sir?

19 A. Carl McAfee.

20 Q. Spell your last name, please?

21 A. M-C-A-F-E-E.

22 Q. Where do you live?

23 A. Norton, Virginia.

24 Q. For those of us who may be unfamiliar with the
25 geography, where is Norton in relation to a big city? How

1 about a medium-sized city?

2 THE COURT: How about a small city?

3 THE WITNESS: It is a far piece from here.

4 THE COURT: About how far?

5 THE WITNESS: I think it is approximately 350 miles.

6 It is a point that is the southwestern-most point in Virginia.

7 It is close to the Tennessee-Kentucky intersect line.

8 Q. Where is it vis-a-vis Roanoke?

9 A. 200 miles.

10 Q. Southwest?

11 A. West, still west.

12 Q. How close are you to the mountains, the Shenandoah
13 and Appalachians?

14 A. I am in the Appalachians.

15 Q. How are you employed, sir?

16 A. I am an attorney.

17 Q. How long have you been an attorney?

18 A. Since 1954, I believe.

19 Q. Just generally, what kind of law do you practice?

20 A. Country law.

21 Q. Do you know the defendant George Hansen?

22 A. Yes, I do.

23 Q. How do you know him, sir?

24 A. I became acquainted with Congressman in either late
25 1979 or early 1980, January of 1980.

1 THE COURT: Can all of our jurors hear Mr. McAfee?
2 Anyone having any trouble? Yes, I thought so.

3 If you wouldn't mind, sir, just keeping reasonably
4 close but not on top of that microphone?

5 THE WITNESS: I will try to do better.

6 BY MR. WEINGARTEN:

7 Q. What were the circumstances of your meeting?

8 A. Well, he and I had a problem of mutual interest,
9 which was the Iranian crisis with the hostages, and I worked
10 with him as a result of that.

11 Q. What was your interest in the Iranian hostage crisis?

12 A. I represented a family from Minneapolis, I beg your
13 pardon, Milwaukee.

14 Q. That family had a member who was held hostage?

15 A. Had a son in there.

16 Q. Congressman Hansen was interested in helping to
17 secure the release of the hostages as well?

18 A. Yes, very much so.

19 Q. Did you become friends with Congressman Hansen?

20 A. Yes, I did.

21 Q. Have you contributed to any of his campaigns?

22 A. Yes, I have.

23 Q. How many?

24 A. I guess if he has run, about twice I would say.

25 Q. Do you remember the amount of the contribution?

1 A. Specifically, maybe \$500 or \$1,000. I really can't
2 honestly say.

3 Q. Do you know a man named John Meade?

4 A. Yes, I do.

5 Q. Who is he?

6 A. He was a former bank president. I think he is in the
7 cattle business now.

8 Q. Where would the bank be that he was formally the
9 president of?

10 A. Where his bank would be?

11 Q. Yes.

12 A. Well, as a crow flies probably 30 or 40 miles from
13 where I live.

14 Q. In southwestern Virginia?

15 A. Yes.

16 Q. Was he also a client of yours at one time?

17 A. Yes. I think he still is.

18 Q. Has he been convicted of any crime while you
19 represented him?

20 A. Yes.

21 Q. What crime would that be?

22 A. I really don't know what the final plea was on it, to
23 be honest with you. I don't remember what we really plead to.

24 Q. Was it related to some bank fraud charges?

25 A. I don't know whether it was related to bank fraud

1 charges. It was related to acquisition of stock in other banks
2 is all, if I remember correctly.

3 Q. Is it fair to say he plead guilty to certain charges
4 in U.S. court in Virginia?

5 A. Yes, he did.

6 Q. In 1982?

7 A. Yes, he did.

8 Q. Do you recall when the investigation into Mr. Meade's
9 activities first surfaced?

10 A. I don't know when the investigation occurred. I
11 don't remember the date. I know he confided in me about it.

12 Q. Obviously we are not interested in learning about
13 those confidences. Do you recall when he plead guilty?

14 A. No, I don't.

15 Q. Who is Odell Rogers?

16 A. He is another friend of mine.

17 Q. Where does he live?

18 A. He has a residence in Kentucky and he has one in
19 North Carolina and he has one in Virginia.

20 Q. How is he a friend of yours?

21 A. Pardon?

22 Q. How do you relate to him?

23 A. We are business partners. I represented him in a
24 domestic matter also.

25 Q. What is his primary business, if you know?

1 A. He is a coal operator.

2 Q. Mr. McAfee, did there come a time when you lent some
3 money to George Hansen?

4 A. Yes.

5 Q. What were the circumstances? How did that arise?

6 A. He said he needed some money and I let him have it.

7 Q. Do you remember when?

8 A. No, not the first time.

9 Q. Do you remember the circumstances of him asking you?

10 A. Yes.

11 Q. Would you tell the ladies and gentlemen of the jury,
12 please?

13 A. He said he needed some money, and he was promoting a
14 book, and I let him have it.

15 Q. How much was it that you lent him?

16 A. \$25,000.

17 Q. Did he ask for more?

18 A. He needed some more, yes.

19 Q. When he asked you for money the first time, did he
20 ask you for a specific amount?

21 A. I think that he did.

22 Q. How was the figure \$25,000 arrived at?

23 A. I think I said, "Well, I will let you have 25".

24 Q. That was satisfactory to him?

25 A. I am sure it was.

1 Q. In fact, did you lend him \$25,000?

2 A. Yes. The check was written for \$25,000. You have a
3 check but I don't know exactly what date it was.

4 Q. Why don't I show it to you?

5 I show you what has been marked as Government Exhibit
6 42 and ask if you can identify that?

7 A. It is a check drawn on an account of mine called
8 McAfee Enterprises. As I am sure you are aware, I can't make a
9 positive statement that this is my signature but it is mine or
10 my secretary's.

11 Q. Let's start just from the beginning of Government 42.
12 Let me first move Government Exhibit 42 into evidence.

13 MR. LEWIN: No objection.

14 THE COURT: It is in evidence.

15 (Whereupon, Government's Exhibit
16 No. 42 was received into evidence).

17 BY MR. WEINGARTEN:

18 Q. What is its date on the front of that check, sir?

19 A. You mean the whole thing?

20 Q. What account is it drawn upon?

21 A. It is made payable from an account called McAfee
22 Enterprises, 1022 Park Avenue, Norton, Virginia, dated July 20,
23 1981.

24 Q. Let's stop there. Is that McAfee Enterprises, is
25 that related to you?

1 A. Yes.

2 Q. That is one of your accounts?

3 A. I am sorry. I did not hear you.

4 Q. That one of your accounts?

5 A. Yes.

6 Q. The check is made out to whom?

7 A. George Hansen.

8 Q. In what amount?

9 A. \$25,000.

10 Q. A signature appears on the bottom?

11 A. Carl E. McAfee.

12 Q. There is some question in your mind as to whether you
13 actually wrote that or not?

14 A. Yes.

15 Q. As you sit there today, what is your feeling?

16 A. My feeling is my secretary signed that.

17 Q. Was she authorized to do so?

18 A. Yes.

19 Q. Who authorized her to do so?

20 A. I did. She signs all my checks.

21 Q. So there is nothing unusual about her signing that
22 check, is that a fair statement?

23 A. I hope not.

24 Q. What is your secretary's name?

25 A. Yvonne Jones.

1 Q. Turn the check around, if you would. Do you see a
2 date when it was deposited, Mr. McAfee?

3 A. Maybe you better enlighten me. There are a bunch of
4 stamps on the back there.

5 Q. Are you having trouble finding that date? Do you see
6 a statement with Riggs National Bank payee on the bank?

7 A. Yes. It looks like it has J. Y. 81 23, if that is
8 what you are talking about.

9 Q. In your experience would that mean July, 1981?

10 A. You are not asking about my experience on this,
11 because I really don't know.

12 Q. In return for your check that you gave to George
13 Hansen, did you receive a note?

14 A. Yes, I did.

15 Q. I show you Government's Exhibit 41 and ask if you can
16 identify it, sir?

17 A. Can I identify this?

18 Q. Yes.

19 A. It appears to be a copy of a note in the amount of
20 \$25,000.

21 Q. What are the terms of that note?

22 A. To be paid on demand by July 17, 1982.

23 Q. The note is made out to whom, sir?

24 A. Odell Rogers and Carl McAfee.

25 Q. It is signed by whom?

1 A. I assume George Hansen. I mean I really --

2 Q. Do you see a signature on the bottom?

3 A. Yes, I see a signature on there. The last name
4 appears to be Hansen. I assume that -- it appears to be George,
5 the first name. It appears to be George, the signature does.
6 There is a notation in the left that says "George V. Hansen".

7 Q. It is dated when, sir?

8 A. July 17, 1981.

9 Q. Is that the note that you received from George V.
10 Hansen or a copy thereof?

11 A. I mean, I can't say one way or the other really. I
12 assume that it would be a copy of it. I really don't even
13 remember receiving the note, but I think it ended up in the
14 bank so I don't know whether it was mailed to the bank, or
15 whether it was mailed to me or whether it was mailed to Odell.

16 Q. Is there anything inconsistent about the terms of the
17 note, Government Exhibit 41, with the note that you received
18 from George V. Hansen?

19 A. No. I think when I talked to George, I don't even
20 think we even discussed terms. But there is not anything
21 inconsistent with it, no.

22 Q. Did you receive any paper from Congressman Hansen in
23 return for your \$25,000?

24 A. It ended up in the bank. Whether it was mailed to me
25 directly or mailed to the bank, I can't honestly say.

1 Q. Your name is on that?

2 A. Yes.

3 Q. So is Odell Rogers?

4 A. Yes.

5 Q. Was Odell Rogers part of the loan made to George
6 Hansen?

7 A. He and I were business partners, and I assume it was
8 part of his.

9 Q. Do you know?

10 A. To say that Odell and I sat down and discussed it, I
11 can't honestly say that either.

12 Q. Did you lend George Hansen \$25,000?

13 A. I wrote a check to George Hansen for \$25,000. Odell
14 Rogers and I got \$25,000 from the bank. The check was written
15 to George Hansen. The note came to somebody, but if you are
16 asking me if I remember getting it, no, I don't.

17 Q. You have never seen anything similar to what is
18 Government's Exhibit 41?

19 A. Yes, I think I have seen this copy before.

20 Q. I guess as a lawyer, you know the question. Can you
21 authenticate that document, sir, yes or no?

22 A. I am sorry?

23 Q. Can you authenticate that document? Is that a copy
24 of the note that memorializes the loan of \$25,000 from you to
25 George Hansen?

1 A. I assume that it is, but if you are asking me to be
2 positive about it, I can't. I assume that it is. I mean I
3 can't authenticate it because I can't honestly remember ever
4 seeing it. I may have.

5 Q. All right. We will hold that a minute, Your Honor.

6 You mentioned some things about a bank. What
7 happened following your writing the check to George Hansen?

8 A. What happened?

9 Q. Yes. What happened with the money? Did he just owe
10 you the money or did you do something with the bank that you
11 had mentioned?

12 A. Well, maybe I could answer your question this way:
13 He wanted \$25,000. I got \$25,000 from the Miners & Merchants
14 Bank. Odell and I signed the note for \$25,000.

15 THE COURT: Odell and you?

16 THE WITNESS: Yes, I think. I am not positive about
17 that. Any way, a check was written. Sometime thereafter, this
18 note appeared in the bank there. Now, as to whether I got it
19 and sent it there or whether Odell got it and sent it there, I
20 can't honestly tell you.

21 BY MR. WEINGARTEN:

22 Q. Mr. McAfee, I hand you what has been premarked as
23 Government's Exhibits 43 and 44. Why don't you take a look at
24 them and I will ask you in a second, if you can identify those
25 documents.

1 A. 43? It appears to be a copy of a note that Odell and
2 I executed at the bank, as I mentioned.

3 Q. What bank would that be, sir?

4 A. Miners & Merchants Bank in Grundy, Virginia.

5 Q. Is that the bank that John Meade was president of
6 prior to his conviction?

7 A. Yes, it was.

8 Q. What about the next exhibit, 44?

9 A. It is a cashier's check for \$25,000 made payable to
10 me.

11 Q. When is it dated, can you tell?

12 A. It is either the 23rd or the 28th. I can't tell from
13 this copy.

14 Q. Maybe I can show you another copy of it that I think
15 is a little more legible. Without identifying the document, I
16 represent that it is a copy of Government Exhibit 44. Can you
17 see the date on that one?

18 A. The 28th of July.

19 Q. Mr. McAfee, not to be repetitive, but just so that
20 everybody understands, who lent money to George Hansen? Did
21 you or did the Grundy Bank?

22 A. Well, I assume that Odell Rogers and I both did.

23 Q. You sent the check to George Hansen for \$25,000. You
24 received a note in return. Is that correct?

25 A. Yes, I think that is correct.

1 Q. You took the note to the Grundy Bank and used that as
2 collateral for a \$25,000 loan to you, is that a fair statement?

3 A. Well, the collateral -- I didn't really need the note
4 as collateral, if that is what you mean.

5 Q. I thought you testified that the original note could
6 have been sent to the bank.

7 A. Yes.

8 Q. What would the purpose of that have been?

9 A. Well, at the particular time, there really would be
10 no purpose one way or another. The bank wasn't looking to
11 George Hansen for the money, if I understand what you are
12 asking me.

13 Q. Is there a connection between the loan you received
14 from the bank for \$25,000 a few days later, with the loan you
15 made to George Hansen?

16 A. He just gave me a note. As to why I sent it to the
17 bank or how it ended up in the bank, I really don't know.

18 Q. Maybe I am not making myself clear. Let me try it
19 one more time.

20 Is there a connection between the \$25,000 you
21 received from the Grundy Bank and the \$25,000 that was sent to
22 George Hansen, or are they totally independent transactions?

23 A. Well --

24 Q. Is that question clear?

25 A. Independent meaning that could I have gotten the

1 money without this collateral?

2 Q. What is the answer to that?

3 A. Yes, I could get -- I did not need his note to get
4 the money.

5 Q. The next question, did you go to the bank to get the
6 \$25,000 to cover the loan you had made to George Hansen?

7 A. No.

8 Q. So is it fair to say from your testimony that
9 Government's Exhibit 43, the check to you from the bank, is
10 totally unrelated and independent from 42, the check you wrote
11 to George Hansen?

12 A. No. I got 25,000 bucks from the bank. I put it in
13 my account. I don't know whether I had \$25,000 when I wrote
14 this check on the 20th or not. I may or may not have had
15 sufficient funds to have covered this. At some time later, I
16 got \$25,000 from the bank and put it in my account. I may have
17 had sufficient funds at the time to have covered this. I don't
18 even remember.

19 Q. The simple question is, is the \$25,000 from the bank
20 the money used to give to George Hansen?

21 A. I am trying to answer as best I can. I may have had
22 \$25,000, do you understand, on the 20th when I wrote this check.
23 I got \$25,000 thereafter from the bank and put it in my account.

24 Q. Was that just a coincidence?

25 A. No, it wasn't a coincidence. I got \$25,000 to be

1 sure, I assume, that I had sufficient funds in there to perform
2 and operate under.

3 Q. What was Mr. Rogers' role in this loan transaction?

4 A. Mr. Rogers and I were social friends, business
5 friends, client/attorney relationship. We had various business
6 interests together.

7 Q. Did he deal with Congressman Hansen in this loan?
8 What was his participation?

9 A. I don't think he did.

10 Q. Did you discuss this loan with him?

11 A. I probably did.

12 MR. WEINGARTEN: I move into evidence at this time 42
13 and 43.

14 THE COURT: No objection?

15 MR. LEWIN: No objection.

16 THE COURT: In evidence.

17 (Whereupon, Government's Exhibit Nos.
18 42 & 43 were received into evidence).

19 MR. WEINGARTEN: I might as well try 41. There might
20 not be an objection to that.

21 THE COURT: 41?

22 MR. LEWIN: We don't have any objection to 41 either.

23 THE COURT: 41 is in.

24 (Whereupon, Government's Exhibit
25 No. 41 was received into evidence).

1 MR. LEWIN: I told him there was no objection.

2 BY MR. WEINGARTEN:

3 Q. When you negotiated your loan in July of 1961 with
4 Miners & Merchants Bank, with whom did you deal personally at
5 the bank?

6 A. Mr. Meade.

7 Q. Mr. McAfee, did there come a time when you lent more
8 monies to George Hansen?

9 A. Yes.

10 Q. What were the circumstances or what was the
11 circumstance of that?

12 A. I don't have any specific recall on it. I will just
13 have to rely upon the fact that my secretary said I told her to
14 write a check for \$60,000, and if she says I told her to do it,
15 I am sure I did.

16 Q. Why don't we start with the check.

17 MR. WEINGARTEN: Before I approach Mr. McAfee, I am
18 told by my colleague I failed to move 44 into evidence, which
19 would be the check from the bank to Mr. McAfee. I so move at
20 this time.

21 MR. LEWIN: No objection.

22 THE COURT: It is in evidence.

23 (Whereupon, Government's Exhibit

24 No. 44 was received into evidence).

25 BY MR. WEINGARTEN:

1 Q. I hand you Government Exhibit 46, sir, and ask if you
2 can identify it?

3 A. It is a check on my McAfee Enterprises account.

4 Q. That would be the same account that issued the other
5 check?

6 A. Yes.

7 Q. Again, would you go through the process of dating it,
8 to whom it is made out, the amount and the signature?

9 A. It is August 14, 1981, George Hansen, \$60,000. I am
10 inclined to think my secretary also signed this.

11 Q. It is dated August 14th?

12 A. Yes.

13 Q. Now, the circumstances of the production of this
14 check were what?

15 A. It is my recall that I was out of the country at that
16 particular time, and I will just have to rely on what others
17 say, that I just told her to write the check and she wrote it.

18 Q. Where were you?

19 A. My recall is that I was in Australia.

20 Q. You have no recollection of directing her to write
21 that check?

22 A. Other than what she said I told her.

23 Q. Have you discussed it with her?

24 A. Yes, I have.

25 Q. Have the discussions caused you to recall anything?

1 A. She said I called her on the phone and told her to
2 write a check for \$60,000 to George Hansen, and she did it.

3 Q. Do you have any recollection, as you sit here now,
4 what triggered that direction to her, if in fact that direction
5 was made?

6 A. No, I really don't.

7 Q. I am not being facetious here, Mr. McAfee, but do you
8 frequently make \$60,000 loans and not remember them?

9 A. I haven't made any lately.

10 Q. I mean seriously, you don't remember what that check
11 was for?

12 A. The only recall I have is that it had to do with the
13 promotion of a book, as did the first one.

14 Q. Was there a further conversation with Congressman
15 Hansen about more money?

16 A. I don't remember. Whatever he says, I will abide by.
17 But the only thing I can recall that this entire transaction
18 had to do with the promotion of a book. As I said, I am
19 reasonably sure I was traveling at the time, and my business
20 partner, Odell, had authority to negotiate, borrow and to
21 conduct certain business activities we had. The ultimate
22 transaction, I think, ended up being handled through his office
23 rather than mine, other than the check being written.

24 Q. Was the first note collateralized? Was it secured
25 with anything?

1 A. No. You mean with the bank?

2 Q. No, between you and Mr. Hansen.

3 A. I am sorry, was it collateralized?

4 Q. Was there security?

5 A. No, not that I recall.

6 Q. It was just a signature loan?

7 A. I am sure it was, or I think it was any way.

8 Q. Mr. McAfee, I hand you Government Exhibit 45 and ask
9 if you can identify that, sir?

10 A. It appears to be a \$60,000 note. Again, I can't
11 authenticate the signature. The only thing I can say is that
12 it says "George V." Hansen to the left.

13 Q. Who else is on that note? What does that note say?

14 A. \$50,000 payable August 14th -- I am sorry, from
15 August 14th, 1981, on demand August 14, 1982. And I am sure
16 that is not my signature on the back side.

17 Q. I guess we will go through the same process as the
18 other note. Have you ever seen that, sir?

19 A. I really don't know whether Odell handled this or
20 whether I did, to be very honest with you.

21 THE COURT: The question is, do you remember seeing
22 that?

23 THE WITNESS: I think you may have shown me this copy
24 before.

25 BY MR. WEINGARTEN:

1 Q. Prior to being asked about it by the government, in
2 your relationship with George Hansen, did you ever see this
3 note?

4 A. I may have. The only reason I would think that I did
5 not is that that is not my signature on the reverse side of it.

6 Q. Whose signature would it be?

7 A. Well, whoever signed my name to it put M-c-a-f-f-e, I
8 believe, and that is not the way I spell my name.

9 Q. Not to belabor the point, sir, but we have a document
10 there, a check of \$60,000, from you to Congressman Hansen. We
11 have a note with your name on it. As you sit here now, and I
12 am sure you have attempted to put these events together, what
13 happened with this note and with this check?

14 A. I can tell you where it ended up. It ended up in the
15 bank in Grundy, Virginia.

16 Q. Was it sort of an instant replay of the last loan?

17 A. Except I don't have any recall of talking
18 specifically about anything except just that it was for a book,
19 that is all.

20 Q. Maybe showing you some documents might help. Take a
21 look, if you will, Mr. McAfee, at 47, 48, 49 and 50, and see if
22 you can't identify some of those, sir.

23 A. Well, again, one of them --

24 THE COURT: Can you tell us which one you are
25 referring to?

1 BY MR. WEINGARTEN:

2 Q. Why don't you start with No. 47.

3 A. I can't make any identification of this, now.

4 Q. What does it say?

5 A. It says it is a note dated 8-31-81 for \$60,000 to
6 Miners & Merchants Bank and Trust Company, and it has Carl E.
7 McAfee M-c-a-f-f-e-e.

8 Q. Someone wrote your signature?

9 A. Yes, they did.

10 Q. With your authorization or without your authorization?

11 A. I think Mr. Malcolm Van Dyke, who is an employee of
12 Mr. Odell Rogers, probably handled this transaction for us.

13 Q. Was it with your authorization?

14 A. Yes.

15 Q. What about 48?

16 A. It says a loan clearing of \$60,000 payable to Carl E.
17 McAfee and deposited to Arthur Odell Rogers' account.

18 Q. How about 49?

19 A. It appears to be a deposit slip of \$60,000 in Odell's
20 account.

21 Q. What about 50?

22 A. It is a check from Odell to me for \$60,000.

23 Q. Are all these events that you are describing taking
24 place around the same time, August of 1981?

25 A. No. The check from Odell to me looks to be either

1 August 17th or the 19th. I can't tell the date of the deposit.

2 The loan clearing is August 28th, and the note is August 31st.

3 Q. Are these papers related to each other, Mr. McAfee?

4 I mean, do they tell a story about a loan to George Hansen that
5 you made?

6 A. Well, I suppose they do.

7 Q. What is that story, sir? What happened with that \$60,000
8 loan? Virtually every one of those documents have your name on
9 them.

10 A. What do you mean what happened? To these documents?

11 Q. Yes. How was this loan transacted?

12 A. I am trying to tell you. My secretary relates to me
13 that I told her to write George a check for \$60,000, and she
14 followed my instructions.

15 Q. What happened after that?

16 A. Apparently, I wasn't here, so I can only surmise --

17 Q. Okay.

18 A. -- that Odell told Malcolm Van Dyke to go to the
19 bank, get \$60,000, give it to me and I will send it over there
20 to Carl.

21 Q. Why would he have done that?

22 A. You better ask him.

23 Q. You have no idea?

24 A. Well, yes, I am sure that we were covering the \$50,000.

25 Q. Is Odell on the second note, the \$60,000 note?

1 A. No.

2 Q. He is not?

3 A. No.

4 Q. What about the note from Congressman Hansen to you?

5 Isn't he on the first note, Government Exhibit 45?

6 A. I think he is on both of them. Yes, he is on both of
7 them.

8 Q. Mr. McAfee, is it fair to say that on two occasions
9 money was lent from you and Odell Rogers George Hansen, one
10 occasion \$25,000 and one occasion \$60,000. On both occasions
11 you went to John Meade's bank and got like funds and put them
12 in your accounts to cover the loans, is that fair or not?

13 A. Well, we got sums of money for likes amount. As to
14 whether or not we needed it at the moment, I can't say.

15 Q. Without suggesting the checks would have bounced?

16 A. I hope not.

17 Q. But you got like amounts?

18 A. That is true.

19 Q. Right after you made the loans to George Hansen?

20 A. Within a couple of weeks.

21 Q. I guess it is the same question. Did you get loans
22 for the like amount because you had lent money to George Hansen?
23 Was that the triggering events?

24 A. Probably.

25 Q. Is there another possibility?

1 A. Well, as I said, I don't recall my cash flow position
2 at the time.

3 Q. Were you paid back?

4 A. Yes.

5 Q. By whom?

6 A. I don't know the gentleman's name who paid it.

7 Q. Were you paid back by George Hansen?

8 A. I am assuming again that it was somebody from his
9 office, appeared at the bank and paid it. Again, you know, I
10 am not in a position to say under what relationship the person
11 was.

12 Q. Did you have any contact with Congressman Hansen
13 concerning these notes?

14 A. Have I?

15 Q. Yes. Did you have any in 1981?

16 A. Yes, I told you I talked with him.

17 Q. He wanted to promote a book?

18 A. That is right.

19 Q. Through the Atlanta super station, did you once say?

20 A. I remember something about that, yes.

21 Q. Did you ever have contact with him about the pay back
22 of those loans?

23 A. Yes, after the FBI came to see me.

24 Q. What did you do?

25 A. Well, they told me that --

1 Q. That is hearsay, Mr. McAfee. What did you do?

2 A. Called him up and asked him if there was some problem
3 that he was in or something to that effect.

4 Q. Were the loans paid back or one loan paid back?

5 A. They both were paid back.

6 Q. At the same time?

7 A. No, I don't think so.

8 Q. Which was paid first?

9 A. I think the \$25,000.

10 Q. You think the \$25,000. Was it paid timely?

11 A. I am not sure of that, either.

12 Q. Was the other note paid timely?

13 A. I don't think so.

14 Q. In fact, did you threaten litigation to get your
15 money back?

16 A. No, I didn't threaten litigation.

17 THE COURT: I beg your pardon?

18 THE WITNESS: I did not threaten litigation.

19 BY MR. WEINGARTEN:

20 Q. Did anyone, to your knowledge, get the money paid
21 back to you?

22 A. To me?

23 Q. Yes.

24 A. He paid the money or somebody paid the money. I
25 assume it was him.

1 Q. You have no idea when he paid?

2 A. No. I am sure the bank records would reflect it.
3 Whatever they say, I will abide by.

4 Q. As you sit here now, you don't know who paid the
5 money back to you?

6 A. I don't know the name of the individual because I
7 wasn't paying that much attention to it. I didn't see the
8 draft. I didn't see the check. All I know is the money was
9 paid. You know, that is the end of it.

10 Q. Did you deal with George Hansen when you were trying
11 to get your money back?

12 A. Did I deal with him?

13 Q. Yes. Did you have conversations with him?

14 A. Yes.

15 Q. Is it your understanding that the money repaying the
16 notes came from George Hansen?

17 A. I don't even think I asked him that. I just asked
18 him if he was having a hard time.

19 THE COURT: Counsel, I would like you to come to the
20 bench for a moment. Will you step down, Mr. McAfee.

21 (Bench conference)

22 THE COURT: I believe that there is some civil
23 litigation that was filed in this court, not this judge, this
24 court, involving this matter, and I have asked my clerk to make
25 a check to see if there is a jacket downstairs and to do it as

1 quietly as possible, in light of the testimony I am hearing
2 right now.

3 We have a responsibility, in the interest of justice,
4 to make certain that the testimony we hear is accurate. I
5 don't know whether we are going to need a five minute recess or
6 so. I don't know the name of the case.

7 MR. COLE: I could give you the name of the case if
8 you need it. It is Odell Rogers.

9 THE COURT: Put them on hold because he would need
10 that information to get the official jacket.

11 MR. LEWIN: I think counsel for both sides knows
12 about it. It is a case that was brought by Mr. Rogers.

13 THE COURT: It was Mr. Rogers?

14 MR. COLE: And Mr. McAfee was a party.

15 MR. LEWIN: No, I don't believe so.

16 THE COURT: I thought he was. We will find out. We
17 will see what the original jacket says.

18 MR. LEWIN: We both know about it.

19 THE COURT: He said no litigation.

20 MR. LEWIN: He said he did not cause litigation.

21 THE COURT: He said he did not threaten litigation
22 was the word he used.

23 MR. LEWIN: That is right.

24 DEPUTY CLERK: I think I have the number.

25 THE COURT: Counsel can confirm it since they know

1 about it. 83-1578, is that the number.

2 MR. COLE: The number doesn't mean too much.

3 THE COURT: Do you know the name of the case?

4 MR. COLE: I believe it is Odell Rogers or Arthur
5 Odell Rogers, and Carl McAfee versus George Vernon Hansen or
6 George V. Hansen.

7 THE COURT: Was it filed last year?

8 MR. COLE: It was filed last year.

9 MR. CAMPBELL: June 2nd.

10 THE COURT: Everybody knows about this. Wonderful.
11 Anyone know the number of the case?

12 MR. COLE: We could probably get it for you at some
13 point.

14 MR. CAMPBELL: I have it back at counsel table.

15 MR. WEINGARTEN: I was stunned by his answer. I
16 would like a five minute recess to get our papers.

17 MR. LEWIN: Mr. Cole knew about it.

18 THE COURT: I am finding the response interesting,
19 but I can't say anything until I see the jacket. When he said
20 no litigation or no threat of litigation, I just had to make an
21 inquiry. My memory could be wrong. I had heard about this. I
22 had not seen it.

23 They say it is Odell Rogers or Arthur Odell Rogers
24 and Carl McAfee versus George Vernon Hansen, June 2, 1983, the
25 best I can give you.

1 We will take a five minute recess.

2 We will come back and continue the testimony after
3 that for a relatively brief time. Please do not discuss the
4 matter among yourselves.

5 Mr. McAfee, you are in the midst of your testimony.
6 I ask that you not discuss it with anyone at this time.

7 (End of bench conference).

8 (Recess)

9 THE COURT: Is the defendant in the courtroom? Where
10 is Mr. Hansen?

11 MR. COLE: He was just here.

12 THE COURT: I wonder if Mr. McAfee could be taken to
13 the witness room for a moment, or put in the other room. We
14 will wait for Mr. Hansen to come back. This is part of his
15 trial.

16 THE COURT: At the Court's request, the Civil Case
17 No. 83-1578 has been brought to the Court. It was a case that
18 had been assigned to Judge Penn of this court. It is captioned
19 "Odell Rogers and Carl McAfee versus George V. Hansen". It is
20 a complaint on a promissory note that was filed June 2, 1983.
21 There was a stipulation of dismissal with prejudice on June 30,
22 1983.

23 The counsel in that case signing it were J. Edgar
24 Baily of M Street, N. W., in Washington, D.C., and William S.
25 Hemsley, Jr., of Hemsley & Campbell, attorneys for the

1 defendant. It was indeed two plaintiffs, Odell Rogers and Carl
2 McAfee.

3 It sets forth the promissory note, \$25,000, that has
4 been the subject of discussion for the last few moments in this
5 courtroom, and is a matter that counsel have indicated they
6 know about. Are counsel ready to proceed?

7 MR. LEWIN: Yes, Your Honor.

8 MR. WEINGARTEN: Your Honor --

9 THE COURT: Does counsel wish to talk to the Court at
10 the bench?

11 MR. WEINGARTEN: Yes.

12 (Bench conference)

13 THE COURT: You are from Hemsley & Campbell?

14 MR. CAMPBELL: Yes.

15 MR. WEINGARTEN: I think we have some tough decisions
16 regarding Mr. McAfee. I think this is a very serious matter.
17 I note the time. It is 3:25. I note that because of a prior
18 commitment that the Court has made to parties, we will adjourn
19 at 4:00 today.

20 THE COURT: We will honor that commitment.

21 MR. WEINGARTEN: There is no way on God's earth we
22 are going to finish Mr. McAfee today. I wouldn't mind having
23 an opportunity to sit down at this time to discuss what we want
24 to do with this and perhaps recess for the day. I will never
25 make this request again to recess early, but I think this is

1 extraordinary.

2 THE COURT: I think what I heard was extraordinary
3 enough to lead me to talk to you up here at the bench. I don't
4 want any traversal of justice to occur, if I can avoid it, in
5 the courtroom.

6 The witness was very much at the door there. As a
7 consequence, he may be advised to have counsel also. It is
8 possibly appropriate under the circumstances --

9 MR. WEINGARTEN: That is what occurred to me.

10 THE COURT: Me, too. That is why I wanted to look at
11 this first to assure myself that Mr. McAfee was also included,
12 since counsel for the defendant thought it might be one of the
13 plaintiffs, Mr. Rogers and not Mr. McAfee.

14 MR. LEWIN: I originally said that, Your Honor. I
15 was not involved with the litigation.

16 Let me represent to the Court what I understand, and
17 I am perfectly willing, and indeed it is frankly easier for me
18 if we do recess now, just in terms of being able to make it
19 home before sundown. I want to represent to the Court, because
20 I don't want to leave over the weekend with an enormous mystery
21 and what may be an unnecessary cloud, my understanding is, and
22 I represent this to the Court, that the lawsuit was filed, that
23 Congressman Hansen in fact was surprised that the lawsuit was
24 filed, that he then had somebody inquire of Mr. McAfee why he
25 had filed the lawsuit and Mr. McAfee advised him that he, Mr.

1 McAfee, had not authorized any counsel to file the lawsuit for
2 him, that the lawsuit had been filed by Mr. Rogers, who had by
3 then had a difference with Mr. McAfee in terms of business
4 arrangements, and that consequently Mr. McAfee had not
5 threatened the suit and was not really a party to it.

6 Indeed, I will tell the Court that I have a letter
7 pre-dating the date of the filing of this lawsuit, which in
8 some way supports that proposition, because it is a friendly
9 note from Mr. McAfee to Congressman Hansen saying to him, "Look,
10 this thing ought to be taken care of because the bank is
11 threatening us with a lawsuit." So that when Mr. McAfee said
12 on the witness stand, "I did not threaten a lawsuit," frankly,
13 although I have a copy of that complaint, Mr. Campbell, who was
14 counsel for Mr. Hansen in that case, had a copy of the
15 complaint, and was involved in negotiat - - settlement of it,
16 although I have a copy, I did not think that . . . McAfee had
17 said anything that was perjurious.

18 If I had thought he had threatened the lawsuit and
19 indeed that was perjury, I think I would have taken appropriate
20 steps. My knowledge is that he did not threaten a lawsuit and
21 his representations are that he did not authorize the filing of
22 this suit. There is no document in there, signed by him, that
23 indicates that he did authorize it. I don't know.

24 You know, it is not my job to defend Mr. McAfee, but
25 I don't think it would be appropriate to have a weekend recess

1 and just leave this whole matter with an enormous cloud.

2 THE COURT: If we could stay longer today, I would
3 stay today and get this matter over with. I certainly respect
4 my original commitment to you, which I absolutely will honor,
5 Mr. Lewin.

6 MR. LEWIN: Yes.

7 THE COURT: I too wouldn't like it to go over the
8 weekend. I don't think we have much choice. We have alerted
9 the jurors to 4:00.

10 This witness is an attorney himself, and he is
11 hostile as it is, it raises some concern. I notice Mr. Hemsley
12 and Mr. Campbell, who signed this, are from the same law firm.
13 Generally, in my belief, attorneys act as agents for their
14 clients. It would be a rather incredible act of an attorney to
15 put his neck on the block, but I guess it can happen.

16 MR. LEWIN: No, Mr. Hemsley was not --

17 THE COURT: Mr. Hemsley didn't sign the complaint.

18 MR. LEWIN: He is representing the defendant. Mr.
19 Hemsley is representing the defendant. Mr. Baily or somebody
20 else was allegedly representing --

21 THE COURT: I know that. But there is a stipulation
22 of dismissal, and one of the participants in the lawsuit was
23 Mr. McAfee, who has indirectly, indirectly, in effect, said
24 that he didn't file. He wasn't asked, "Did you file a lawsuit?"
25 But he said he didn't threaten litigation. Maybe he didn't

1 threaten; he just acted upon it. But there is litigation. We
2 know that.

3 MR. LEWIN: Your Honor should not have any
4 misunderstanding. Mr. Campbell and Mr. Hemsley represented the
5 defendant, who was Congressman Hansen.

6 THE COURT: I know that. I am saying that the entire
7 picture was known and there had been a civil suit and the civil
8 suit had been dismissed with prejudice. It had been
9 acknowledged that there was the debt.

10 Let me see what the terms say, "Acknowledge the
11 complete payment or satisfaction to the holder of the 25,000
12 promissory note dated July 28th, 1981, and bearing the
13 signatures of the Carl E. McAfee and Odell Rogers; and agree
14 that defendant waives and relinquishes any and all rights he
15 may have against plaintiffs as a transferee of the note," and
16 so forth, and, "each party bears his own costs and attorney's
17 fees. It is binding on everyone, and they waive and relinquish
18 all rights to sue upon these notes."

19 Notes are in plural for some reason here. In some
20 part notes are in plural and in some part it is note in
21 singular.

22 MR. WEINGARTEN: I accept completely Mr. Lewin's
23 representation as to what he believes. Our knowledge about Mr.
24 McAfee's knowledge and participation in the suit is different.
25 That is why I think we need to --

1 THE COURT: I want to advise him that he had best
2 consult counsel over the weekend, that he is going to be due
3 back here as our first witness at 10:00 on Monday and other
4 than, of course, counsel, he is not to discuss the matter with
5 anyone else. I think we all understand that.

6 MR. LEWIN: Can he be told, Your Honor, why it is
7 that Your Honor is advising him with regard to the matter of
8 whether he threatened a lawsuit. The problem really is --

9 THE COURT: I am going to tell him that I am very
10 much concerned about a civil action that was filed in this
11 court. He should know about that. But I am not going to go
12 into any detail beyond that.

13 I will call him in, but leave the jury out for a
14 moment.

15 (End of bench conference)

16 THE COURT: Mr. McAfee, will you come back here on
17 the stand, please, sir. Mr. McAfee, I had advised counsel that
18 it had come to my attention that there had been some civil
19 litigation that had been filed in this court, and I wanted to
20 have an opportunity to look at it, since I had sent for it,
21 before I talked any further to you and indeed before I allowed
22 you to continue in your testimony any further without having
23 the benefit of counsel yourself.

24 I am referring, Mr. McAfee, to the civil litigation
25 that was filed in this United States District Court for the

1 District of Columbia and assigned to the Honorable John Garrett
2 Penn. It is Civil Action No. 83-1578, and the matter was filed
3 on June 2, 1983.

4 The plaintiffs are listed as Odell Rogers and Carl
5 McAfee versus George V. Hansen. It is a complaint on a
6 promissory note.

7 Following your testimony, in which you said that you
8 had not threatened litigation, I called for this jacket.

9 I am going to recess, and counsel have agreed, that
10 we recess this matter over the weekend so we can all think
11 about this matter and also in order to give you the opportunity
12 to secure counsel, if you wish to have counsel by your side
13 when we recommence the proceedings at 10:00 on Monday morning,
14 with a continuation of your testimony as to other matters that
15 each counsel might wish to direct to your attention, as well as
16 further elaboration of the litigation that had been filed in
17 this court and that had been dismissed with prejudice by a
18 stipulation on June 30, 1983, with J. Edgar Baily, of Gardner,
19 Moss & Brown of Washington, D.C., as the attorney for the
20 plaintiffs; and with the counsel representing the defendant
21 George V. Hansen, William S. Hemsley, Jr., of Hemsley &
22 Campbell in Washington, D. C..

23 THE WITNESS: Your Honor, I --

24 THE COURT: I think it would be better, for your sake,
25 Mr. McAfee -- I certainly would like to hear what you have to

1 say, but I do indeed believe it is better, you are an attorney
2 yourself, but nonetheless, I would strongly recommend, for your
3 protection, that you discuss this matter with a counsel of your
4 own choosing. We could not complete your testimony in any
5 event today. We would have to come back on Monday. What you
6 do in the interim is clearly your privilege. We will see you
7 back here on Monday at 10:00 for a continuation of the
8 testimony.

9 I do direct, however, that the matter not be
10 discussed with anyone, save an attorney of your choice in this
11 regard, but with no possible witness in this case, or any other
12 person, the testimony and the developments that have occurred
13 here at this time. Do you understand me, Mr. McAfee?

14 THE WITNESS: Yes, ma'am. I am prepared to clarify
15 whatever you wish, though.

16 THE COURT: I understand that. I really would
17 recommend -- we are going to have to stop anyhow. It is almost
18 25 of 4:00. One of our counsel has a religious obligation
19 which compels us to stop at 4:00. I have given him that
20 assurance that we will do so, and we will do so. So we would
21 not have been able to finish this matter in the remaining 25
22 minutes.

23 I think under the circumstances, it is best that we
24 all contemplate on this over the weekend. The Court is in
25 recess until 10:00, but I will bring in the jury, on Monday.

1 I will just tell the jury that. You can just
2 assemble them in general around here. They don't have to take
3 their places in the box.

4 (Jury present at 3:33)

5 THE COURT: Ladies and gentlemen, take any seat
6 because I am going to recess you for the weekend. Sit or stand,
7 as you please. Any seat is all right, ladies and gentlemen.

8 Ladies and gentlemen, we are going to recess for the
9 weekend. We couldn't possibly complete the testimony that we
10 must develop prior to the conclusion of today at 4:00, as I had
11 earlier told you, and as is necessary to accommodate a
12 religious need of one of our counsel.

13 As a consequence, it will now be your first weekend
14 in the sequestered status, and I know that the marshals will do
15 their very utmost to make you as comfortable as possible, both
16 with your families and with your own religious needs during
17 this weekend, and I hope you have some chance to enjoy more of
18 the weekend than inside a courtroom.

19 As far as Monday, we will start at 10:00 in the
20 morning on Monday. We plan to go, as I told you earlier, until
21 about 7:00 on Monday evening. Under those circumstances,
22 nourish yourselves as best as you can. Make the best of the
23 weekend. Do know that we are thinking of you. We are not
24 ignoring you at all. We are concerned about your welfare. We
25 will continue to be concerned about your welfare.

1 Most importantly, do not discuss the case with anyone.
2 Have a very good weekend. Good afternoon, ladies and gentlemen.

3 (Jury excused at 3:35)

4 THE COURT: Mr. McAfee has asked for a copy of this.
5 The file is slim. I would ask that perhaps my clerk can make a
6 photocopy of the papers that are contained in the file.

7 If you will wait in the courtroom, Mr. McAfee, my
8 clerk will go downstairs, use the photocopy machine, and make a
9 copy of it and then I would like the jacket back.

10 THE WITNESS: Could I also get a copy of the question
11 that was asked me, and my answer?

12 THE COURT: I don't know if that could be done in
13 time. That would be up to the court reporter if she would do
14 it, sir.

15 (Whereupon, at 3:40 p.m., the trial in the
16 above-entitled case was recessed until Monday, March 26th, at
17 10:00 a.m.)

18 * * *

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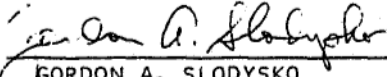
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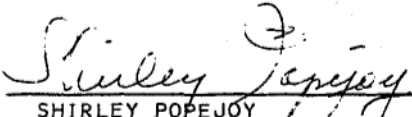
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CERTIFICATE OF REPORTER

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

----- X
UNITED STATES OF AMERICA :
VS. : CRIMINAL ACTION
GEORGE VERNON HANSEN, : NO. 83-75
DEFENDANT : VOLUME NO. 6
----- X

WASHINGTON, D. C.

MONDAY, MARCH 26, 1984

THE ABOVE-ENTITLED MATTER CONVENED FOR FURTHER
TRIAL BY JURY, BEFORE THE HONORABLE JOYCE HENS GREEN, UNITED
STATES DISTRICT JUDGE, AT APPROXIMATELY 10:00 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 X

<u>WITNESS</u>	<u>VOIR DIRE</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>REGROSS</u>
CARL MCAFEE (RESUMED)		551	571	608	
GWENDOLYN YVONNE JONES		612	617	618	618
ODELL ROGERS		620	640		
MALCOLM EUGENE VAN DYKE		644	656		
JOHN D. MEADE, JR.		658			
	680	683	724		
	750		757	804	825
THOMAS G. MILLER		838	843	846	
ROBERT LEE NORWOOD		848	856	865	
<u>EXHIBIT</u>					
		<u>FOR IDENTIFICATION</u>		<u>IN EVIDENCE</u>	
GOVERNMENT'S					
45 AND 46					611
47					633
50					637
51-B			653		654
48					668
49					668
51					671
54					678
53					687
60					704
52					824
61			819		
DEFENDANT'S					
12			581		585
13			594		595
14					680
15			749		
16 AND 17			772		775
18 AND 19			803		
19					825
20			829		831
21			831		833
22			834		835

P R O C E E D I N G S

(JURY NOT PRESENT)

MR. BRAGA: YOUR HONOR, MR. LEWIN STEPPED OUT FOR A DRINK OF WATER. COULD I GO OUT AND GET HIM?

THE COURT: WOULD YOU, PLEASE.

ALL RIGHT, MR. LEWIN. WE ARE READY TO RESUME. BEFORE WE BRING THE JURY IN, I UNDERSTAND MR. MCAFEE IS IN COURT THIS MORNING, AND I BELIEVE HE HAS SOME -- I SEE HE IS IN COURT, AND I BELIEVE HE HAS SOME COUNSEL WHO ARE ACCOMPANYING HIM.

MR. WEINGARTEN, YOU SAID AT THE TIME THAT WE RECESSED ON FRIDAY -- WILL YOU HAVE A SEAT, MR. MCAFEE; ANYWHERE IS FINE -- AT THE TIME WE RECESSED ON FRIDAY, THAT YOU WANTED TO GIVE SOME CONSIDERATION TO THIS OVER THE WEEKEND, AND I'M CONFIDENT MR. LEWIN DID, ALSO. AND HAVE YOU GENTLEMEN COME TO ANY CONCLUSION?

MR. WEINGARTEN: MY UNDERSTANDING IS FROM MR. MCAFEE'S LAWYERS -- I HAD A BRIEF CONVERSATION WITH THEM THIS MORNING -- MR. MCAFEE WILL GET BACK ON THE STAND AND RESUME THE TESTIMONY. AND THAT IS SATISFACTORY TO THE GOVERNMENT.

THE COURT: ALL RIGHT. MR. LEWIN, SIMILARLY WITH YOU?

MR. LEWIN: YES, YOUR HONOR.

THE COURT: ALL RIGHT. AS MR. MCAFEE, I SUGGEST, UNDERSTOOD AT THE TIME OF THE HEARING, THE COURT WAS TRYING

1 TO PREVENT ANY OBSTRUCTION OF JUSTICE OR ANY PERJURIOUS
2 STATEMENT BEING MADE, IN LIGHT OF THE RECOGNITION THAT THERE
3 WAS A CASE THAT HAD BEEN FILED IN COURT AND IN LIGHT OF THE
4 STATEMENT OF MR. MCAFEE THAT HE HAD NOT THREATENED LITIGATION.

5 CONSEQUENTLY, WE WILL BE PLEASED TO RESUME THE
6 TESTIMONY. WHY DON'T WE CALL IN THE JURY, AND MR. MCAFEE THEN
7 WILL CONTINUE IN HIS TESTIMONY, HAVING BEEN COUNSELED OVER
8 THE WEEKEND.

9 THERE IS A LEGEND THAT IS SITTING ON COUNSEL TABLE,
10 MR. COLE AND MR. WEINGARTEN, THAT YOU MIGHT WANT TO TURN IN
11 SOME DIRECTION UNTIL IT IS NECESSARY TO BE USED. IT SAYS,
12 "LOANS TO GEORGE HANSEN." RIGHT. THANK YOU.

13 (THE JURY RETURNED TO THE COURTROOM)

14 THE COURT: GOOD MORNING, LADIES AND GENTLEMEN.

15 THE JURY (EN MASSE): GOOD MORNING.

16 THE COURT: YOU WILL RECALL THAT TODAY IS THE FIRST
17 OF THE DAYS THAT WE HAVE -- I WANT TO SAY ASSURED YOU --
18 ADVISED YOU THAT WE ARE GOING TO BE SITTING UNTIL AROUND 7:00
19 TONIGHT. SO, WITH THAT REMAINING REMEMBRANCE IN YOUR MINDS,
20 LET'S COMMENCE THE TESTIMONY, THE CONTINUATION OF THE TESTI-
21 MONY WHERE WE LEFT OFF ON FRIDAY WITH MR. MCAFEE.

22 MR. MCAFEE, WILL YOU COME UP TO THE WITNESS CHAIR,
23 PLEASE? YOU ARE, OF COURSE, STILL UNDER OATH.

24 AND WE WILL CONTINUE WITH THE GOVERNMENT DIRECT
25 EXAMINATION.

1 CARL MCAFEE

2 RESUMED THE STAND AS A WITNESS AND, HAVING BEEN PREVIOUSLY
3 DULY SWORN, WAS EXAMINED AND TESTIFIED FURTHER AS FOLLOWS:

4 THE COURT: YES, SIR.

5 MR. WEINGARTEN: THANK YOU, YOUR HONOR.

6 DIRECT EXAMINATION (RESUMED)

7 BY MR. WEINGARTEN:

8 Q MR. MCAFEE, I THINK ON FRIDAY -- I WOULD JUST LIKE
9 TO BRING US BACK TO WHERE WE WERE, IF I MAY. THERE WAS SOME
10 TESTIMONY THAT YOU MADE A LOAN OF \$25,000 TO CONGRESSMAN
11 HANSEN. IS THAT A FAIR STATEMENT?

12 A YES.

13 Q ALL RIGHT. JUST SO WE ARE BACK, I WOULD LIKE TO
14 SHOW YOU WHAT HAS BEEN MARKED AND ADMITTED AS GOVERNMENT'S
15 EXHIBITS 41 AND 42. AND I GUESS -- WELL, LET'S START WITH
16 41 AND 42.

17 JUST TO GET US BACK, MR. MCAFEE, WHAT'S 41 AND
18 WHAT'S 42?

19 A 41 IS A PHOTOCOPY OF A \$25,000 DEMAND NOTE MADE
20 PAYABLE TO ODELL ROGERS AND CARL MCAFEE, DATED JULY 17, '81.
21 PRINTED ON THE LEFT IS GEORGE V. HANSEN, AN ADDRESS IN
22 ARLINGTON, VIRGINIA, AND A SIGNATURE ON THE RIGHT.

23 Q JUST HOLD ON ONE SECOND.

24 MR. WEINGARTEN: I REQUEST PERMISSION TO MAKE THE
25 FIRST PLACEMENT ON THE CHART, YOUR HONOR.

1 THE COURT: LET'S SEE WHAT THAT PLACEMENT, THE
2 VERBIAGE IS.

3 MR. WEINGARTEN: SIMPLY THIS.

4 THE COURT: YES, SIR.

5 MR. WEINGARTEN: AND I REQUEST PERMISSION TO PUBLISH
6 IT TO THE JURY.

7 THE COURT: YES, SIR.

8 MR. WEINGARTEN: JULY 17: "GEORGE HANSEN SIGNS
9 NOTE TO MCAFEE AND ROGERS FOR \$25,000 LOAN."

10 BY MR. WEINGARTEN:

11 Q NOW, MR. MCAFEE, IS THERE A CHECK THERE, AS WELL:

12 A YES.

13 Q AND WHAT'S ON THAT CHECK?

14 A JULY 20, '81, 25,000, GEORGE HANSEN.

15 Q AND WHO SIGNED THAT CHECK? WELL, WHOSE NAME IS
16 ON THE CHECK, SIR?

17 A MY NAME IS ON THE CHECK.

18 Q AND IS IT YOUR SIGNATURE?

19 A IT IS AUTHORIZED BY ME.

20 Q ALL RIGHT. SO IT'S YOUR MONEY GOING TO GEORGE
21 HANSEN.

22 A THAT'S RIGHT.

23 Q I BELIEVE YOU TESTIFIED LAST WEEK THAT ON THE BACK
24 THERE IS AN INDICATION THAT THE CHECK WAS DEPOSITED JULY 23RD,
25 1981.

1 A IT APPEARS ON THE BACK THE INITIALS "JY", '81,
2 IN PARENS, 23, "PAY ANY BANK".

3 Q IS THERE ANY INDICATION OF A BANK'S NAME BACK THERE?

4 A THE RIGGS NATIONAL BANK.

5 MR. WEINGARTEN: YOUR HONOR.

6 THE COURT: FINE. YOU MAY PUBLISH.

7 MR. WEINGARTEN: "JULY 23, GEORGE HANSEN DEPOSITS
8 \$25,000 CHECK FROM MCAFEE INTO GEORGE HANSEN REACH ACCOUNT
9 AT RIGGS BANK."

10 MR. WEINGARTEN: MR. MCAFEE, IF I COULD RETRIEVE
11 THOSE EXHIBITS AND PLACE TWO MORE BEFORE YOU, LET ME ASK
12 GENERALLY, DID YOU LEND MORE MONEY TO CONGRESSMAN HANSEN?

13 A YES.

14 Q AND WHAT IS REPRESENTED BY GOVERNMENT EXHIBIT 45,
15 SIR?

16 A IT'S A DEMAND NOTE, 60,000, AUGUST 14, '81, TO THE
17 ORDER OF ODELL ROGERS, CARL MCAFEE. ON THE LEFT APPEARS
18 PRINTED GEORGE V. HANSEN, AN ADDRESS, AND A SIGNATURE ON THE
19 RIGHT.

20 Q ALL RIGHT.

21 MR. WEINGARTEN: MR. LEWIN, YOUR HONOR.

22 LADIES AND GENTLEMEN, "AUGUST 14TH, GEORGE HANSEN
23 SIGNS NOTE TO MCAFEE AND ROGERS FOR \$60,000 LOAN."

24 BY MR. WEINGARTEN:

25 Q FINALLY, MR. MCAFEE, IS THERE A CHECK THERE, SIR?

1 A YES.

2 Q AND WHAT IS ON THAT CHECK?

3 A AUGUST 14, '81, GEORGE HANSEN, \$60,000. AND IT
4 HAS MY NAME ON IT.

5 Q ALL RIGHT. ON THE BACK OF THE CHECK, IS THERE AN
6 INDICATION WHEN IT WOULD HAVE BEEN DEPOSITED?

7 A IT APPEARS AS IF -- I'M READING. IT SAYS, "FOR
8 DEPOSIT ONLY" TO AN ACCOUNT NUMBER, "GEORGE HANSEN," A REACH
9 ACCOUNT.

10 Q IS THERE A DATE, CAN YOU SEE?

11 A I CAN ONLY TELL YOU WHAT'S HERE. IT APPEARS TO
12 BE "AG 81, 19."

13 Q DOES IT APPEAR TO BE AUGUST 19TH, 1981? JUST WHAT
14 IT SAYS? JUST WHAT YOU'VE READ?

15 A IT SAYS "AG 81, 19, PAY ANY BANK." I CAN SEE
16 "WASHINGTON, D. C."

17 MR. WEINGARTEN: YOUR HONOR.

18 "AUGUST 19TH, GEORGE HANSEN DEPOSITS \$60,000 CHECK
19 FROM MCAFEE INTO GEORGE HANSEN REACH ACCOUNT AT THE RIGGS
20 BANK."

21 BY MR. WEINGARTEN:

22 Q MAYBE I CAN RETRIEVE THOSE EXHIBITS FROM YOU AT
23 THIS TIME, SIR.

24 NOW, MR. MCAFEE, FOLLOWING THE LOANS THAT WERE MADE
25 BY YOU TO MR. HANSEN, DID YOU GO TO THE MINERS AND MERCHANT

1 BANK IN GRUNDY, VIRGINIA, . . . BORROW SIMILAR SUMS YOURSELF?

2 A I DID NOT GO TO THE BANK.

3 Q O.K. DID ANYONE GO TO THE BANK ON YOUR BEHALF?

4 A I'M SURE THEY DID.

5 Q ALL RIGHT. AND WERE SIMILAR SUMS BORROWED BY YOU
6 AND MR. ROGERS?

7 A YES.

8 Q AND WERE THE HANSEN LOANS --

9 A ONE NOTE WAS ROGERS AND MYSELF; ONE NOTE WAS MINE --
10 I MEAN IN MY NAME, ONLY.

11 Q ALL RIGHT. DID YOU USE THE HANSEN NOTES AS COLLATERAL
12 FOR THE LOANS YOU RECEIVED?

13 A THEY WERE THERE, I BELIEVE EITHER BY ASSIGNMENT
14 OR -- IT MAY HAVE BEEN BY ASSIGNMENT.

15 Q YOU ASSIGNED THE HANSEN NOTES TO THE BANK FOR
16 COLLECTION PURPOSES?

17 A I BELIEVE THAT'S CORRECT.

18 Q WELL, WERE YOU OR THE MINERS AND MERCHANT BANK PAID
19 BACK BY CONGRESSMAN HANSEN?

20 A THEY WERE PAID.

21 Q ALL RIGHT. IS IT FAIR TO SAY THAT THE \$60,000 NOTE
22 WAS PAID BACK AFTER YOU HAD HAD SOME CONVERSATIONS WITH THE
23 FBI?

24 A YES.

25 Q NOW, WAS THE \$25,000 NOTE PAID BACK?

1 A YES.

2 Q NOW, THERE WAS SOME DISCUSSION BEFORE WE BROKE ON
3 FRIDAY ABOUT WHETHER OR NOT YOU WERE INVOLVED IN A LAWSUIT
4 TO GET THAT MONEY BACK. LET ME ASK YOU FIRST: WAS THERE
5 A LAWSUIT AGAINST GEORGE HANSEN FOR THE RECOVERY OF THE
6 \$25,000?

7 A YES.

8 Q TO YOUR KNOWLEDGE, WAS THAT LAWSUIT FILED AFTER
9 THE INDICTMENT IN THIS CASE?

10 A I DON'T KNOW WHEN THE INDICTMENT WAS HANDED DOWN.
11 I CAN TELL YOU GENERALLY WHEN I WAS NOTIFIED FROM THE BANK
12 OF THE PAYMENT. I CAN TELL YOU THAT. BUT I DON'T KNOW, REALLY,
13 WHEN HE GOT INDICTED.

14 Q ALL RIGHT. WHAT'S THE LAST DATE THAT YOU KNOW?

15 A I BELIEVE IT WAS IN THE MONTH OF JUNE OF 1983 THAT
16 I LEARNED THAT THE NOTE HAD BEEN PAID.

17 Q ALL RIGHT. DO YOU KNOW WHAT TRIGGERED THE LAWSUIT,
18 SIR?

19 A WELL, MR. ROGERS AND I HAD HAD A PARTING OF THE
20 WAYS, SO TO SPEAK, AND I THINK THAT THE MINERS EXCHANGE BANK
21 HAD MADE DEMAND UPON US TO PAY THE NOTE IN OUR NAME OR THE
22 INTEREST. AND I ASSUME THAT THAT'S WHAT TRIGGERED IT.

23 Q DID YOU FILE THE LAWSUIT?

24 A NO, I DIDN'T FILE IT. WELL, IT WAS IN MY NAME, BUT
25 I DID NOT FILE IT. I DID NOT EVEN KNOW THE LAWYER WHO DID

1 FILE IT.

2 Q YOU WERE A PLAINTIFF IN THE LAWSUIT, THOUGH.

3 A THAT'S CORRECT.

4 Q IS IT FAIR TO SAY MR. ROGERS WAS THE MOVING PARTY
5 BEHIND THE LAWSUIT AGAINST GEORGE HANSEN?

6 A EITHER HE OR HIS LAWYER, I WOULD SAY.

7 Q AND YOU WERE BROUGHT IN BECAUSE YOUR NAME WAS ON
8 THE NOTE?

9 A YES. HE WAS REPRESENTED AT THAT PARTICULAR TIME
10 BY MR. ROCKAVICH (PHONETIC) FROM ROANOKE, VIRGINIA.

11 Q THE NOTES TO GEORGE HANSEN WERE ONE-YEAR NOTES,
12 WERE THEY NOT?

13 A I BELIEVE THAT'S CORRECT.

14 Q AND THEY WERE UNSECURED. THEY WERE SECURED ONLY
15 BY CONGRESSMAN HANSEN'S SIGNATURE.

16 A THAT'S CORRECT.

17 Q IS IT FAIR TO SAY THAT THE \$60,000 WAS PAID OFF
18 IN A TIMELY FASHION AFTER YOUR CALL UPON CONVERSATIONS WITH
19 THE FBI, BUT THAT THE \$25,000 NOTE WAS NOT?

20 A I'M NOT EVEN SURE ABOUT THE SIXTY. I JUST KNOW
21 THAT IT WAS PAID, BUT I DON'T HAVE ANY RECORDS, I DON'T HAVE
22 ANY -- AND THE BANK, WHATEVER THE BANK RECORDS REFLECT WOULD
23 BE ACCURATE, I'M SURE. I DON'T HAVE ANY RECORDS. BUT IT
24 WAS PAID AFTER I HAD A CONVERSATION WITH THE FBI.

25 Q AND WHAT ABOUT THE TWENTY-FIVE? IF IT WAS PAID

1 IN JUNE '83 --

2 A I BELIEVE THAT'S WHEN THE BANK SO ADVISED ME.

3 Q AND IT WAS LENT IN JULY OF '81.

4 A '81. I'M SURE THE NOTE WAS BEYOND THE ONE-YEAR
5 LIMIT. AND I BELIEVE -- AND THE NOTE'S THERE, BUT I MEAN
6 THAT I ASSUME THAT THAT'S CORRECT.

7 Q O.K. NOW, MR. MCAFEE, JUST SOME SUMMARY QUESTIONS.
8 TO WHOM DID YOU LEND THE MONEY?

9 A WELL, I'M ASSUMING TO GEORGE HANSEN.

10 Q ALL RIGHT. AND TO WHOM WERE YOU LOOKING FOR REPAY-
11 MENT?

12 A MR. HANSEN.

13 Q WERE YOU LOOKING TO ANY NONPROFIT CORPORATION FOR
14 REPAYMENT?

15 A NO.

16 Q DID YOU EVER REQUEST ANONYMITY FOR YOURSELF ON THESE
17 NOTES TO CONGRESSMAN HANSEN?

18 A ANONYMITY?

19 Q YES. DID YOU EVER TELL HIM YOU DIDN'T WANT PEOPLE
20 TO KNOW THAT YOU WERE LENDING HIM MONEY?

21 A NO. WELL, I'LL PUT IT THIS WAY: NOT THAT I
22 RECALL. I GOT ENOUGH CALLS FROM THE NEWSPAPERS TO SATISFY
23 ALL OF THAT.

24 Q SO MY QUESTION SURPRISED YOU. YOU HAVE NO RECOLLEC-
25 TION; IS THAT A FAIR STATEMENT?

1 A I DON'T EVER RECALL TELLING HIM I DIDN'T WANT ANY-
2 BODY TO KNOW IT, BECAUSE PEOPLE DID KNOW IT.

3 Q O.K. MR. MCAFEE, WERE YOU INVOLVED IN AN EFFORT
4 TO DEVELOP A HYDROGEN-POWERED CAR?

5 A WELL, I DON'T WANT TO PLAY ON WORDS, BUT NOT DEVELOP,
6 NO.

7 Q O.K. IN YOUR OWN WORDS, WHAT WERE YOU DOING?

8 A WELL, AGAIN I DON'T RECALL THE DATE, BUT I RECEIVED
9 A CALL FROM MR. ROGERS OR A MR. VAN DYKE THAT THEY WANTED
10 ME TO COME TO KENTUCKY TO MEET WITH MR. JOHN MEADE AND A MAN
11 BY THE NAME OF FANCHER FROM AUSTRALIA. AND AT THIS MEETING,
12 MR. FANCHER AND MR. MEADE RELATED A SCENARIO ABOUT A GENTLE-
13 MAN IN AUSTRALIA WHO HAD DEVELOPED A HYDROGEN-POWERED AUTO-
14 MOBILE, AND THAT HE WAS TRYING TO FUND THIS AUTOMOBILE, AND
15 THAT THEY HAD WORKED -- FANCHER HAD BEEN TRYING TO INTEREST
16 A COMPANY CALLED UNITED COAL COMPANY, WHICH IS A RATHER LARGE
17 COAL-PRODUCING COMPANY IN OUR AREA, TO CHECK INTO IT, AND
18 THAT THEY HAD SPENT CONSIDERABLE TIME WITH THIS INDIVIDUAL
19 WHO WAS DEVELOPING THE CAR.

20 Q WHY WERE YOU BROUGHT IN? WHAT WAS TO BE YOUR
21 INTEREST?

22 A I WAS AN ATTORNEY. THERE WERE SOME CONTRACTS, AND,
23 IN GENERAL, TO LOOK INTO THE LEGAL ASPECTS OF IT.

24 Q ALL RIGHT. WHAT WAS MR. MEADE'S ROLE TO BE?

25 A MR. MEADE WAS A PROPERTY OWNER IN AUSTRALIA AND HAD

1 MET MR. FANCHER, APPARENTLY THROUGH SOME PROPERTY DEALINGS.
2 MR. MEADE AND MR. VAN DYKE HAD BEEN CLOSE FRIENDS, AND
3 APPARENTLY THEY GOT INTERESTED -- MEADE HAD GOTTEN INTERESTED,
4 THROUGH FANCHER, OVER THIS PARTICULAR VENTURE. AND ONE OF
5 THE PUBLIC OFFICIALS IN AUSTRALIA, THE PREMIER OF QUEENSLAND,
6 I BELIEVE IT WAS, THAT THEY HAD KNOWN HIM AND HE WAS VERY
7 INTERESTED IN STIMULATING SOME INTEREST IN THE UNITED STATES.

8 Q ALL RIGHT. SO IT IS FAIR TO SAY THAT THIS WATER
9 CAR WAS BEING DEVELOPED IN AUSTRALIA, AND MR. MEADE WAS
10 LOOKING TO BE AN INVESTOR, AND YOU WERE HIS LAWYER.

11 A I DON'T THINK ANYBODY WAS LOOKING TO BE AN INVESTOR
12 AT THAT PARTICULAR TIME, BECAUSE IT WAS A RATHER FAR-OUT
13 CONCEPT, AS FAR AS I WAS CONCERNED.

14 Q WELL, AS IT DEVELOPED, WHAT WAS YOUR INTEREST AND
15 WHAT WAS MR. MEADE'S INTEREST?

16 A TO DETERMINE IF IN REALITY THIS MAN REALLY DID
17 HAVE -- HAD DEVELOPED A MEANS OF ECONOMICALLY CONVERTING WATER
18 INTO HYDROGEN AND, THEN, IF IT DEVELOPED, TO LOOK AT IT FROM
19 A DEVELOPMENT -- I MEAN BRINGING IT TO THE UNITED STATES,
20 REALLY.

21 Q AND SELLING THE RIGHTS.

22 A NO. HE WAS TRYING TO -- THE AUSTRALIAN WAS TRYING
23 TO SELL THE RIGHTS.

24 Q TO MR. MEADE?

25 A TO ANYBODY WHO WANTED TO BUY THEM.

1 Q ALL RIGHT. WELL, DID YOU TAKE THE PROPOSAL SERIOUSLY?

2 A AT FIRST I DIDN'T.

3 Q AS IT DEVELOPED, DID YOU?

4 A WELL, AFTER SOME INVESTIGATION, I DETERMINED THAT
5 THERE WAS SOMEONE IN CALIFORNIA WHO WAS DEVELOPING A HYDROGEN
6 AUTOMOBILE, AND THAT THE GERMANS HAD ALSO DEVELOPED A HYDRO-
7 GEN AUTOMOBILE. THE PROBLEM -- I GOT A LITTLE BIT OF AN
8 EDUCATION ON CONVERTING WATER TO HYDROGEN. IT'S A VERY
9 EXPENSIVE PROPOSITION. THE PROBLEM WASN'T DRIVING THE CAR
10 ON HYDROGEN; IT WAS THE ECONOMICS OF CONVERTING AND MAKING
11 HYDROGEN. AND I LEARNED THAT IT REALLY REQUIRED A NUCLEAR
12 REACTION.

13 Q AND, OF COURSE, THAT WOULD BE EXTRAORDINARILY
14 DANGEROUS TO THE DRIVER, WOULD IT NOT?

15 A NO. I'M TALKING ABOUT THE CONVERSION. WELL, IT
16 COULD BE, YES. YES, YOU'RE RIGHT.

17 Q ALL RIGHT. DID YOU GO TO AUSTRALIA A COUPLE OF
18 TIMES?

19 A YES, I DID.

20 Q AND SOLELY TO LOOK INTO THIS HYDROGEN CAR; IS THAT
21 A FAIR STATEMENT?

22 A NOT SOLELY. MR. MEADE HAD ANOTHER PROBLEM OVER
23 THERE.

24 Q ALL RIGHT. BUT AT LEAST ON TWO OCCASIONS YOU WENT
25 TO AUSTRALIA --

1 A YES.

2 Q AND WHILE YOU WERE THERE, YOU DEALT WITH THIS
3 INVENTION.

4 A WELL, I MET WITH THE INVENTOR. LET'S PUT IT THAT
5 WAY.

6 Q ALL RIGHT.

7 A HE NEVER DID -- HE NEVER WOULD SHOW ME THE CAR.

8 Q O.K. DID YOU ALSO GO DOWN TO REDSTONE ARSENAL,
9 I BELIEVE IN ALABAMA, IS IT?

10 A HUNTSVILLE.

11 Q HUNTSVILLE, ALABAMA -- AND TRY TO GET SCIENTISTS
12 FROM THE UNITED STATES TO GO OVER TO AUSTRALIA AND TAKE A
13 LOOK AT THIS INVENTION?

14 A MR. FANCHER, WHO WAS FORMERLY FROM ALABAMA -- HE
15 WAS AN AMERICAN, REALLY, WHO HAD MOVED TO AUSTRALIA -- HAD
16 MET TWO INDIVIDUALS AND HAD EXPLAINED TO THEM WHAT THIS GENTLE-
17 MAN IN AUSTRALIA WAS SUPPOSED TO BE DEVELOPING. AND I CAME
18 ACROSS A LETTER FROM THE NUCLEAR COMMISSION OF AUSTRALIA
19 PERTAINING TO THIS AUTOMOBILE, AND THEY GAVE SOME CREDIBILITY
20 TO THIS GENTLEMAN THERE, AS A RESULT OF WHICH, AT THE SUGGES-
21 TION OF MR. FANCHER, I MET WITH TWO INDIVIDUALS--AND I DON'T
22 REMEMBER BOTH OF THEIR NAMES; I DO REMEMBER ONE OF THEM'S
23 NAME WAS HUGH GREEN -- AND HAD THIS DOCUMENT FROM AUSTRALIA.
24 AND IN ORDER TO VERIFY THE ACCURACY OF MR. -- THE GENTLEMAN,
25 THE FELLOW WHO WAS EXPERIMENTING THERE, IT REQUIRED CERTAIN

1 INSTRUMENTATION, THE TYPE OF WHICH I AM NOT FAMILIAR. AND
2 THE ONLY INSTRUMENTATIONS--OR ONLY MEANS THAT THIS COULD BE
3 DONE WOULD BE SOMEBODY THROUGH THE FEDERAL GOVERNMENT.

4 Q ALL RIGHT. SO YOU WENT TO REDSTONE TO TRY TO FIND
5 SOME SCIENTISTS WHO PERHAPS COULD GO TO AUSTRALIA AND TAKE
6 A LOOK AT THIS PROJECT?

7 A YES.

8 Q AND WAS ONE OF THE SCIENTISTS A MAN NAMED MILLER?
9 DO YOU REMEMBER?

10 A THERE WAS THREE GENTLEMEN THAT WE MET. WE MET FOR
11 LUNCH. ONE OF THEM LEFT EARLY. AND I JUST REMEMBER THE GUY'S
12 NAME HUGH GREEN BECAUSE HE WAS AN AUTOMOTIVE ENGINEER OF SORTS.

13 Q DO YOU REMEMBER ANY OF THESE SCIENTISTS DOWN AT
14 REDSTONE TELLING YOU THAT UNDER THE PROPOSAL FROM AUSTRALIA,
15 THAT THE NUCLEAR REACTION WOULD KILL THE DRIVER IN LESS THAN
16 A MINUTE IF IT WERE EVER ENACTED? DO YOU REMEMBER ANYTHING
17 ALONG THOSE LINES?

18 A I REMEMBER THE STATEMENT BEING MADE THAT WITH THE
19 TECHNOLOGY THAT THEY HAD AVAILABLE AT THE TIME, THAT IT WOULD
20 BE HIGHLY DANGEROUS TO NOT NECESSARILY THE DRIVER, ANYONE
21 IN THE PROCESS OF CONVERTING HYDROGEN -- I MEAN CONVERTING
22 WATER TO HYDROGEN.

23 Q DID YOU TAKE THE PROJECT SERIOUSLY ENOUGH TO OFFER
24 TO PAY, YOURSELF, OR PAY THROUGH OTHER PEOPLE FOR THE SCIENTISTS
25 TO GO TO AUSTRALIA?

1 A YES.

2 Q AND WHAT WAS YOUR RESPONSE? WERE YOU SUCCESSFUL
3 IN GETTING THESE PEOPLE OVER THERE?

4 A WELL, I THINK THE RESPONSE I GOT IN HUNTSVILLE WAS
5 THAT THIS WOULD HAVE TO BE APPROVED BY SOMEBODY IN THE FEDERAL
6 GOVERNMENT.

7 Q AND ON YOUR OWN, WERE YOU ABLE TO ACCOMPLISH THAT?

8 A WHAT DO YOU MEAN? GET THEM OVER THERE?

9 Q YES.

10 A NO.

11 Q AND DID YOU SEEK ASSISTANCE FROM CONGRESSMAN HANSEN?

12 A I ASKED CONGRESSMAN HANSEN TO MAKE AN APPOINTMENT
13 WITH THE SECRETARY OF THE NAVY FOR ME.

14 Q OF THE --

15 A I MEAN THE ARMY.

16 Q AND HIS NAME WOULD BE?

17 A JACK MARSH.

18 Q AND WHAT PURPOSE, SIR?

19 A I WANTED TO TRY TO PROCURE THE INTEREST OF THE GOVERN-
20 MENT TO CHECK OUT WHETHER OR NOT THIS FELLOW WAS REAL LEGITI-
21 MATE AND WHETHER OR NOT BY SOME FAR MEANS THAT HE COULD HAVE
22 SOMETHING.

23 Q AND WHY DID YOU GO TO CONGRESSMAN HANSEN?

24 A NO PARTICULAR REASON. I JUST -- I WANTED AN APPOINT-
25 MENT WITH THE SECRETARY OF THE ARMY.

1 Q DID YOU THINK HE COULD SET IT UP MORE EFFECTIVELY
2 THAN YOU COULD?

3 A I WOULD ASSUME THAT HE COULD GET IT FASTER THAN
4 I COULD.

5 Q ALL RIGHT. AND DID YOU THINK HE MIGHT HAVE A LITTLE
6 MORE IMPACT THAN YOU WOULD?

7 A NO, NOT REALLY. BECAUSE I KNEW MR. MARSH.

8 Q WELL, THEN, WHAT WAS YOUR POINT OF USING CONGRESSMAN
9 HANSEN?

10 A I REALLY HAVE NO ANSWER ONE WAY OR THE OTHER AS
11 TO WHY I USED HIM. I JUST DID.

12 Q WELL, OBVIOUSLY, YOU PICKED UP THE PHONE AND YOU
13 CALLED CONGRESSMAN HANSEN AND SAID, "MAKE ME AN APPOINTMENT."

14 A YES. OR SOMETHING TO THAT EFFECT.

15 Q OF COURSE, I'M NOT QUOTING YOU. AND THE OBVIOUS
16 QUESTION IS: WHAT WERE YOU HOPING TO GAIN BY MAKING THAT
17 REQUEST?

18 A I WAS HOPING TO TRY TO GET THE GOVERNMENT TO VERIFY
19 WHETHER OR NOT THAT THIS FELLOW WAS -- REALLY HAD SOMETHING,
20 BECAUSE IT WAS FAR, FAR BEYOND MY CAPABILITIES.

21 Q AND TO ACCOMPLISH THAT, YOU WANTED TO GO TO THE
22 TOP; YOU WANTED TO GO TO THE SECRETARY OF THE ARMY.

23 A WELL, I WANTED TO SEE IF THE SECRETARY OF THE ARMY
24 WOULD PERMIT THESE TWO INDIVIDUALS TO GO OVER THERE TO VERIFY
25 WHETHER OR NOT THERE WAS REALLY A CONVERSION FROM WATER TO

1 HYDROGEN.

2 Q O.K.

3 A OR FIND OUT ANYTHING THEY COULD.

4 Q AND TO SET IT UP, YOU WANTED CONGRESSMAN HANSEN
5 TO PAVE THE WAY. IS THAT FAIR?

6 A WANTED CONGRESSMAN HANSEN TO DO WHAT?

7 Q PAVE THE WAY FOR YOUR MEET WITH SECRETARY MARSH.

8 A WELL, I HAD KNOWN CONGRESSMAN HANSEN BEFORE. I
9 CONSIDERED HIM A FRIEND, AND I KNEW HIM, AND, I MEAN, I JUST
10 CALLED HIM.

11 Q O.K. DO YOU REMEMBER--WAS THERE IN FACT SUCH A
12 MEETING WITH THE SECRETARY?

13 A YES.

14 Q DO YOU REMEMBER THE --

15 A WELL, THE SECRETARY CAME IN AND GREETED ME AND TALKED
16 WITH ME, SHOOK HANDS, AND SAID THAT HE HAD SOMEONE ELSE THERE,
17 ONE OF HIS DEPUTIES; HE SAID THIS FELLOW IS KNOWLEDGEABLE
18 IN AFFAIRS SUCH AS THIS -- OR NOT AFFAIRS, BUT MATTERS SUCH
19 AS THIS. AND ACTUALLY, I DON'T THINK HE WAS THERE OVER FIVE
20 MINUTES, MAYBE.

21 Q WAS CONGRESSMAN HANSEN WITH YOU?

22 A I BELIEVE HE WAS. I THINK THEY HAD KNOWN EACH OTHER,
23 JACK MARSH HAD BEEN IN THE CONGRESS, MAYBE, WITH HIM. I'M
24 NOT SURE.

25 Q DO YOU RECALL THE DATE OF THE MEET?

1 A I REALLY DON'T.

2 Q ARE THERE ANY DATES UP THERE THAT MAY HELP YOU TO
3 REMEMBER?

4 A OTHER THAN WHAT I'VE BEEN TOLD.

5 Q AND YOU'VE BEEN TOLD B' REPRESENTATIVES OF THE
6 GOVERNMENT?

7 A YES.

8 Q HOW ABOUT MR. MEADE?

9 A HE WAS THERE, I BELIEVE.

10 Q ALL RIGHT. BUT AS YOU SIT HERE NOW, YOU HAVE NO
11 INDEPENDENT RECOLLECTION OF WHEN THAT MEETING WAS?

12 A OTHER THAN WHAT YOU'VE TOLD ME, OR SOMEBODY TOLD ME.

13 Q ALL RIGHT. DOES THAT ENABLE YOU TO REMEMBER?

14 A NO, NOT REALLY.

15 Q ALL RIGHT. WHAT WAS THE RESULT OF THE MEET WITH
16 THE SECRETARY OF THE ARMY? DID THEY ACCEDE TO YOUR REQUEST?

17 A I CAN'T REMEMBER THE DEPUTY'S NAME, BUT I DO REMEM-
18 BER HE WAS FROM MICHIGAN. I THINK HE HAD WORKED WITH FORD
19 MOTOR, WAS ONE OF THE REASONS THE SECRETARY HAD HIM THERE.
20 AND HE PROCEEDED TO SAY THAT UNLESS THERE WAS SOME REALLY
21 ADVANCED TECHNOLOGY, THAT IN HIS OPINION, THAT IT WOULD BE
22 MOST UNECONOMICAL TO CONVERT HYDROGEN -- I MEAN MAKE HYDROGEN
23 OUT OF WATER WITH THE PRESENT TECHNOLOGY THAT WAS AVAILABLE.

24 Q SO IS IT FAIR TO SAY THAT THAT MEETING OF JULY --
25 OR THAT MEETING AT THE PENTAGON DID NOT PRODUCE THE RESULT

1 THAT YOU WANTED? SCIENTISTS WERE NOT SENT OVER TO AUSTRALIA?

2 A THEY WERE NOT SENT THERE. AND I THINK THAT I WAS
3 READY TO CONCEDE THAT THIS FELLOW DIDN'T KNOW -- THIS FELLOW
4 REALLY, IN AUSTRALIA, WAS NOT CAPABLE OF DOING WHAT HE SAID
5 HE COULD DO.

6 Q BUT NEVERTHELESS, YOU WENT TO AUSTRALIA TWO TIMES
7 AFTER THE PENTAGON MEETING, DID YOU NOT?

8 A I THOUGHT I -- IF MY MEMORY SERVES ME CORRECTLY,
9 I WENT AFTER THAT MEETING.

10 Q RIGHT.

11 A BUT, NO, I DIDN'T GO TWO TIMES AFTER THAT MEETING
12 THAT I RECALL. I THINK THE FIRST MEETING -- I MEAN THE FIRST
13 TRIP TO AUSTRALIA, I DON'T REMEMBER PRECISELY WHEN IT WAS,
14 BUT --

15 Q MAYBE THIS WILL HELP YOU. DO YOU RECALL -- YOU
16 SAID YOU WERE OUT OF THE COUNTRY WHEN THE \$60,000 LOAN WAS
17 MADE?

18 A YES.

19 Q ISN'T IT TRUE THAT YOU WENT TO AUSTRALIA AUGUST 14?

20 A I THINK THAT'S ACCURATE. I WAS EITHER THERE OR
21 GETTING READY TO GO.

22 Q ALL RIGHT. SO YOU CERTAINLY WERE INTERESTED IN
23 THE HYDROGEN CAR AS OF AUGUST 14TH.

24 A WELL, MY INTEREST HAD WANED AFTER I TALKED TO THE
25 SECRETARY; LET'S PUT IT THAT WAY -- OR HIS REPRESENTATIVE.

1 Q WELL, DID YOU TOUT YOUR RELATIONSHIP WITH CONGRESS-
2 MAN HANSEN TO ANY OF THE SCIENTISTS AFTER THE PENTAGON MEETING?

3 A TOUT IT? YOU MEAN DID I BRAG ABOUT IT?

4 Q WELL, REPRESENT TO THE SCIENTISTS IN REDSTONE, FOR
5 EXAMPLE, THAT CONGRESSMAN HANSEN WAS BEHIND THE PROJECT AND
6 YOU COULD GET HIM TO SECURE THEIR POSITIONS IF THEY GET IN
7 TROUBLE IF THEY GO TO AUSTRALIA?

8 A I DON'T RECALL THAT. I THINK I TOLD THEM THAT I
9 WAS GOING TO TRY TO SEEK AN APPOINTMENT WITH THE SECRETARY.

10 Q WHAT ABOUT FOLLOWING THAT MEETING?

11 A I MAY OR MAY NOT HAVE TALKED TO THEM AFTER THAT.
12 I DON'T EVEN REMEMBER.

13 Q AND DO YOU RECALL TALKING TO THEM ABOUT CONGRESSMAN
14 HANSEN?

15 A I VERY WELL COULD HAVE.

16 Q DID YOU ASK CONGRESSMAN HANSEN TO LOBBY THE PENTAGON
17 TO GET THE SCIENTISTS TO GO TO AUSTRALIA AFTER THE MEETING
18 WITH SECRETARY MARSH?

19 A DID I ASK HIM TO LOBBY FOR WHAT, NOW?

20 Q TO GET THE SCIENTISTS PERMISSION TO GO.

21 A I DON'T RECALL THAT.

22 Q DO YOU KNOW WHETHER OR NOT HE DID?

23 A NO.

24 Q IF HE DID, WOULD IT HAVE BEEN PURSUANT TO YOUR
25 INSTRUCTIONS OR SOMEONE ELSE'S INSTRUCTIONS, IF YOU KNOW?

1 MR. LEWIN: YOUR HONOR, I OBJECT TO THAT.

2 MR. WEINGARTEN: WITHDRAWN. WITHDRAWN.

3 THE COURT: IT IS WITHDRAWN, MR. LEWIN.

4 BY MR. WEINGARTEN:

5 Q MR. MCAFEE, DO YOU REMEMBER GOING UP TO WASHINGTON
6 ON AUGUST THE 12TH, TWO DAYS BEFORE THE LOAN WAS SIGNED AND
7 TWO DAYS BEFORE YOU WENT TO AUSTRALIA?

8 A IF YOU SAY I DID, I GUESS I DID. I DON'T REMEMBER
9 IT.

10 Q ALL RIGHT. WELL, THINK BACK TO THE TRIP, O.K.?
11 DO YOU REMEMBER MAKING THE TELEPHONE CALL TO YOUR SECRETARY
12 TO SIGN THE CHECK TO GEORGE HANSEN FOR \$60,000?

13 A I DON'T REMEMBER. IF SHE SAYS I DID IT, I'M SURE
14 I DID.

15 Q ALL RIGHT. DO YOU RECALL THAT CALL BEING FROM AN
16 AIRPORT ON YOUR WAY TO AUSTRALIA?

17 A NO.

18 Q ALL RIGHT. I GUESS THE QUESTION IS -- WELL, LET
19 ME ASK YOU: WHO IS BILL FLEMING?

20 A HE'S MY PILOT -- OR WAS MY PILOT.

21 Q AND WHAT IS LONESOME PINE AIRPORT?

22 A THAT'S AN AIRPORT WHERE I LIVE.

23 Q AND WHEN YOU FLY FROM HOME UP TO WASHINGTON, DO
24 YOU USE THAT AIRPORT?

25 A YES.

Q AND IS MR. FLEMING THE PILOT THAT WOULD FLY YOU?

1 A YES. HE WOULD HAVE BEEN AT THE TIME.

2 Q ALL RIGHT. NOW, AUGUST 12TH, TWO DAYS BEFORE, DO
3 YOU RECALL FLYING UP TO WASHINGTON?

4 A I KNOW I HAD TO COME TO WASHINGTON TO GO TO THE --
5 TO PROCURE A VISA, AND IF THAT'S THE TRIP YOU HAVE REFERENCE
6 TO. BUT I REALLY DON'T.

7 Q ALL RIGHT. DURING A TRIP PRIOR TO GOING TO AUSTRALIA,
8 DID YOU MEET WITH CONGRESSMAN HANSEN?

9 A I COULD HAVE.

10 MR. WEINGARTEN: THANK YOU, SIR. NO FURTHER
11 QUESTIONS.

12 THE COURT: CROSS-EXAMINATION.

13 CROSS-EXAMINATION

14 BY MR. LEWIN:

15 Q GOOD MORNING, MR. MCAFEE.

16 A GOOD MORNING.

17 Q I BELIEVE YOU TESTIFIED THAT YOU ARE AND HAVE BEEN
18 AN ATTORNEY IN VIRGINIA FOR SOME PERIOD OF TIME; IS THAT
19 RIGHT?

20 A YES.

21 Q AND ABOUT HOW MANY YEARS HAS THAT BEEN?

22 A SINCE 19 -- WELL, I WAS IN THE NAVY ABOUT FOUR YEARS,
23 AND I WOULD SAY SINCE -- I THINK I PASSED THE BAR IN EITHER
24 '54 OR '55, AND I WAS IN THE NAVY A LITTLE OVER THREE YEARS,
25 AND I THINK I STARTED PRACTICING SOMETIME THE LATTER PART OF

1 '58 OR EARLY '59, BACK -- I MEAN I CAME BACK TO VIRGINIA.

2 Q AND YOU BRIEFLY TESTIFIED THAT AT THE TIME OF THE
3 HOSTAGE INCIDENT IN IRAN, YOU WERE REPRESENTING THE FAMILY
4 OF ONE OF THE HOSTAGES; IS THAT CORRECT?

5 A THAT'S CORRECT.

6 Q AND YOU HAVE, IN FACT, BEFORE THAT TIME ALSO
7 REPRESENTED OTHER CLIENTS WHO HAVE BEEN PUBLICLY FAMOUS, AS
8 IT WERE, OR KNOWN ABOUT IN THE PRESS; IS THAT CORRECT?

9 A THAT'S CORRECT.

10 Q SPECIFICALLY --

11 MR. WEINGARTEN: EXCUSE ME. I'M GOING TO OBJECT
12 TO THIS.

13 THE COURT: COUNSEL, WHY DON'T WE COME UP TO THE
14 BENCH. I'M NOT CERTAIN WHERE THIS IS GOING. LET'S MAKE SURE
15 IT IS RELEVANT.

16 (AT THE BENCH)

17 THE COURT: WHAT IS YOUR PROBLEM, MR. WEINGARTEN?

18 MR. WEINGARTEN: I THINK WHO HE REPRESENTS IS TOTALLY
19 IRRELEVANT.

20 THE COURT: WELL, I DON'T KNOW HOW IT IS GOING TO
21 TIE IN. OBVIOUSLY, MR. LEWIN WOULD HAVE SOME WAY OF TYING
22 IT IN.

23 MR. LEWIN: SOME BACKGROUND WITH REGARD TO MR.
24 MCAFEE, TO DEMONSTRATE THAT HE IS A PERSON AS TO WHOM THERE
25 WOULD BE NO RELUCTANCE ON THE PART OF CONGRESSMAN HANSEN TO

1 SHOW THAT HE HAD HAD ANY LOANS FROM MR. MCAFEE. MR. MCAFEE
2 IS A WELL-KNOWN ATTORNEY; HE HAS REPRESENTED FRANCIS GARY
3 POWERS PREVIOUSLY. WE HAVE ELICITED THE FACT -- MR.
4 WEINGARTEN ELICITED THE FACT THAT HE HAD REPRESENTED TIMMS.
5 I THINK SIMPLY THE FACT -- HE REPRESENTED PEOPLE IN TERMS
6 OF THE PUEBLO INCIDENT. HE IS A WELL-KNOWN ATTORNEY. HE
7 IS A PERSON ABOUT WHOM THERE IS NO --

8 THE COURT: ALL RIGHT. LET'S SAY IT IS SO. I WILL,
9 OBVIOUSLY, ACCEPT YOUR REPRESENTATION. HOW DO YOU PLAN TO
10 TIE THAT IN WITH MR. HANSEN AND THE LOANS?

11 MR. LEWIN: WELL, IF THERE IS SOME QUESTION AS TO --
12 MR. WEINGARTEN IS ASSERTING THERE WAS SOME ATTEMPT TO CONCEAL
13 THE FACT THAT THERE WAS A LOAN FROM MR. MCAFEE. MR. MCAFEE
14 IS WELL KNOWN, AND HE IS WELL KNOWN BOTH--IN TERMS OF I THINK
15 THE CAUSES HE REPRESENTED. THERE WOULD HAVE BEEN NO
16 EMBARRASSMENT TO CONGRESSMAN HANSEN IN TERMS OF PUTTING DOWN
17 THE LOAN IF IT HAD BEEN A LOAN TO HIM. THAT'S ALL I AM
18 POINTING OUT.

19 MR. WEINGARTEN'S ARGUMENT IS THAT THE LOAN FROM
20 MR. MEADE, FOR EXAMPLE -- HE ELICITED THE FACT THAT MR. MEADE
21 WAS CONVICTED, AND ARGUED TO THIS JURY IN OPENING STATEMENT
22 THAT CONGRESSMAN HANSEN'S REASON FOR NOT PUTTING THE LOAN
23 ON THE FORM WAS HE DID NOT WANT TO SHOW THAT HE RECEIVED A
24 LOAN FROM SOMEBODY WHO HAD BEEN CONVICTED. I THINK THE FACT
25 THAT MR. MCAFEE IS WELL KNOWN IS A SUBSTANTIAL COUNTERVAILING

1 FACTOR THAT DEMONSTRATES THAT HE IS --

2 THE COURT: BRIEFLY, BRIEFLY. BECAUSE WE ARE
3 CERTAINLY NOT GOING TO HAVE THE CASE OF GARY POWERS TRIED
4 HERE IN THE COURT.

5 MR. LEWIN: YES, OF COURSE.

6 THE COURT: VERY, VERY BRIEFLY, AND TIE IT IN
7 QUICKLY, WILL YOU PLEASE, MR. LEWIN?

8 MR. LEWIN: ALL RIGHT.

9 (END OF BENCH CONFERENCE)

10 BY MR. LEWIN:

11 Q I WAS ASKING YOU, MR. MCAFEE, WHETHER YOU HAD
12 REPRESENTED PREVIOUSLY CLIENTS WHOSE CASES AND MATTERS WERE
13 A MATTER OF PUBLIC INTEREST AND REPORTED, AND I THINK YOU
14 RESPONDED AFFIRMATIVELY; IS THAT CORRECT?

15 A YES.

16 Q SPECIFICALLY, FOR EXAMPLE, WITH REGARD TO FRANCIS
17 GARY POWERS, THE PILOT IN THE U-2 INCIDENT. DID YOU REPRESENT HIM?
18

19 A YES.

20 Q O.K. AND THAT WAS REPORTED IN THE PRESS, AND YOUR
21 REPRESENTATION OF HIM WAS REPORTED?

22 A YES.

23 Q YOU REPRESENTED ALSO IN CONNECTION WITH THE PUEBLO
24 INCIDENT, I BELIEVE YOU REPRESENTED SOME CLIENTS. WHAT WAS
25 THAT?

1 A I REPRESENTED A FATHER, AND I MADE A TRIP ALONG
2 WITH HIM TO MOSCOW. ANDY, ANYWAY, THEN I ENDED UP REPRESENT-
3 ING, OH, I THINK ABOUT -- I CAN'T REMEMBER THE EXACT NUMBER,
4 MAYBE 15 OR 20 MEMBERS OF THE CREW.

5 A OF THE CREW OF THE U.S.S. PUEBLO.

6 A YES.

7 Q AND THAT WAS ALSO REPORTED IN THE PRESS.

8 A I'M PRETTY SURE IT WAS. THE INCIDENT I'M SURE WAS.

9 Q IT'S FAIR TO SAY, ISN'T IT, THAT YOU ARE A WELL-
10 KNOWN, RESPECTED ATTORNEY ACCORDING TO MATTERS THAT ARE
11 REPORTED IN THE PRESS. YOU CONSIDER YOURSELF IN THAT REGARD,
12 DON'T YOU?

13 A WELL, I THOUGHT I WAS.

14 Q GOOD. O.K. I JUST WANTED TO ESTABLISH THAT.

15 A I MEAN I THOUGHT I WAS RESPECTED. NOW, I HOPE --
16 I DON'T KNOW.

17 Q AND THE PUBLIC KNOWS OF YOUR NAME IN CONNECTION
18 WITH THESE CASES, YOU THINK.

19 A GENERALLY SPEAKING, I'D SAY THAT'S CORRECT.

20 Q ALL RIGHT. FINE. NOW, LET ME TAKE YOU BACK, THEN,
21 TO 1979. YOU TESTIFIED THAT YOU REPRESENTED THE FAMILY OF
22 A HOSTAGE HELD IN TEHRAN, IS THAT RIGHT?

23 A YES, SIR.

24 Q AND WHO SPECIFICALLY? WHAT'S THE NAME OF THAT
25 FAMILY?

1 A WELL, IT WAS MRS. TIMM. BARBARA AND KENNETH TIMM
2 -- T-I-M-M-S, TIMMS. THE HOSTAGE'S NAME WAS NOT TIMM; IT
3 WAS KEVIN HERMANIE, AND HIS MOTHER WAS BARBARA TIMM, WHO HAD
4 REMARRIED MR. HERMANIE -- I BEG YOUR PARDON; MR. TIMM.

5 Q AND SHE RETAINED YOU FOR THE PURPOSE OF ASSISTING
6 IN TRYING TO RELEASE HER SON? IS THAT CORRECT?

7 A THAT'S CORRECT.

8 Q NOW, COULD YOU JUST EXPLAIN TO THE COURT AND JURY
9 HOW COME -- I'M SORRY. BEFORE I GET TO THAT -- STRIKE THAT.

10 WAS IT IN THAT CONTEXT THAT YOU FIRST CONTACTED
11 CONGRESSMAN HANSEN?

12 A YES.

13 Q ALL RIGHT. NOW, WOULD YOU EXPLAIN, PLEASE, TO THE
14 COURT AND JURY WHY IT WAS IN THAT CONTEXT THAT YOU CONTACTED
15 CONGRESSMAN HANSEN?

16 A BECAUSE THE CONGRESSMAN HAD BEEN OVER TO TEHRAN
17 I BELIEVE ON TWO OCCASIONS -- EITHER ONE OR TWO OCCASIONS.
18 AND HE HAD ALSO BEEN IN TOUCH WITH A FELLOW BY THE NAME OF
19 ALI AGAH, I BELIEVE HIS NAME WAS, WITH THE IRANIAN EMBASSY
20 HERE AT THAT TIME. AND HE HAD DEVELOPED A GOOD DEAL OF
21 CONTACTS WITH THE IRANIAN GOVERNMENT HERE, AS WELL AS IN
22 TEHRAN. AND, OBVIOUSLY, I WAS INTERESTED IN PROCURING AS
23 MUCH INFORMATION AS I POSSIBLY COULD IN THE HOPES OF ASSISTING
24 MY CLIENT.

25 Q AND YOU HAD LEARNED ABOUT THIS FROM THE PRESS, FROM

1 REPORTS ABOUT WHAT THE CONGRESSMAN HAD DONE.

2 A YES, I DID.

3 Q AND WHEN YOU WENT TO SEE THE CONGRESSMAN ABOUT THESE
4 MATTERS, WAS THE CONGRESSMAN HELPFUL?

5 A MOST HELPFUL.

6 Q COULD YOU BE SPECIFIC IN WHAT REGARDS HE WAS HELPFUL?

7 A HE, IF I REMEMBER CORRECTLY, CALLED AND MADE SOME
8 ARRANGEMENTS FOR US TO MEET WITH REPRESENTATIVES OF -- AT THE
9 IRANIAN EMBASSY AT THAT TIME. HE ALSO HAD MADE SOME CALLS
10 TO TEHRAN, BECAUSE A GREAT DEAL OF -- THE POWER STRUCTURE
11 AT THAT TIME WAS STUDENTS -- NOT STUDENTS, I GUESS. MAYBE
12 PEOPLE WHO HAD SPENT A CONSIDERABLE AMOUNT OF TIME IN THE
13 UNITED STATES WERE IN A POSITION OF AUTHORITY THERE. AND
14 HE ALSO INTERVENED IN BEHALF OF ME AND MY CLIENT WITH THE
15 STATE DEPARTMENT, IN TELEPHONE CALLS THERE.

16 I THINK HE EVEN SET UP AN APPOINTMENT FOR ME TO
17 MEET WITH A FORMER SENATOR FROM NORTH DAKOTA, WHO WAS REPRESENTING
18 THE IRANIAN GOVERNMENT AT THE MOMENT -- AT THAT TIME.
19 I MET WITH HIM. THERE WAS A NUMBER OF THINGS THAT HE DID DO.

20 Q AND IT'S A FACT, IS IT NOT, THAT FOR ALL THESE
21 MATTERS, HE WAS NOT ASKING YOU FOR ANYTHING AT THAT POINT?

22 A NO.

23 Q THIS WAS --

24 A NO. HE NEVER ASKED ME FOR ANYTHING.

25 Q AND YOU JUST CAME TO HIM AS AN ATTORNEY REPRESENTING

1 SOMEBODY IN TROUBLE, FAMILY OF SOMEBODY IN TROUBLE?

2 A WELL, I KNEW THAT HIS INTEREST WAS KEEN. I KNEW
3 THAT HE HAD BEEN THERE. IT WAS A SOURCE OF INFORMATION; IT
4 WAS A SOURCE OF HELP. AND HE OPENED HIS GOOD OFFICES TO ME
5 AND ASSISTED ME.

6 Q AND WERE YOU IN HIS OFFICES IN THAT PERIOD OF TIME
7 FREQUENTLY?

8 A I'M SURE I WAS. I MEAN I WOULDN'T BE ABLE TO TELL
9 YOU HOW MANY TIMES.

10 Q AND --

11 A AND I CALLED HIM FREQUENTLY.

12 Q AND YOU CALLED HIM FREQUENTLY. AND DID YOU, IN
13 FACT, TRAVEL OVER, AT ANY POINT, TO TEHRAN?

14 A YES, I DID.

15 Q IT'S A FACT, IS IT NOT, MR. MCAFEE, THAT YOU WERE
16 IN TEHRAN AT THE TIME THAT THE EFFORT -- ABORTIVE EFFORT WAS
17 MADE TO RESCUE THE HOSTAGES?

18 A YES, I WAS.

19 Q AND COULD YOU TELL US, TELL THE COURT AND JURY,
20 WHETHER YOU THINK CONGRESSMAN HANSEN WAS IN ANY WAY HELPFUL
21 IN TERMS OF YOUR PERSONAL SECURITY AND THAT OF YOUR CLIENT
22 AT THE TIME?

23 A I CONSIDER THAT HE -- FOR WANT OF AN EXPRESSION,
24 YOU KNOW, SORT OF HELPED SAVE MY HIDE.

25 Q YOU THINK HE HELPED SAVE YOUR HIDE AT THAT TIME.

1 A YES.

2 Q SO YOU MADE IT OUT OF TEHRAN AFTER THAT ABORTIVE
3 RESCUE EFFORT.

4 A YES.

5 Q NOW, DID YOU FEEL GRATEFUL TO HIM?

6 A I SURE DID.

7 Q DID HE ASK YOU FOR ANYTHING AT THAT POINT?

8 A NO.

9 Q NOW, WE ARE IN 1980, NOW, MR. MCALEE. DID YOU
10 SUBSEQUENT TO THAT TIME HAVE OCCASION TO TALK TO THE CONGRESS-
11 MAN BOTH ABOUT IRAN AND OTHER MATTERS?

12 A YES. WE TALKED FREQUENTLY ABOUT IRAN. I MIGHT
13 ADD THAT, IF MY MEMORY SERVES ME CORRECTLY, AFTER I GOT OUT,
14 THERE WAS A SECOND EFFORT FOR MRS. TIMM AND I TO GO BACK TO
15 TEHRAN, AND THE CONGRESSMAN ASSISTED IN THAT REGARD. AND
16 WE GOT TO PARIS. THEY WOULD NOT GIVE HER A VISA; THEY GAVE
17 ME A VISA. AND, ANYWAY, HE WORKED WITH ME CONSTANTLY THROUGH
18 THIS PERIOD -- I WON'T SAY CONSTANTLY. HE WORKED WITH ME
19 THROUGHOUT THE ENTIRE ORDEAL. AND AFTERWARD, AFTER THE RELEASE,
20 I TALKED WITH HIM FREQUENTLY.

21 Q YOU KNEW AT THE TIME THAT YOU CONTACTED CONGRESSMAN
22 HANSEN THAT HE WAS A REPUBLICAN, DID YOU NOT?

23 A YES.

24 Q AND YOU KNEW HE WAS A CONSERVATIVE REPUBLICAN.

25 A WELL, I WOULD SAY THAT MY IMPRESSION OF THE

1 CONGRESSMAN WAS THAT HE WENT WHERE ANGELS FEAR TO TREAD.
2 NOW, I DON'T KNOW WHETHER THAT IS CONSERVATISM OR NOT. BUT
3 I KNEW THAT HE WAS CERTAINLY WILLING TO UNDERTAKE CONTROVERSIAL
4 MATTERS.

5 Q BUT IN TERMS OF POLITICAL VIEWS, YOU KNEW THAT HE
6 WAS -- I MEAN NOT CONSERVATIVE IN THE SENSE OF NOT WILLING
7 TO TAKE RISKS, BUT CONSERVATIVE IN THE SENSE OF BEING
8 POLITICALLY CONSERVATIVE, IN THAT SENSE.

9 A I ASSUME THAT HE IS. THAT WAS NOT REALLY A FACTOR
10 IN MY THINKING. I JUST KNEW THAT HE WAS WILLING TO HELP IN
11 LOST CAUSES, I GUESS.

12 Q O.K. BUT LET ME ASK YOU, THEN, IF I MIGHT, JUST
13 BECAUSE IT'S RELEVANT IN TERMS OF THIS CASE, ASK YOU ABOUT
14 YOUR OWN VIEWS. ARE YOU ALSO POLITICALLY CONSERVATIVE?

15 A I ALWAYS HAVE A HARD TIME WITH CONSERVATIVE AND
16 LIBERAL PHRASES. I SUPPOSE I'M CONSERVATIVE IN SOME AND
17 LIBERAL IN OTHERS.

18 Q ALL RIGHT.

19 A BUT -- I DON'T KNOW HOW TO REALLY ANSWER THAT, OTHER
20 THAN TO SAY --

21 Q ALL RIGHT. LET ME ASK IT TO YOU ANOTHER WAY.

22 DID YOU SHARE AND HAVE YOU SHARED MANY OF CONGRESS-
23 MAN HANSEN'S VIEWS ON POLITICAL QUESTIONS?

24 A WELL, I'LL PUT IT THIS WAY: HE AND I -- I SHARED
25 ONE VIEW WITH HIM. HE AND I WERE NOT PARTICULARLY FOND OF

1 THE STATE DEPARTMENT. I MEAN THAT I REMEMBER VERY WELL.

2 Q HOW ABOUT THE INTERNAL SERVICE?

3 A I SURE SHARE HIS VIEWS ON THAT.

4 Q O.K. DID YOU IN THE COURSE OF 1980 ALSO HAVE
5 OCCASION AT VARIOUS TIMES THAT YOU WERE IN HIS OFFICE TO DISCUSS
6 VIEWS OF THE STATE DEPARTMENT, OF THE INTERNAL REVENUE SERVICE,
7 OF VARIOUS GOVERNMENT AGENCIES?

8 A YES.

9 Q DID HE BRING TO YOUR ATTENTION THE FACT THAT HE
10 PUBLISHED A BOOK IN 1980 THAT WAS CRITICAL OF THE INTERNAL
11 REVENUE SERVICE?

12 A YES.

13 MR. LEWIN: SPECIFICALLY, I WOULD LIKE TO HAVE MARKED
14 AS DEFENSE EXHIBIT --

15 THE DEPUTY CLERK: DEFENDANT'S EXHIBIT 12 MARKED
16 FOR IDENTIFICATION.

17 (DEFENDANT'S EXHIBIT NO. 12 WAS
18 MARKED FOR IDENTIFICATION)

19 BY MR. LEWIN:

20 Q I SHOW YOU WHAT I HAVE MARKED AS DEFENDANT'S
21 EXHIBIT 12 FOR IDENTIFICATION AND ASK YOU WHETHER YOU RECOG-
22 NIZE THAT BOOK.

23 A YES, I DO.

24 Q DID YOU GET A COPY OF THAT?

25 A I MEAN I DON'T --

1 Q I DON'T MEAN THAT PARTICULAR COPY, OF COURSE. I'M
2 SORRY. YOU ARE AN ATTORNEY, MR. HANSEN, SO YOU ARE VERY
3 SPECIFIC --

4 THE COURT: MR. MCAFEE, NOT MR. HANSEN.

5 MR. LEWIN: I MEAN MR. MCAFEE. I'M SORRY.

6 BY MR. LEWIN:

7 Q SO YOU ARE VERY SPECIFIC, AND I'M AFRAID THAT AT
8 TIMES MY QUESTIONS MAY NOT BE SUFFICIENTLY SPECIFIC FOR YOU.
9 SO YOU ARE CORRECT TO CORRECT ME.

10 BUT DO YOU RECOGNIZE THAT -- NOT THAT IDENTICAL
11 VOLUME, BUT --

12 A HE GAVE ME A BOOK LIKE THIS.

13 Q YES. AND HE GAVE IT TO YOU SOMETIME IN 1980, DURING
14 YOUR MEETINGS?

15 A YES, I'M SURE HE DID.

16 MR. LEWIN: WE OFFER DEFENDANT'S EXHIBIT 12 IN
17 EVIDENCE.

18 MR. WEINGARTEN: I WOULD LIKE TO APPROACH THE BENCH.

19 THE COURT: COUNSEL TO THE BENCH.

20 (AT THE BENCH)

21 THE COURT: IT IS INTERESTING, BUT OTHER THAN THE
22 FACT THAT THEY SHARED A BOOK THAT CONGRESSMAN HANSEN HAD
23 WRITTEN, WHAT IS YOUR RELEVANCE?

24 MR. LEWIN: MR. MCAFEE HAS TESTIFIED THAT HE LENT
25 THE MONEY, IN ANSWER TO MR. WEINGARTEN'S QUESTIONS, TO PROMOTE

1 A BOOK. AND, IN FACT, I WILL ELICIT THAT IT WAS MORE THAN
2 SIMPLY A BOOK. IT WAS THE WHOLE PURPOSE BEHIND THE BOOK.

3 THE COURT: THIS BOOK?

4 MR. LEWIN: IT IS THIS BOOK, EXACTLY THIS BOOK.
5 IT'S AT THE VERY HEART OF THE CASE, YOUR HONOR.

6 THE COURT: SO YOU ARE GOING TO TIE IN WHEN HE GAVE
7 HIM THE BOOK?

8 MR. LEWIN: I JUST DID. HE SAID IN 1980.

9 MR. WEINGARTEN: THE FACT THAT THERE'S A BOOK IS
10 FINE. THE JURY HAS SEEN THAT THERE IS A BOOK. BUT WE OBJECT
11 TO THE ADMISSION OF THE BOOK ITSELF. WHAT IS CONTAINED --
12 THE SUBSTANCE OF THE BOOK, WHAT IS CONTAINED THEREIN IS WHOLLY
13 IRRELEVANT. IT IS INFLAMMATORY; IT IS PREJUDICIAL. WE OBJECT
14 TO ITS ADMISSION INTO EVIDENCE. WE THINK IT WOULD BE GROSSLY
15 UNFAIR IF THAT BOOK WENT BACK WITH THE JURY.

16 MR. LEWIN: IT IS AMAZING. THE MAN TESTIFIES IN
17 ANSWER TO THE GOVERNMENT'S QUESTION THAT HE HAS GIVEN THIS
18 MONEY WHICH THE GOVERNMENT IS CHARGING TO PROMOTE THIS BOOK,
19 AND THE GOVERNMENT SAYS THE JURY CAN'T SEE THE BOOK?

20 MR. WEINGARTEN: THE JURY HAS SEEN THE BOOK. WHAT
21 THE JURY SHOULDN'T BE ABLE TO DO IS SEE THE SUBSTANCE.

22 MR. LEWIN: NO, THE WHOLE POINT OF THIS THING IS
23 THAT THIS INDIVIDUAL SUPPORTS, SUPPORTED AND LENT FUNDS PRE-
24 CISELY FOR THIS PURPOSE, WHICH WAS DESIGNED TO AMEND THE
25 INTERNAL REVENUE LAWS. THIS BOOK, WHICH IS THE STORY OF THE

1 IRS AND ITS ABUSE, IS EXACTLY WHAT CONGRESSMAN HANSEN WAS
2 SOLICITING THE FUNDS FOR. AND PLAINLY, IT IS, I THINK, THE
3 MOST ADMISSIBLE EXHIBIT I HAVE YET SEEN IN THIS CASE.

4 THE COURT: I WOULDN'T COUCH IT AS THE MOST ADMISSIBLE
5 EXHIBIT IN THIS CASE.

6 MR. LEWIN: WELL, I'M SORRY, YOUR HONOR.

7 THE COURT: BUT I WILL ADMIT IT OVER GOVERNMENT'S
8 OBJECTION. AND CERTAINLY, IN ARGUMENT THE GOVERNMENT CAN
9 MAKE ITS ARGUMENT THAT JUST THE FACT THE BOOK HAS BEEN WRITTEN
10 AND THE FACT THIS GENTLEMAN HAS SO TESTIFIED THAT HE GAVE
11 MONEY IN ORDER TO ENCOURAGE ITS PUBLICATION IS THE POINT THAT
12 IS TRYING TO BE MADE, RATHER THAN THE CONTENTS OF THE BOOK.
13 BUT I DON'T THINK WE HAVE TO BELABOR IT ANY MORE BEYOND TYING
14 IT IN TO THE REASON, IF IT IS GOING TO BE SO, THAT MR. MCAFEE
15 IS GOING TO EXPRESS WHY HE LENT MONEY. BUT OTHER THAN THAT,
16 THE CONTENTS OF THE BOOK, WE DON'T HAVE TO BELABOR, RIGHT,
17 MR. LEWIN?

18 MR. LEWIN: I AM NOT BELABORING IT, YOUR HONOR.
19 I DON'T THINK I HAVE BELABORED ANYTHING.

20 THE COURT: I AM SAYING JUST FOR THE FUTURE.

21 MR. LEWIN: YOUR HONOR, LET ME SAY: SEVERAL TIMES
22 WE HAVE BEEN UP TO THE BENCH AND YOUR HONOR HAS MADE STATEMENTS
23 TO ME, "LET'S KEEP IT CONCISE, DON'T BELABOR IT." I THINK
24 I HAVE NOT BELABORED ANYTHING IN THIS CASE, YOUR HONOR. I
25 HAVE MOVED IT ALONG. AND I DO NOT FEEL I WARRANT THOSE KIND

1 OF REMARKS FROM YOUR HONOR.

2 THE COURT: FINE. I JUST WANT TO MAKE CERTAIN IT
3 DOES MOVE ALONG, MR. LEWIN. BUT I ALSO WANT TO MAKE CERTAIN
4 WE DON'T GO INTO A DISCUSSION OF THE CONTENTS OF THE BOOK,
5 BECAUSE I THINK WE WILL AGREE THE ONLY REASON IT IS COMING
6 IN IS TO SHOW THAT KIND OF CONNECTION, IF ANY THERE BE, BETWEEN
7 MR. MCAFEE'S PAYMENT OF MONEY AND CONGRESSMAN HANSEN'S ACCEPTANCE
8 OF IT, AND SOMEHOW YOU WILL TIE THAT IN TO THE DISCLOSURE
9 FORMS. I ASSUME THAT'S WHY YOU ARE MOVING IT.

10 MR. LEWIN: RIGHT.

11 THE COURT: IT'S IN, OVER OBJECTION. ALL RIGHT.

12 (END OF BENCH CONFERENCE)

13 MR. LEWIN: SO, YOUR HONOR, I OFFER DEFENDANT'S
14 EXHIBIT 12 IN EVIDENCE.

15 THE COURT: IT'S IN.

16 MR. LEWIN: THANK YOU.

17 (DEFENDANT'S EXHIBIT NO. 12 WAS
18 RECEIVED IN EVIDENCE)

19 BY MR. LEWIN:

20 Q THE TITLE OF THE BOOK IS "TO HARASS OUR PEOPLE",
21 BY CONGRESSMAN GEORGE HANSEN AND LARRY ANDERSON, "THE STORY
22 OF THE IRS." AND THEN -- CAN I JUST READ THE FRONT COVER,
23 YOUR HONOR, JUST SO THAT --

24 THE COURT: I DON'T THINK THAT'S NECESSARY, MR.
25 LEWIN. IT IS IN EVIDENCE. BUT WE CAN HAVE THE TIE-IN NOW

1 THAT WE TALKED ABOUT AT THE BENCH.

2 BY MR. LEWIN:

3 Q YOU TESTIFIED ON DIRECT EXAMINATION, MR. MCAFEE,
4 THAT THE LOAN THAT THE GOVERNMENT HAS HAD YOU TESTIFY ABOUT
5 -- BOTH LOANS, THE \$25,000 LOAN AND THE \$60,000 LOAN, WERE,
6 TO YOUR UNDERSTANDING, FOR PROMOTION OF A BOOK.

7 A THAT'S CORRECT.

8 Q AND WAS THAT THE BOOK THAT YOU ARE JUST REFERRING
9 TO?

10 A I ASSUME THAT IT WAS.

11 Q AND THAT'S WHAT YOU UNDERSTOOD AT THE TIME THAT
12 THE CONGRESSMAN HAD SPOKEN TO YOU ABOUT SECURING FUNDS FOR
13 HIS USE IN 1981.

14 A YES.

15 Q HAD YOU PRIOR TO THAT TIME DISCUSSED WITH THE CONGRESS-
16 MAN HIS VIEWS CONCERNING THE INTERNAL REVENUE SERVICE?

17 A YES.

18 Q AND ITS ABUSES.

19 A YES.

20 Q AND YOU AGREED WITH HIS ESTIMATES REGARDING THE
21 INTERNAL REVENUE SERVICE.

22 A YES.

23 Q AND YOU HAD AGREED THAT WHAT WAS NEEDED WAS A CHANGE
24 OF INTERNAL REVENUE SERVICE PRACTICES?

25 A YES.

1 Q AND DID THAT MOTIVATE YOU IN TERMS OF MAKING THAT
2 LOAN?

3 A WELL, WHEN HE CALLED ME, TO BE VERY CANDID, VERY
4 HONEST WITH YOU, IF HE NEEDED MONEY, WHETHER IT WAS FOR THE
5 BOOK OR ANYTHING, I CONSIDERED THAT WHAT HE HAD ASSISTED ME
6 IN IN THE PAST CERTAINLY WOULD JUSTIFY HELPING THE MAN. SO,
7 CERTAINLY, THIS WAS IN MIND AT THE TIME, BECAUSE THAT'S WHAT
8 HE SAID.

9 Q HE DIDN'T ASK YOU FOR \$25,000 TO TAKE A VACATION
10 AROUND THE WORLD, DID HE?

11 A NO, SIR.

12 Q HE TALKED SPECIFICALLY ABOUT THAT BOOK WHICH HE
13 HAD GIVEN YOU A COPY OF.

14 A YES.

15 Q AND ABOUT ACHIEVING THE GOALS OF THAT BOOK, DIDN'T
16 HE?

17 A YES.

18 Q O.K. DID HE ALSO DISCUSS WITH YOU AT THE TIME,
19 MR. MCAFEE, THAT HE WAS INTENDING TO HAVE A NONPROFIT CORPORA-
20 TION THAT WOULD BE INVOLVED IN DISTRIBUTING OR PROMOTING THAT
21 BOOK?

22 A THE EXACT TERMINOLOGY -- TO ANSWER YOUR QUESTION,
23 I BELIEVE THAT'S A FAIR STATEMENT. I DO RECALL HIM MENTIONING
24 THAT HE HAD EITHER STARTED, WAS GOING TO START, AND THAT THERE
25 WERE SOME PROBLEMS WITH GETTING A TRUSTEE, OR SOMETHING TO THAT

1 EFFECT. BUT I WAS OF THE IMPRESSION THAT THERE WAS SUCH AN
2 ORGANIZATION -- OR WOULD BE SUCH AN ORGANIZATION; HOWEVER
3 YOU WANT TO PUT IT.

4 Q AND YOU TOLD THAT, IN FACT, TO MR. WEINGARTEN AND
5 MR. COLE WHEN YOU TESTIFIED BEFORE THE GRAND JURY, DIDN'T YOU?
6 DO YOU RECALL THAT?

7 WELL, LET ME SHOW YOU YOUR GRAND JURY TESTIMONY.

8 THE COURT: WELL, THE QUESTION IS: DO YOU RECALL
9 THAT? LET'S FIND OUT IF HE RECALLS IT, MR. LEWIN.

10 THE WITNESS: I MAY HAVE.

11 BY MR. LEWIN:

12 Q WELL, YOU WERE ASKED --

13 THE COURT: COULD WE HAVE A COPY, PLEASE, IF YOU
14 HAVE ONE, COUNSEL?

15 BY MR. LEWIN:

16 Q THE BOTTOM OF PAGE 46 AND THE TOP OF PAGE 47 --

17 THE COURT: THANK YOU.

18 BY MR. LEWIN:

19 Q -- YOU WERE ASKED: "DID CONGRESSMAN HANSEN AT ALL
20 MENTION TO YOU ANY KIND OF CORPORATE OR BUSINESS STRUCTURE
21 THAT HE HAD SET UP FOR THE PROMOTION OF HIS BOOK?

22 "ANSWER: YES.

23 "QUESTION: AND DID HE SAY THAT THIS WAS A LOAN
24 TO THAT CORPORATE OR BUSINESS STRUCTURE?"

25 "SPECIFICALLY, I DON'T REMEMBER.

1 "QUESTION: DID HE TELL YOU THE NAME OF THE CORPORATE
2 BUSINESS STRUCTURE?

3 "ANSWER: THE ONLY THING I REMEMBER ABOUT THAT,
4 HE INDICATED THAT HE HAD HAD SOME PROBLEMS WITH ONE OF THE
5 TRUSTEES. I'M NOT SURE WHETHER THE TRUSTEE -- I JUST REMEMBER
6 THAT HE HAD A PROBLEM, BECAUSE I WAS INQUISITIVE ABOUT, YOU
7 KNOW, EXACTLY WHY HE WANTED THE MONEY. AND I JUST REMEMBER
8 THAT HE COMMENTED ABOUT SOMETHING--NONPROFIT SOMETHING OR
9 OTHER, THAT HE HAD HAD TO LET GO OR THEY HAD TO LET GO, OR
10 THE DIRECTOR OR TRUSTEE OR SOMETHING. THAT'S ALL I CAN
11 REMEMBER ABOUT IT."

12 THEN YOU WERE ASKED AT THE BOTTOM OF THAT PAGE --

13 MR. WEINGARTEN: EXCUSE ME, YOUR HONOR. THIS
14 ISN'T THE PROPER PROCEDURE TO REFRESH THE WITNESS' RECOLLECTION.

15 BY MR. LEWIN:

16 Q WELL, WERE YOU ASKED THOSE QUESTIONS AND DID YOU
17 GIVE THOSE ANSWERS?

18 THE COURT: YES, MR. WEINGARTEN. I THINK THAT WE
19 CAN NOW ASK IF THE WITNESS WAS ASKED THOSE QUESTIONS, DOES
20 HE RECALL ANSWERING THEM, AND IS THERE ANYTHING THAT REFRESHES
21 HIS MEMORY.

22 THE WITNESS: I'LL PUT IT THIS WAY: IF IT'S THERE,
23 I'M SURE I SAID IT. I TALKED TO I BELIEVE MR. WEINGARTEN
24 BEFORE I EVER WENT TO THE GRAND JURY. I MEAN ON AN OCCASION
25 OTHER THAN THE DAY I WENT TO THE GRAND JURY, IF I REMEMBER

1 CORRECTLY. AND I'M SURE IF THAT'S THERE, I SAID IT.

2 BY MR. LEWIN:

3 Q AND AGAIN LET ME SHOW YOU AGAIN ON PAGE 73 OF THE
4 TRANSCRIPT. YOU SAY IF IT'S THERE.

5 MR. LEWIN: MAY I JUST READ ONE QUESTION AND ANSWER?

6 THE COURT: WHY DON'T YOU COME UP HERE, MR. LEWIN,
7 SO WE DON'T HAVE ANY DIFFICULTY IN THE FUTURE.

8 MR. MCAFEE, WOULD YOU STEP DOWN AGAIN FOR ONE
9 MOMENT, PLEASE.

10 (AT THE BENCH)

11 THE COURT: MY THINKING, MR. LEWIN, IS I DON'T SEE
12 ANYTHING DIFFERENT IN READING THIS THAN WHAT THE GENTLEMAN
13 JUST TESTIFIED TO ON THE STAND. IS THERE SOMETHING --

14 MR. LEWIN: WELL, ON THE STAND HE WAS UNSURE ABOUT
15 WHETHER -- AND WHAT I'M SAYING IS HERE IN THE GRAND JURY HE
16 IS QUITE SURE. IF YOUR HONOR WILL LOOK AT PAGE 73 --

17 MR. WEINGARTEN: IF THAT'S THE CASE, THE PROCEDURE
18 IS TO GIVE THE WITNESS THE GRAND JURY TESTIMONY SO HE CAN
19 READ THE PAGE HIMSELF.

20 THE COURT: THAT IS GENERALLY WHAT IS DONE, MR.
21 LEWIN, BECAUSE IN THE GRAND JURY TESTIMONY, A QUICK SKIMMING
22 OF THIS INDICATES HE DOESN'T PRECISELY REMEMBER, EITHER.

23 MR. LEWIN: PAGE 73 I THINK IT IS QUITE PRECISE.

24 THE COURT: OH, PERHAPS SO. I HAVEN'T SEEN 73.
25 LET'S SEE. WAS THE QUESTION AT LINE 9?

1 MR. LEWIN: YES. BEGINS AT LINE 9.

2 THE COURT: RIGHT. I DON'T KNOW WHETHER THAT IS
3 TIED INTO THE SAME PERIOD OF TIME OR NOT, BUT HE DOES TALK
4 ABOUT THE MARKETING OF THE BOOK. AND HE ASSUMED THAT IT WAS
5 SOMETHING LIKE THE HERITAGE, AND HE UNDERSTOOD THAT IT WAS
6 A NONPROFIT ORGANIZATION.

7 MR. LEWIN: BUT THAT'S QUITE DEFINITE, I THINK,
8 MORE SO THAN HE IS ON THE STAND. AND THAT WAS BACK IN --

9 THE COURT: WHY DON'T YOU HAVE HIM READ IT AND SEE
10 IF IT DOES REFRESH HIS RECOLLECTION WHILE HE HAS A CHANCE
11 TO VISUALLY LOOK AT IT AND READ IT HIMSELF. PERHAPS YOU WILL
12 SHOW HIM BOTH PLACES THAT YOU ARE REFERRING TO.

13 (END OF BENCH CONFERENCE)

14 BY MR. LEWIN:

15 Q MR. MCAFEE, IF I CAN JUST APPROACH YOU AND SHOW YOU
16 THE QUESTION AND ANSWER THAT BEGINS AT LINE 9 OF PAGE 73 AND
17 THE ANSWER THAT CONCLUDES AT LINE 20 AND ASK YOU WHETHER THAT
18 REFRESHES YOUR RECOLLECTION AS TO WHETHER YOU DISTINCTLY
19 TOLD THE GRAND JURY THAT YOU DID RECALL A NONPROFIT CORPORA-
20 TION BEING DISCUSSED BY CONGRESSMAN HANSEN TO PROMOTE THE
21 BOOK.

22 A YES, IT DOES.

23 Q SO, NOW, WAS THAT TRUE? WAS THAT ANSWER TRUE WHEN
24 IT WAS GIVEN IN THE GRAND JURY?

25 A YES, IT WAS.

1 Q O.K. SO COULD YOU JUST TELL US NOW -- I WILL ASK
2 YOU: DID CONGRESSMAN HANSEN DESCRIBE TO YOU AN ORGANIZATION,
3 A NONPROFIT ORGANIZATION WHICH HE WAS INTENDING TO SET UP
4 FOR THE PURPOSE OF CARRYING OUT THE EFFORTS THAT ARE DESCRIBED
5 IN THIS BOOK?

6 A YES, SIR.

7 Q ALL RIGHT. THANK YOU. AND DID YOU GIVE HIM THE
8 CHECKS FOR \$25,000 AND \$60,000 WITH THAT UNDERSTANDING IN
9 MIND, THAT THERE WOULD BE AN ORGANIZATION THAT WOULD BE PRO-
10 MOTING THIS BOOK?

11 A HE TOLD ME THAT, AND I --

12 Q THAT WAS PART OF YOUR TOTAL UNDERSTANDING WHEN YOU
13 WROTE OUT THOSE CHECKS, WASN'T IT?

14 A YES, SIR.

15 Q O.K. IT WAS NOT YOUR UNDERSTANDING, AGAIN, THAT
16 THIS WAS SOMETHING THAT HE WAS USING FOR SOME PLEASURE CRUISE
17 OR PERSONAL --

18 A NO.

19 Q ALL RIGHT.

20 A I REMEMBER HIM SAYING THAT HE WANTED TO PROMOTE
21 THE BOOK, THAT HE HAD AN ORGANIZATION, AND THAT WAS, YOU KNOW,
22 THE REASON FOR THE FUNDS.

23 Q FINE.

24 NOW, WITH REGARD TO THAT \$25,000 LOAN, THERE WAS
25 SOME TESTIMONY BY YOU TODAY IN RESPONSE TO MR. WEINGARTEN'S

1 QUESTIONS CONCERNING THE TIMING OF THE REPAYMENT OF THE
2 \$25,000 LOAN. AND I BELIEVE MR. WEINGARTEN ASKED YOU WHETHER
3 IT WASN'T TRUE THAT THE \$25,000 LOAN WAS NOT REPAYED UNTIL
4 JUNE OF 1983. DO YOU RECALL THAT THIS MORNING?

5 A I DON'T THINK -- MAYBE I DID SAY THAT. BUT I THINK
6 I SAID THAT I WAS TOLD BY THE BANK IN JUNE OF '83 --

7 Q RIGHT. AGAIN, YOU ARE BEING MORE PRECISE THAN I
8 AM, MR. MCAFEE, SO YOU'RE RIGHT.

9 A I DON'T KNOW. MAYBE I DID SAY WHAT YOU SAID, BUT
10 MY RECALL IS I GOT NOTIFICATION FROM THE BANK THAT IT HAD
11 BEEN PAID IN JUNE OF '83.

12 Q RIGHT. I STAND CORRECTED.

13 MR. WEINGARTEN WAS ASKING YOU, HOWEVER, WHETHER
14 IT WAS NOT A FACT THAT THE REPAYMENT WAS FIRST MADE AFTER
15 THE INDICTMENT IN THIS CASE. AND YOU SAID, I BELIEVE, YOU
16 DON'T KNOW WHEN THE INDICTMENT WAS.

17 A THAT'S CORRECT.

18 Q O.K. I WILL TELL YOU THAT THE INDICTMENT WAS IN
19 APRIL OF 1983, O.K.? SO JUNE DOES COME OUT TO BE AFTER APRIL,
20 IS THAT CORRECT?

21 A YES, SIR.

22 Q ALL RIGHT. I ASK YOU, HOWEVER, WHETHER IT IS NOT
23 A FACT THAT PRIOR TO THE INDICTMENT IN THIS CASE, YOU WERE
24 IN FACT ADVISED THAT COLLECTION PROCEEDINGS TO COLLECT ON
25 THAT NOTE WERE GOING TO BE BEGUN BY THE BANK? DO YOU REMEMBER

1 THAT?

2 A COLLECTION PROCEEDINGS?

3 Q THAT'S RIGHT. THAT THE BANK WAS INTENDING TO
4 PROCEED TO COLLECT ON THAT NOTE.

5 A THAT VERY WELL COULD BE TRUE.

6 Q WELL, LET ME SHOW YOU A DOCUMENT --

7 THE COURT: THE QUESTION IS: DO YOU REMEMBER THAT?

8 THE WITNESS: I THINK I DO, JUDGE. I MEAN I DON'T
9 KNOW WHAT DATE IT WAS, BUT I DO RECALL THAT THE BANK WAS
10 CALLING IN THE NOTE. I MEAN IF THAT'S WHAT YOU MEAN.

11 MR. LEWIN: ALL RIGHT.

12 YOUR HONOR, I DON'T HAVE COPIES OF THIS DOCUMENT,
13 BECAUSE THIS MATTER JUST CAME UP THIS MORNING.

14 THE COURT: ALL RIGHT. IF YOU WILL JUST SHOW IT
15 TO OTHER COUNSEL, THEN.

16 THE DEPUTY CLERK: DEFENDANT'S EXHIBIT 13 MARKED
17 FOR IDENTIFICATION.

18 (DEFENDANT'S EXHIBIT NO. 13 WAS
19 MARKED FOR IDENTIFICATION.)

20 BY MR. LEWIN:

21 Q I SHOW YOU WHAT HAS BEEN MARKED AS DEFENDANT'S EXHIBIT
22 13 FOR IDENTIFICATION, MR. MCAFEE, AND I ASK YOU WHETHER
23 YOU RECOGNIZE THAT LETTER.

24 A YES.

25 Q COULD YOU DESCRIBE, IS THAT A LETTER FROM YOU TO

1 CONGRESSMAN HANSEN?

2 A YES, IT IS.

3 Q AND WHAT IS THE DATE OF THAT LETTER?

4 A MARCH THE 15TH, '83.

5 Q MARCH 15TH, '83. SO THAT'S BEFORE APRIL OF 1983,
6 BEFORE THE INDICTMENT.

7 A YES.

8 Q ALL RIGHT. AND IT'S A LETTER THAT YOU WROTE TO
9 CONGRESSMAN HANSEN.

10 A YES, IT IS.

11 MR. LEWIN: WE OFFER DEFENDANT'S EXHIBIT 13 IN
12 EVIDENCE.

13 MR. WEINGARTEN: NO OBJECTION.

14 THE COURT: IT'S IN EVIDENCE, WITHOUT OBJECTION.

15 (DEFENDANT'S EXHIBIT NO. 13
16 WAS RECEIVED IN EVIDENCE)

17 BY MR. LEWIN:

18 Q AND WHAT IS ATTACHED TO IT, MR. MCAFEE?

19 A IT'S A STATEMENT OF INTEREST DUE, TO MYSELF, ODELL
20 ROGERS, STATING, "THE ACCRUED INTEREST ON YOUR DEMAND NOTE
21 TOTALING 25,000 WITH INTEREST AT THE RATE OF 20 PERCENT FROM
22 4/1/82 THROUGH 3/31/83 AMOUNTS TO \$4,999.99. WE SHOULD
23 APPRECIATE PAYMENT ON OR BEFORE 3/31/83."

24 Q O.K. AND COULD YOU READ THE LETTER THAT YOU WROTE
25 CONGRESSMAN HANSEN ON MARCH WHATEVER IT WAS, 1983?

1 A "DEAR GEORGE: I AM ENCLOSING A STATEMENT FROM
2 MINERS AND MERCHANTS BANK. AS I EXPLAINED TO YOU, DIFFERENCES
3 HAVE ARISEN BETWEEN MR. ROGERS AND MYSELF. IN ADDITION TO
4 THE ECONOMIC PLIGHT OF THE COAL BUSINESS, I AM UNABLE TO
5 HANDLE THIS MATTER. IT IS ABSOLUTELY MANDATORY THAT SOME
6 ARRANGEMENTS BE MADE WITHIN THE NEXT TWO TO THREE WEEKS."

7 Q IS IT FAIR TO SAY THAT THAT WAS A NOTIFICATION THAT
8 YOU HAD RECEIVED FROM THE BANK THAT THAT NOTE WOULD HAVE TO
9 BE PAID, AND YOU UNDERSTOOD OTHERWISE THERE MIGHT VERY WELL
10 BE SOME LEGAL ACTION TAKEN?

11 A I CONSTRUED THIS AS A DEMAND FOR INTEREST PAYMENT.

12 Q ALL RIGHT.

13 A I MEAN THAT'S WHAT IT SAYS. AND I WOULD ASSUME
14 THAT HAD THE INTEREST BEEN PAID, AGAIN -- I MEAN THAT'S AN
15 ASSUMPTION ON MY PART RIGHT NOW.

16 Q O.K. UNTIL THAT TIME -- THAT LETTER SPEAKS OF
17 DIFFERENCES BETWEEN YOURSELF AND MR. ROGERS.

18 A YES.

19 Q UNTIL THAT TIME, IS IT NOT A FACT THAT YOU HAD TOLD
20 CONGRESSMAN HANSEN THAT TO YOUR UNDERSTANDING, THE NOTE
21 COULD BE CONTINUED, SO LONG AS INTEREST WAS PAID?

22 A THAT WAS MY UNDERSTANDING.

23 Q AND YOU HAD SO COMMUNICATED THAT TO CONGRESSMAN
24 HANSEN PRIOR TO MARCH OF 1983.

25 A I VERY LIKELY DID. I MEAN I DO RECALL TELLING HIM

1 THAT MR. ROGERS AND I HAD PARTED COMPANY AND THAT I WAS CER-
2 TAINLY NOT IN CONTROL OF WHAT HE MAY OR MAY NOT WANT TO DO.

3 Q AND IN FACT, THE LAWSUIT THAT WAS ULTIMATELY BROUGHT
4 AFTER THE INDICTMENT WAS A LAWSUIT THAT WAS BROUGHT BY MR.
5 ROGERS WITHOUT YOUR CONSENT.

6 A WELL, THERE IS A DIFFERENCE OF OPINION ON THAT.
7 SOME SAY I CONSENTED; SOME SAY I DIDN'T.

8 THE COURT: WHAT DO YOU SAY, SIR? THE QUESTION
9 WAS ASKED OF YOU.

10 THE WITNESS: I REALLY DON'T RECALL CONSENTING TO
11 IT, BECAUSE I DO REMEMBER MR. -- THE CONGRESSMAN'S ADMINIS-
12 TRATIVE ASSISTANT, NOT MCKNIGHT, BUT --

13 BY MR. LEWIN:

14 Q MCKENNA.

15 A MCKENNA.

16 Q YES, SIR.

17 A -- TELLING ME THAT THEY WERE GOING TO SATISFY THIS
18 MATTER WITHIN 30 TO 60 DAYS. THEN MR. MCKENNA CALLED ME AND
19 SAID, "WHY ARE YOU SUING ME", OR WORDS TO THAT EFFECT. I
20 SAID THAT I DIDN'T KNOW THAT I WAS.

21 Q YOU DIDN'T KNOW THAT A SUIT HAD BEEN BROUGHT.

22 A NO, I REALLY DIDN'T.

23 Q O.K. WITH REGARD TO THAT NOTE, THE \$25,000 NOTE
24 AND THE \$60,000 NOTE, IT'S A FACT, ISN'T IT, MR. MCAFEE, THAT
25 YOU DIDN'T SPECIFICALLY TELL CONGRESSMAN HANSEN THAT THAT

1 NOTE WAS GOING TO BE USED WITH A BANK?

2 A I DON'T KNOW WHAT I TOLD HIM, REALLY, ABOUT THE NOTE.

3 Q YOU MAY NOT HAVE TOLD HIM ANYTHING LIKE THAT AT
4 ALL. HE MAY JUST SIMPLY HAVE THOUGHT THE NOTE WOULD GO TO
5 YOU AND WOULD STAY WITH YOU UNTIL IT WOULD BE PAID.

6 A IT COULD HAVE BEEN EITHER WAY.

7 Q O.K. IT IS ALSO A FACT, ISN'T IT, THAT THAT
8 \$25,000 LOAN, HE INDICATED TO YOU THAT FOR PURPOSES OF PRO-
9 MOTING THE BOOK, HE NEEDED MORE THAN 25,000, BUT ALL THAT
10 YOU WERE PREPARED TO GIVE HIM IN JULY WAS 25,000? MAYBE THAT
11 QUESTION IS ALL TOO COMPLICATED.

12 WITH REGARD TO THE \$25,000 LOAN, DIDN'T CONGRESSMAN
13 HANSEN INDICATE TO YOU IN JULY THAT HE NEEDED MORE THAN 25,000
14 FOR THAT PURPOSE?

15 A YES. IN THE VERY BEGINNING, YES.

16 Q AND YOU JUST TOLD HIM, "LOOK, ALL I COULD GIVE YOU
17 AT THE PRESENT TIME FOR THIS PURPOSE OF PROMOTING THE BOOK
18 AND THE ORGANIZATION IS 25,000."

19 A IF I RECALL CORRECTLY, I TOLD HIM THAT I HAD A
20 BUSINESS PARTNER AND THAT I WOULD CONSULT WITH HIM AND SEE
21 IF WE COULDN'T ASSIST IN THE 25,000. I BELIEVE THAT'S CORRECT.

22 Q BUT MY POINT IS THAT HE INDICATED TO YOU THAT HE
23 NEEDED MORE THAN THAT, AND YOU SAID --

24 A AS MY MEMORY SERVES ME, I THINK THAT'S CORRECT.

25 Q WELL, IF YOU HAVE SOME DOUBT, LET ME SHOW YOU PAGE 26

1 OF YOUR GRAND JURY TRANSCRIPT, LINES 5 THROUGH 11.

2 A 5 THROUGH 11?

3 Q YES.

4 A YES, SIR.

5 Q NOW, HAVING READ THAT, DOES THAT REFRESH YOUR
6 RECOLLECTION THAT IN FACT, CONGRESSMAN HANSEN INDICATED TO
7 YOU THAT FOR THE PROJECT FOR WHICH HE WAS SOLICITING YOUR
8 ASSISTANCE, HE WOULD NEED SUBSTANTIALLY MORE THAN \$25,000,
9 BUT YOU SAID, "ALL I CAN HANDLE IS 25,000 AT THE PRESENT
10 TIME"?

11 A THAT'S CORRECT.

12 Q AND A MONTH THEREAFTER, OR LESS -- APPROXIMATELY
13 A MONTH THEREAFTER, HE INDICATED TO YOU AGAIN THAT HE DID
14 NEED ADDITIONAL FUNDS, AND AT THAT POINT YOU WERE IN A POSI-
15 TION TO MAKE THAT \$60,000 LOAN -- OR TO APPROVE THE WRITING
16 OF THE CHECK ON THE \$60,000 LOAN.

17 A I AM ASSUMING THAT'S CORRECT.

18 Q WELL, YOU DID APPROVE --

19 A THE LOAN WAS MADE.

20 Q THE LOAN WAS MADE THE SECOND TIME. ALL RIGHT.

21 NOW, THERE HAS BEEN SOME TESTIMONY ON YOUR DIRECT
22 EXAMINATION ABOUT MATTERS HAVING TO DO WITH THIS HYDROGEN
23 CAR AND A VISIT THAT YOU MADE TO THE SECRETARY OF THE ARMY.
24 YOU RECALL THAT MR. WEINGARTEN INQUIRED AS TO THAT.

25 A YES, I DO.

1 Q O.K. NOW, LET ME ASK YOU FIRST, IN THAT REGARD,
2 MR. MCAFEE, IS THERE THE SLIGHTEST -- THE SLIGHTEST POSSI-
3 BILITY WHATEVER THAT THERE WAS ANY CAUSAL RELATIONSHIP IN
4 YOUR MIND BETWEEN THE MEETING WITH THE SECRETARY OF THE ARMY
5 OR CONGRESSMAN HANSEN'S REQUEST THAT THERE BE SUCH A MEETING
6 AND EITHER OF THESE LOANS?

7 A IN MY MIND, THERE IS ABSOLUTELY, UNEQUIVOCALLY,
8 IN MY OPINION, AND IN MY FEELINGS, THAT THIS HAD NOTHING
9 TO DO WITH THE HYDROGEN CAR.

10 Q AND WITH THE MEETING WITH THE SECRETARY OF THE ARMY.

11 A AND THE SECRETARY OF THE ARMY, OR ANY OTHER MEETINGS
12 THAT -- ANYTHING.

13 Q HOW WOULD YOU COMPARE THE MATTER OF THE SETTING
14 UP THIS MEETING WITH THE SECRETARY OF THE ARMY WITH THE
15 VARIOUS THINGS THAT YOU HAVE PREVIOUSLY DESCRIBED THAT
16 CONGRESSMAN HANSEN DID FOR YOU, IN TERMS OF IMPORTANCE, IN
17 TERMS OF EFFORT? WAS IT AT ALL COMPARABLE?
18 WELL, YOU MEAN IN REGARD TO THE IRANIAN MATTER?

19 Q YES.

20 A WELL, IN MY OPINION, IT WAS MORE IMPORTANT IN THE
21 IRANIAN MATTER THAN ANY OF THIS.

22 Q OF COURSE. AND CONGRESSMAN HANSEN ASKED YOU FOR
23 NOTHING IN CONNECTION WITH THE IRANIAN MATTER.

24 A NOTHING.

25 Q LET'S GO TO THE MEETING WITH THE SECRETARY OF THE

1 ARMY. DID YOU KNOW THE SECRETARY OF THE ARMY BEFORE YOU WENT
2 TO MEET HIM?

3 A YES, I DID.

4 Q AND HOW DID YOU KNOW HIM?

5 A WELL, OF COURSE, HE WAS A CONGRESSMAN, I THINK,
6 FROM EITHER THE SIXTH DISTRICT OR -- OF VIRGINIA AT ONE TIME.
7 HE WAS ALSO COUNSEL FOR VICE PRESIDENT FORD WHEN HE WAS VICE
8 PRESIDENT. THEN HE ASSUMED THE SAME ROLE AS COUNSEL TO THE
9 PRESIDENT. AND I MET HIM FIRST AS COUNSEL FOR PRESIDENT FORD.
10 THEN LATER, HE GOT INTO PRIVATE PRACTICE IN D. C., AND I
11 TALKED TO HIM AND MET HIM THEREAFTER.

12 Q IN YOUR VIEW, COULD YOU HAVE CALLED UP THE
13 SECRETARY OF THE ARMY AND ARRANGED AN APPOINTMENT?

14 A I'M SURE I COULD HAVE.

15 Q DID YOU HAVE OTHER CONGRESSMEN YOU KNEW WHO COULD
16 HAVE ARRANGED AN APPOINTMENT WITH THE SECRETARY OF THE ARMY?

17 A I DID.

18 Q WHY DID YOU HAPPEN TO CHOOSE CONGRESSMAN HANSEN TO
19 MAKE THAT CALL?

20 A I DON'T KNOW. YOU KNOW, AS A RESULT OF THE IRANIAN
21 INCIDENT, I HAD DEVELOPED A FRIENDLY RELATIONSHIP WITH GEORGE
22 HANSEN, AND I DON'T KNOW; I JUST DID.

23 Q IT SEEMED A VERY --

24 A I CONSIDERED HIM A FRIEND OF MINE, AND, YOU KNOW,
25 HE CERTAINLY HAD BEEN MORE THAN CONSIDERATE AND COMPASSIONATE

1 TO ME IN TIMES OF TROUBLE, AND I -- THERE'S NO SPECIFIC REASON,
2 REALLY.

3 Q DID YOU HAVE ANY FEAR THAT THE SECRETARY OF THE
4 ARMY WOULD REFUSE TO SEE YOU IF YOU SIMPLY CALLED UP OR HAD
5 SOME OTHER CONGRESSMAN CALL UP?

6 A NO.

7 Q IT WAS PURELY A MINISTERIAL MATTER. IT WOULD BE
8 EASIER AND FACILITATE THINGS SOMEWHAT IF A CONGRESSMAN CALLED
9 UP AND SAID, "LOOK, WILL YOU MEET THESE FOLKS TO TALK ABOUT
10 IT." IS THAT A FAIR STATEMENT?

11 A I WOULD SAY THAT'S FAIR.

12 Q O.K. NOW, WITH REGARD TO THE MEETING ITSELF, IT'S
13 A FACT, IS IT NOT, THAT CONGRESSMAN HANSEN DIDN'T STAY FOR
14 THAT MEETING?

15 A NO, HE DID NOT. NOR DID THE SECRETARY.

16 Q NOR DID THE SECRETARY.

17 A WELL, IF YOU CALL MEETING THE SUBSTANCE OF THE
18 MEETING.

19 Q O.K.

20 A THERE WAS, YOU KNOW, "HELLO, HOW ARE YOU, WHAT'VE
21 YOU BEEN DOING," AND INTRODUCED ME TO THIS OTHER FELLOW.

22 Q AND CONGRESSMAN HANSEN LEFT IMMEDIATELY.

23 A YES.

24 Q O.K.

25 A AND MR. MARSH DID, TOO.

1 Q AND MR. MARSH DID, TOO. AND YOU WERE LEFT WITH
2 MR. MEADE AND THE UNDERSECRETARY OF THE ARMY TO DISCUSS THIS
3 MATTER, WHETHER SOMEBODY WAS GOING TO BE PERMITTED TO GO AT
4 YOUR EXPENSE TO AUSTRALIA TO LOOK AT THIS CAR.

5 A I ASSUME HE WAS AN UNDERSECRETARY. I REALLY DON'T
6 KNOW.

7 Q SOME ASSISTANT OF THE SECRETARY.

8 A YES.

9 Q WAS IT MADE CLEAR TO EVERYBODY THAT YOU HAD A COM-
10 MERCIAL INTEREST IN THIS CAR?

11 A OH, I ASSUMED THAT IT WAS.

12 Q SO NOBODY WAS CONCEALING ANYTHING FROM THE ASSISTANT
13 TO THE SECRETARY OF THE ARMY WITH REGARD TO WHO WAS INVOLVED
14 WITH THE CAR AND WHAT YOUR INTERESTS WERE.

15 A WELL, I DIDN'T TRY TO CONCEAL ANYTHING. I THINK
16 I REITERATED -- NOT REITERATED, BUT -- I'M NOT SURE WHETHER
17 WE DISCUSSED THIS UNITED COAL COMPANY INTEREST IN IT. I MEAN
18 THERE WAS NO EFFORT ON MY PART TO TRY TO CONCEAL ANYTHING,
19 IF THAT'S WHAT YOU'RE ASKING ME.

20 Q RIGHT. NOR, TO YOUR KNOWLEDGE, AN EFFORT BY ANYBODY
21 ELSE AT THAT MEETING TO CONCEAL ANYTHING --

22 A NO, SIR.

23 Q -- WITH REGARD TO THAT CAR. IT WAS SIMPLY A DIS-
24 CUSSION WITH GOVERNMENT OFFICIALS TO SEE WHETHER THEY WOULD
25 RELEASE A COUPLE OF SCIENTISTS TO FLY, AT YOUR EXPENSE, TO

1 AUSTRALIA TO EXAMINE THAT CAR.

2 A YES.

3 Q AND IT WAS SIMPLY DISCUSSED ON THE MERITS, WHETHER
4 IT WOULD BE SENSIBLE FOR THE GOVERNMENT TO DO THAT.

5 A YES. I WON'T SAY SENSIBLE. I THINK THE GENTLEMAN
6 I SPOKE WITH WAS HIGHLY SKEPTICAL OF THE ABILITY TO DO WHAT
7 THIS MAN HAD SAID HE CAN DO.

8 Q SO YOU SPENT MOST OF YOUR TIME TALKING, OR WHOEVER
9 IT WAS WHO WAS DISCUSSING IT SPENT MOST OF THE TIME TRYING
10 TO PERSUADE HIM THAT THERE WAS SOME POSSIBILITY THAT THIS
11 CAR REALLY WORKED.

12 A WELL, I DIDN'T KNOW WHETHER IT WORKED OR NOT. THAT
13 WAS EXACTLY WHAT I WAS TRYING TO FIND OUT.

14 Q RIGHT. BUT IN TERMS OF OVERCOMING THAT SKEPTICISM,
15 SOMEBODY AT THE MEETING WAS TRYING TO PERSUADE HIM THAT, WELL,
16 THERE'S ENOUGH OF A POSSIBILITY, YOU OUGHT TO SEND FOLKS OVER
17 TO SEE IT.

18 A YES. I THINK I MAY HAVE -- AT SOME POINT IN TIME,
19 WHAT THEY CALL THE PREMIER OF QUEENSLAND'S NAME CAME UP, AND
20 IT WAS MY UNDERSTANDING THAT HE -- HE'S, I ASSUME, COMPARABLE TO
21 A GOVERNOR OF ONE OF OUR STATES -- HAD DISCUSSED THIS WITH
22 OUR AMBASSADOR THERE, AND THAT THERE WAS SOME OFFICIALS, HIGH-
23 RANKING OFFICIALS IN THE AUSTRALIAN GOVERNMENT WAS ALSO INTER-
24 ESTED IN, NATURALLY, DEVELOPING THIS.

25 Q ALL RIGHT. AND THEN YOU SAY AFTER THAT MEETING,

1 YOU LOST -- WELL, I DON'T KNOW WHETHER YOU LOST INTEREST
2 TOTALLY, BUT YOU WERE NO LONGER AS PERSUADED THAT THIS COULD
3 WORK?

4 A WELL, LET'S PUT IT THIS WAY: MY INTEREST WANED
5 CONSIDERABLY. I MEAN, NATURALLY, I WAS INTERESTED IN SEEING --
6 THIS FELLOW SAID HE HAD A CAR THAT WOULD RUN ON HYDROGEN,
7 AND I WANTED TO SEE IT. I DON'T THINK ANYBODY WOULD NOT
8 WANT TO SEE IT. BUT, AGAIN, THE RUNNING OF THE CAR, THERE
9 HAD BEEN SOME PUBLICITY IN AUSTRALIA WHERE THIS MAN HAD TRIED
10 THIS CAR OUT THERE AND HAD DRIVEN IT, AND, OBVIOUSLY, YOU
11 KNOW, I WOULD HAVE LIKED TO HAVE SEEN IT.

12 Q SO YOU DID GO OVER TO AUSTRALIA TO SEE THAT.

13 A WELL, THE TRIPS TO AUSTRALIA WERE TWO-FOLD. MR.
14 MEADE HAD ANOTHER PROBLEM, TOTALLY UNRELATED TO THE HYDROGEN
15 CAR. HE HAD BOUGHT INTO SOME PROPERTY THERE, AND THE PROPERTY
16 HAD BEEN IN BANKRUPTCY AND WHATEVER, AND HE HAD HAD ANOTHER
17 U. S. ATTORNEY, AN AMERICAN LAWYER, GO OVER WHEN HE BOUGHT
18 IT AND THEY DEVELOPED SOME PROBLEMS, AND HE WANTED ME TO TRY TO
19 STRAIGHTEN THAT OUT FOR HIM. IT WAS A TWO-FOLD TRIP.

20 Q I SEE. O.K.

21 NOW, WITH REGARD TO THESE LOANS, ANOTHER MATTER,
22 MR. MCAFEE, YOU HAVE, IN FACT, LENT MONEY TO OTHER PEOPLE
23 WITHOUT ANY SECURITY OTHER THAN THEIR PERSONAL NOTES, HAVE
24 YOU NOT, OTHER FRIENDS OR BUSINESS ASSOCIATES?

25 A YES.

1 Q WHOM YOU HAVE ASSISTED WHEN THEY NEEDED A LOAN FOR
2 SOME PURPOSE, BUSINESS OR OTHER PURPOSE?

3 A YES. AND BORROWED SOME, TOO.

4 Q AND YOU BORROWED SOME. O.K.

5 NOW, LET ME ASK YOU, MR. MCAFEE, WHETHER YOU HAVE
6 EVER REQUESTED FROM CONGRESSMAN HANSEN ANY OFFICIAL ACTION
7 IN RETURN FOR ANYTHING OF VALUE.

8 A NOT THAT I EVER RECALL. I MEAN I JUST -- WHEN YOU
9 SAY OFFICIAL, I ASKED THAT HE MAKE THE APPOINTMENT. IN MY
10 OWN MIND, I DON'T CONSIDER THAT OFFICIAL, ALTHOUGH HE'S A
11 CONGRESSMAN. BUT IF THAT'S WHAT YOU HAVE REFERENCE TO, I
12 DON'T KNOW WHETHER THAT'S OFFICIAL OR NOT.

13 Q AS A MATTER OF FACT, I AM ASKING YOU EXACTLY -- IN
14 THE LANGUAGE EXACTLY AS IT WAS ASKED IN THE GRAND JURY: HAVE
15 YOU EVER REQUESTED FROM CONGRESSMAN HANSEN ANY OFFICIAL ACTION
16 IN RETURN FOR ANYTHING OF VALUE? DO YOU HAVE ANY DOUBT ABOUT
17 THAT?

18 A NO.

19 Q HAS CONGRESSMAN HANSEN EVER REQUESTED FROM YOU A
20 THING OF VALUE IN RETURN FOR ANY OFFICIAL ACTION ON HIS PART?

21 A NO.

22 Q DID CONGRESSMAN HANSEN ASK YOU FOR ANYTHING IN
23 RETURN FOR SETTING UP THE APPOINTMENT WITH SECRETARY MARSH?

24 A NO.

25 Q DID YOU OFFER ANYTHING TO HIM IN RETURN FOR SETTING

1 UP THAT APPOINTMENT?

2 A NO.

3 Q ARE YOU AWARE OF ANYONE EVER HAVING GIVEN CONGRESS-
4 MAN HANSEN ANYTHING IN RETURN FOR HIS OFFICIAL DUTIES?

5 A NO.

6 Q ARE YOU AWARE OF CONGRESSMAN HANSEN EVER HAVING
7 ASKED ANYONE FOR ANYTHING IN RETURN FOR HIS OFFICIAL DUTIES?

8 A NO.

9 Q MR. MCAFEE, IN THE COURSE OF THESE FEW YEARS SINCE
10 YOU'VE GOTTEN TO KNOW CONGRESSMAN HANSEN, HAVE YOU DISCUSSED
11 HIM AND HIS REPUTATION WITH OTHER PEOPLE WHO YOU KNOW?

12 A YES.

13 Q WITH OTHER LAWYERS?

14 A I DON'T KNOW WHETHER I HAVE DISCUSSED IT WITH OTHER
15 LAWYERS OR NOT.

16 Q OTHER PEOPLE IN GOVERNMENT?

17 A YES.

18 Q PEOPLE IN WASHINGTON AND VIRGINIA --

19 A IN WASHINGTON, PRIMARILY.

20 Q O.K. AND HAVE YOU, AS A RESULT OF ALL THESE DISCUS-
21 SIONS, BEEN ABLE TO FORM A CONCLUSION CONCERNING HIS REPUTATION
22 FOR TRUTH AND VERACITY?

23 A FROM WHAT I'VE BEEN TOLD, IT'S VERY GOOD.

24 Q FROM WHAT YOU'VE BEEN TOLD,

25 A IT'S VERY GOOD.

1 Q AND WHAT IS HIS REPUTATION? I'M SORRY.

2 A I SAID FROM WHAT I'VE BEEN TOLD, IT'S VERY GOOD.

3 Q FOR TRUTH AND VERACITY, FOR HONESTY.

4 A YES.

5 Q THE MAN TELLS THE TRUTH.

6 A YES.

7 Q AND PEOPLE HAVE TOLD YOU THAT.

8 A YES.

9 MR. LEWIN: THANK YOU.

10 THE COURT: REDIRECT.

11 REDIRECT EXAMINATION

12 BY MR. WEINGARTEN:

13 Q MR. MCAFEE, A NUMBER OF QUESTIONS WERE POSED TO
14 YOU ABOUT YOUR MOTIVATION IN MAKING THESE LOANS. I THOUGHT
15 IT WAS YOUR TESTIMONY FRIDAY THAT YOU DIDN'T REMEMBER THE
16 \$60,000 LOAN.

17 A I REALLY DON'T.

18 Q SO IF YOU DON'T REMEMBER THE LOAN, HOW CAN YOU
19 TESTIFY AS TO YOUR MOTIVATION IN MAKING THE LOAN?

20 MR. LEWIN: YOUR HONOR, HE IS SIMPLY ARGUING WITH
21 THE WITNESS.

22 THE COURT: NO, HE CAN ASK THIS QUESTION ON REDIRECT,
23 SIR.

24 THE WITNESS: WELL, THE ONLY THING THAT I RECALL
25 PERTAINING TO LOAN AND/OR LOANS IS THAT IT WAS FOR THE PURPOSES

1 OF PROMOTING A BOOK.

2 BY MR. WEINGARTEN:

3 Q O.K. THAT'S JUST A GENERAL ANSWER. BUT YOU HAVE
4 NO RECOLLECTION OF THE \$60,000 LOAN.

5 A NO, I DO NOT.

6 Q ALL RIGHT. MR. MCAFEE, DEFENSE EXHIBIT 13 IS A
7 LETTER FROM YOU TO CONGRESSMAN HANSEN RELATING TO COLLECTION
8 OF THE \$25,000 NOTE. IS THAT CORRECT?

9 A YES, SIR.

10 Q AND THE LETTER IS DIRECTED TO GEORGE HANSEN; NOT
11 TO A NONPROFIT ORGANIZATION. IS THAT CORRECT?

12 A I'M SURE IT IS.

13 Q AND THE NOTES THEMSELVES WERE SIGNED BY CONGRESSMAN
14 HANSEN, OR A NONPROFIT ORGANIZATION?

15 A THEY WERE -- I'M SURE -- I MEAN THE NOTES THAT YOU
16 SHOWED ME CERTAINLY WERE BY GEORGE HANSEN.

17 Q AND THE CHECKS THAT WERE WRITTEN OUT, WERE THEY
18 MADE OUT TO GEORGE HANSEN OR TO A NONPROFIT ORGANIZATION?

19 A GEORGE HANSEN.

20 Q AND WHEN YOU LOOKED FOR REPAYMENTS THERE, DID YOU
21 LOOK TO GEORGE HANSEN OR A NONPROFIT CORPORATION?

22 A GEORGE HANSEN.

23 Q NOW, SIR, ON CROSS-EXAMINATION YOU WERE ASKED SOME
24 QUESTIONS ABOUT HELPING CONGRESSMAN HANSEN. IN FACT, SIR, IT
25 WAS NOT YOUR \$85,000 THAT WENT TO CONGRESSMAN HANSEN; IT WAS

1 JOHN MEADE'S BANK. IS THAT NOT TRUE, SIR? THE \$85,000 THAT
2 WOUND UP IN GEORGE HANSEN'S HANDS AS REPRESENTED BY THIS CHART,
3 25 PLUS 60, IN EFFECT WAS MONEY FROM THE MINERS AND MERCHANT
4 BANK. IS THAT NOT TRUE?

5 A WELL, IT WAS ON MY CHECK. LET'S PUT IT THAT WAY.

6 Q AND YOU WENT RIGHT TO THE BANK, OR HAD SOMEONE GO
7 RIGHT TO THE BANK AFTER MAKING THOSE LOANS AND REPLACED THE
8 MONEY IN YOUR ACCOUNT WITH MINERS AND MERCHANT'S MONEY, AND
9 THEN MINERS AND MERCHANT BECAME THE RECIPIENT OF THE NOTES
10 TO GEORGE HANSEN. ISN'T THAT TRUE, SIR?

11 A WELL, AS I TOLD YOU BEFORE AND I'LL TELL YOU AGAIN:
12 THE CHECKS WERE WRITTEN, THE NOTES WERE PUT IN THE BANK. ONE
13 NOTE WAS BY ME, ONE WAS BY ODELL AND MYSELF. FUNDS WERE
14 TRANSFERRED, ACCORDING TO THOSE RECORDS, EITHER DIRECTLY TO
15 ME FROM THE BANK OR THROUGH TO ODELL ROGERS AND THEN TO ME.

16 Q WELL, SO THE \$85,000 FROM YOUR ACCOUNT WAS IMMEDI-
17 ATELY REPLACED BY MINERS AND MERCHANT MONEY.

18 A IF YOU WANT TO SAY SO.

19 Q WELL, DON'T YOU SAY SO, SIR?

20 A WELL, ONE OF THE NOTES APPARENTLY WAS TWO WEEKS
21 AFTER -- AND I JUST NOTICED IT THE OTHER DAY -- WAS TWO WEEKS
22 AFTER THE ORIGINAL CHECK, I BELIEVE. SO I DON'T KNOW THE
23 MECHANICS OF WHAT DID TRANSPIRE IN THAT.

24 Q ALL RIGHT. MR. MCAFEE, YOU TESTIFIED, I BELIEVE,
25 ON CROSS THAT AFTER YOUR MEETING AT THE PENTAGON, YOU LOST

1 INTEREST IN THE HYDROGEN CAR?

2 A NO. I SAID MY INTEREST WANED.

3 Q WELL, IT DIDN'T WANE ENOUGH TO PREVENT YOU FROM
4 GOING TO AUSTRALIA TWICE, DID IT?

5 A NO. I WENT TO AUSTRALIA TWICE.

6 Q AND YOU WENT ON AUGUST THE 14TH, THE DAY THE \$60,000
7 LOAN WAS SIGNED; IS THAT NOT CORRECT, SIR?

8 A I THINK YOU KNOW AS WELL AS I DO THAT I'VE TOLD
9 YOU ONCE, I DON'T RECALL SPECIFICALLY WHEN I LEFT. I THINK
10 YOU HAVE COPIES OF MY AIRLINE TICKETS. IF THAT'S WHAT IT
11 SAYS, THAT'S WHAT IT SAYS.

12 Q AND HOW ABOUT IN OCTOBER, TWO MONTHS AFTER AUGUST.
13 WERE YOU NOT DISCUSSING WITH MR. HORVATH THE PURCHASE OF THE
14 RIGHTS FOR THE HYDROGEN CAR FROM THE ORGANIZATION CALLED
15 JAGABI LIMITED?

16 A I HAD A MEETING WITH MR. HORVATH IN WHICH HE WAS
17 TRYING TO SELL STOCK IN A CORPORATION, THE NAME OF WHICH I
18 DON'T RECALL.

19 Q WELL, YOU WERE IN AUSTRALIA DISCUSSING PURCHASE
20 OF THAT STOCK, AND THAT RELATED TO THE WATER CAR; AND THAT
21 WAS IN OCTOBER OF '81, WAS IT NOT?

22 A I'M SURE IF THAT'S WHEN I WAS THERE, THAT'S WHEN
23 IT OCCURRED.

24 Q SO IT'S FAIR TO SAY, SIR, EVEN THOUGH THE ARMY TOLD
25 YOU IN JULY THAT THE WATER CAR WAS NOT LIKELY TO BE A SUCCESS,

1 YOU PURSUED IT VIGOROUSLY THEREAFTER.

2 A THAT'S NOT CORRECT.

3 Q GOING TO AUSTRALIA TWICE AND OFFERING SCIENTISTS
4 A FREE TRIP TO AUSTRALIA IS NOT PURSUING IT VIGOROUSLY, SIR?

5 A AS A MATTER OF FACT, THE SECOND TRIP THAT I WENT
6 TO AUSTRALIA WAS ONLY INDIRECTLY INVOLVED IN, IF YOU WANT
7 TO CALL IT, THE WATER CAR. THE SECOND TRIP WAS WITH MR. MEADE'S
8 SON AND HIS SON-IN-LAW. AND THE PRIMARY PURPOSE FOR THAT
9 TRIP WAS TO CLEAN UP AND TO STRAIGHTEN OUT SOME LEGAL AFFAIRS
10 PERTAINING TO SOME PROPERTY THAT MR. MEADE HAD PURCHASED.
11 AND, AS A MATTER OF FACT, WE LEFT HIS SON-IN-LAW THERE AND
12 CONFERRED PRIMARILY WITH ATTORNEYS WHO WERE INVOLVED IN HIS
13 PURCHASE OF THE PROPERTY THERE.

14 IT WAS ONLY SECONDARY, IF YOU WILL, THAT EVEN
15 HORVATH BECAME INVOLVED IN THAT TRIP.

16 Q MR. MCAFEE, YOU WERE ASKED IF THERE WAS A CONNEC-
17 TION BETWEEN THE \$25,000 LOAN OR THE \$85,000 IN LOANS AND
18 ANY OFFICIAL FAVORS FROM CONGRESSMAN HANSEN. IS THAT CORRECT?
19 YOU WERE ASKED BY MR. LEWIN.

20 A YES.

21 Q AND, OF COURSE, IF YOU SAID YES, THERE WAS A CONNEC-
22 TION, YOU KNOW YOU WOULD BE ADMITTING TO BRIBERY. IS THAT
23 NOT TRUE?

24 A I ASSUME SO.

25 Q AND IS IT JUST A COINCIDENCE, SIR, THAT THE VERY

1 SAME DAY THAT YOU HAD THE MEETING AT THE PENTAGON, THE
2 \$25,000 CHECK TO GEORGE HANSEN WAS CASHED IN A WASHINGTON
3 BANK?

4 A IF YOU SAY SO.

5 Q IS IT JUST A COINCIDENCE?

6 A I DON'T KNOW.

7 Q ISN'T IT A FACT, SIR, THAT YOU HANDED CONGRESSMAN
8 HANSEN THIS CHECK, THE \$25,000 CHECK MARKED GOVERNMENT EXHIBIT
9 42, THE DAY YOU CAME UP FOR YOUR MEETING WITH THE SECRETARY
10 OF THE ARMY?

11 A NO. THAT IS NOT TRUE.

12 Q AND YOU DON'T KNOW, SIR, THAT THE SAME DAY OF THE
13 MEETING, THAT CHECK WAS CASHED. THAT'S NEWS TO YOU?

14 A NO, I DON'T.

15 MR. WEINGARTEN: THANK YOU, SIR.

16 THE COURT: ANYTHING FURTHER AS FAR AS THIS WITNESS
17 IS CONCERNED? MR. MCAFEE, YOU ARE EXCUSED. I JUST ASK THAT
18 YOU NOT DISCUSS YOUR TESTIMONY WITH ANY OTHER POSSIBLE
19 WITNESS IN THIS CASE UNTIL THE MATTER IS CONCLUDED. GOOD
20 DAY.

21 WE WILL TAKE A FIVE MINUTE RECESS, LADIES AND
22 GENTLEMEN. LADIES AND GENTLEMEN OF THE JURY, PLEASE REMEMBER
23 THE CONTINUING ADMONITION NOT TO DISCUSS THE CASE.

24 (FIVE-MINUTE RECESS TAKEN AT 11:30 A.M.)
25

1 AFTER RECESS:

2 THE COURT: MR. COLE, ARE YOU READY FOR THE JURY TO
3 COME IN?

4 MR. COLE: YES, YOUR HONOR.

5 THE COURT: BRING IN THE JURY.

6 (WHEREUPON, AT 11:40, THE JURY ENTERS.)

7 THE COURT. WHO WILL BE OUR NEXT WITNESS, MR. COLE?

8 MR. COLE: YVONNE JONES.

9 THE COURT: ALL RIGHT. LADIES AND GENTLEMEN, WE SHALL
10 RESUME WITH THE TESTIMONY. HAVE A SEAT, PLEASE.

11 MR. COLE. YOUR HONOR, I AM NOTIFIED THAT THE
12 GOVERNMENT HAS NOT, AT THIS TIME, MOVED TO ADMIT EXHIBITS 45
13 AND 46. WE WOULD AT THIS TIME MOVE TO ADMIT THOSE TWO EXHIBITS.

14 THE COURT: NO OBJECTION?

15 MR. LEWIN: I DON'T KNOW WHICH EXHIBITS THESE ARE.

16 MR. COLE: THE 60 THOUSAND DOLLARS NOTE SIGNED BY
17 GEORGE HANSEN.

18 MR. LEWIN: NO OBJECTION.

19 THE COURT. THEY ARE IN EVIDENCE.

20 (WHEREUPON, GOVERNMENT'S EXHIBITS 45 AND 46
21 WERE ADMITTED INTO EVIDENCE.)

22 MR. COLE: THE GOVERNMENT'S NEXT WITNESS IS YVONNE
23 JONES.

24 THE COURT: THANK YOU.

25 WHEREUPON,

1 GWENDOLYN YVONNE JONES
2 WITNESS, CALLED BY THE GOVERNMENT, HAVING BEEN DULY SWORN, WAS
3 EXAMINED AND TESTIFIED AS FOLLOWS.

4 THE COURT GOOD MORNING, MS. JONES.

5 DIRECT EXAMINATION

6 BY MR. COLE:

7 Q. MS. JONES, WOULD YOU PLEASE STATE YOUR FULL NAME FOR
8 THE JURY? AND PLEASE SPELL YOUR FIRST NAME?

9 A. GWENDOLYN YVONNE JONES. G W E N D O L Y N. MIDDLE
10 NAME, Y V O N N E.

11 Q. HOW ARE YOU EMPLOYED?

12 A. AS A LEGAL STENOGRAPHER FOR KLINE, MCAFEE, AND ATKINS,
13 LAW FIRM IN NORTON, VIRGINIA.

14 Q. WHERE IS NORTON, VIRGINIA?

15 Q. SOUTHWESTERN TIP OF VIRGINIA.

16 Q. YOU SAY YOU WORK FOR THE LAW FIRM OF KLINE, MACAFEE,
17 AND ATKINS?

18 A. THAT IS RIGHT.

19 Q. WHO IS THE MCAFEE IN THIS LAW FIRM?

20 A. CARL MCAFEE.

21 Q. IS THAT THE MCAFEE THAT WAS JUST IN THIS COURTROOM?

22 A. YES, SIR.

23 Q. HOW LONG HAVE YOU WORKED THERE?

24 A. 18 YEARS THIS COMING MONTH.

25 Q. WHAT IS YOUR POSITION IN THAT LAW FIRM

1 A. AT THIS MOMENT, A FLOATING SECRETARY PRIMARILY
2 ASSIGNED TO PATRICK KLINE, WHO IS AN ASSOCIATE.

3 Q. PRIOR TO THIS HAVE YOU HAD DUTIES WITH MR. MCAFEE?

4 A. I STILL DO FROM TIME TO TIME.

5 Q. DO YOU HAVE DUTIES RELATING IN A BUSINESS SENSE TO MR.
6 MCAFEE?

7 A. PERSONALLY, DO YOU MEAN?

8 Q. IN A BUSINESS SENSE.

9 A. YES.

10 Q. HOW ABOUT PERSONALLY, DO YOU HAVE DUTIES WITH HIM IN
11 THAT REGARD?

12 Q. YES.

13 Q. WHAT ARE THOSE PERSONAL DUTIES YOU DO FOR MR. MCAFEE?

14 A. I MAINTAIN TWO OF HIS CHECKBOOKS, PAY SOME PERSONAL
15 BILLS AND MAKE HIS DEPOSITS.

16 Q. YOU SAY TWO OF HIS CHECKBOOKS? WHAT ARE THE NAMES ON
17 THOSE ACCOUNTS OF THOSE TWO CHECKBOOKS?

18 A. MCAFEE ENTERPRISES IS ONE; THE OTHER IS CARL E. MCAFEE.

19 Q. MCAFEE ENTERPRISES, IS THAT A CORPORATION?

20 A. YES.

21 Q. ARE YOU AWARE OF WHO THE DIRECTORS ARE IN THAT
22 CORPORATION?

23 A. NO SIR, I DO NOT KNOW WHO THE DIRECTORS ARE.

24 Q. WERE YOU EVER A DIRECTOR OR OFFICER?

25 A. AT ONE TIME SEVERAL YEARS BACK, YES, SIR.

1 Q. AND WAS THIS WHILE YOU WERE ALSO A SECRETARY AT THE
2 LAW FIRM?

3 A. YES.

4 Q. NOW, YOU SAY YOU TAKE CARE OF MR. MCAFEE'S CHECKBOOKS,
5 WHAT DO YOU DO AS FAR AS TAKING CARE OF THOSE CHECKBOOKS?

6 A. HE PASSES DOWN HIS PERSONAL BILLS TO ME, SUCH AS CLOTHING
7 BILLS, HIS UTILITIES, AND I JUST ROUTINELY PAY THEM.

8 Q. YOU WRITE THE CHECKS FOR THEM?

9 A. YES.

10 Q. DO YOU ROUTINELY WRITE CHECKS FOR HIM FOR THINGS OTHER
11 THAN BILLS?

12 A. WHATEVER I AM INSTRUCTED TO WRITE, YES, SIR.

13 Q. AND HAS HE GIVEN YOU WHAT I GUESS WOULD BE KNOWN AS
14 POWER OF ATTORNEY?

15 A. YES, SIR.

16 Q. OR PERMISSION TO SIGN HIS NAME ON THESE CHECKS?

17 A. YES, BECAUSE HE IS GONE SO MUCH OF THE TIME.

18 Q. IS THERE A WRITTEN DOCUMENT FOR THIS AUTHORITY?

19 A. NO, SIR.

20 Q. JUST VERBAL?

21 A. IT HAS JUST BEEN PRACTICED FOR THE LAST 15 OR 16 YEARS.

22 Q. DO YOU EVER WRITE CHECKS WITHOUT HIS INSTRUCTIONS?

23 A. NO, SIR.

24 Q. IT IS ALWAYS PURSUANT TO A SPECIFIC INSTRUCTION FOR
25 HIM FOR A SPECIFIC CHECK?

1 A. WELL, IF MEMBERS OF HIS FAMILY COME UP AND WANT A
2 CHECK, I NORMALLY GIVE THAT TO THEM.

3 Q. HOW ABOUT IF IT IS NOT A MEMBER OF THE FAMILY?

4 A. NOT UNLESS I CAN REACH HIM OR FEEL REASONABLY SURE I
5 HAVE AUTHORIZATION FOR IT.

6 Q. AND THIS AUTHORIZATION THAT HE GIVES YOU IS WHO THE
7 CHECKS SHOULD BE MADE OUT TO?

8 A. YES.

9 Q. THE AMOUNT OF THE CHECK?

10 A. YES.

11 Q. DOES HE EVER TELL YOU WHAT DATE TO PUT ON THE CHECK?

12 A. NO.

13 Q. YOU ALSO HAVE DUTIES TO SO FAR AS DEPOSITING MONEY
14 INTO HIS ACCOUNT?

15 A. YES.

16 A. I WOULD LIKE TO SHOW YOU WHAT IS ALREADY IN EVIDENCE,
17 GOVERNMENT'S EXHIBITS 42 AND 46. 42 IS A 25 THOUSAND DOLLAR
18 CHECK DATED JULY 20, 1981, AND 46 IS A 60 THOUSAND DOLLAR CHECK
19 DATED AUGUST 14, 1981 WOULD YOU LOOK AT THOSE. AND TELL THE
20 JURY WHETHER OR NOT YOU WROTE THOSE CHECKS?

21 A. I WROTE BOTH CHECKS, AND I SIGNED HIS NAME TO BOTH
22 CHECKS.

23 Q. AND COULD YOU TELL THEM WHO THE CHECKS ARE TO AND THE
24 AMOUNTS?

25 A. JULY 20, IT IS TO GEORGE HANSEN FOR 25 THOUSAND

1 DOLLARS. ON AUGUST 14, 1981, GEORGE HANSEN FOR 60 THOUSAND
2 DOLLARS.

3 Q. WHEN YOU WROTE THESE CHECKS, WERE THESE ON SPECIFIC
4 INSTRUCTIONS FROM MR. MCAFEE?

5 A. I FEEL SURE THEY WERE.

6 Q. YOU FEEL SURE THEY WERE BUT YOU DON'T RECALL?

7 A. WELL, I CAN'T REMEMBER SPECIFICS, BUT I AM POSITIVE
8 THAT THEY WERE.

9 Q. DO YOU RECALL ANY CONVERSATIONS YOU MIGHT HAVE HAD
10 WITH MR. MCAFEE WHEN HE TOLD YOU ABOUT THESE CHECKS?

11 A. I VAGUELY RECALL A TELEPHONE CONVERSATION ON ONE OR
12 THE OTHER OF THEM, BUT, AGAIN, I CAN'T TELL YOU SPECIFICS.

13 Q. ARE YOU AWARE AT ALL WHETHER OR NOT MR. MCAFEE WAS IN
14 OR OUT OF TOWN WHEN HE MADE THAT TELEPHONE CALL TO YOU?

15 A. NO, I AM NOT BECAUSE HE IS VERY WELL KNOWN TO USE THE
16 TELEPHONE. HE CAN GO TO WISE, AND CALL BACK IN 10 MINUTES. I
17 WOULDN'T KNOW WHETHER HE WAS IN WISE TWO MILES AWAY, OR TWO
18 HUNDRED MILES AWAY.

19 Q. MS. JONES, I WOULD LIKE TO SHOW YOU WHAT HAS BEEN
20 MARKED GOVERNMENT EXHIBIT 350, AND ASK YOU TO LOOK AT IT, IN
21 PARTICULAR, THE SECOND PAGE.

22 A. YES, SIR.

23 Q. DO YOU RECOGNIZE THE SIGNATURE OR ENDORSEMENT ON THE
24 SECOND PAGE? I KNOW IT IS NOT A VERY GOOD COPY.

25 A. NO, IT ISN'T. I REALLY COULDN'T SAY IF THAT IS HIS

1 SIGNATURE OR MINE. IT MAY BE ONE OR THE OTHER.

2 THE COURT: BY " HIS, " YOU MEAN MR. MCAFEE?

3 THE WITNESS: MR. MCAFEE, YES MA'AM.

4 BY MR. COLE:

5 Q. SO, YOU ARE NOT SURE WHOSE SIGNATURE THAT IS?

6 A. NO, I COULDN'T SAY FOR SURE.

7 Q. MISS JONES, THESE TWO CHECKS, THE 60, AND THE 25
8 THOUSAND DOLLARS. WOULD YOU SAY THOSE ARE FAIRLY LARGE CHECKS
9 COMPARED TO THE CHECKS YOU USUALLY WRITE FOR MR. MCAFEE?

10 A. WELL, ON A DAY-TO-DAY BASIS. BUT THERE'S NOTHING TO
11 PREEMPT IT FROM HAPPENING BECAUSE HE IS NOT A CREATURE OF HABIT.

12 Q DO YOU EVER REMEMBER WRITING CHECKS THAT LARGE BEFORE?

13 A. I AM SURE THAT I HAVE. MAYBE NOT 60 THOUSAND DOLLARS
14 BUT AS HIGH AS 30.

15 MR. COLE: NO FURTHER QUESTIONS, AT THIS TIME, YOUR
16 HONOR.

17 THE COURT: CROSS-EXAMINATION.

18 CROSS-EXAMINATION

19
20 BY MR. LEWIN:

21 Q. MS. JONES, ARE THERE TIMES WHEN MR. MCAFEE WRITES OUT
22 HIS OWN CHECKS?

23 A. OH, YES.

24 Q AND WITH REGARD TO THE CHECKS THAT YOU HAVE BEFORE YOU,
25 THE 60 THOUSAND AND THE 25 THOUSAND CHECK DO YOU REMEMBER

1 WHETHER THOSE CHECKS WERE MAILED BY YOU TO ANY PARTICULAR
2 ADDRESS?

3 A. I ASSUME THEY WERE. I AM SURE I DID NOT HAND-DELIVER
4 THEM TO ANYONE, AND I ASSUME THAT I MAILED THEM.

5 Q. YOU ASSUME THAT YOU DID MAIL BOTH OF THOSE CHECKS?

6 A. RIGHT. BUT AGAIN I CANNOT SAY FOR SURE.

7 THE COURT: ANYTHING FURTHER AS FAR AS MS. JONES IS
8 CONCERNED?

9 MR. COLE: JUST VERY BRIEFLY.

10 REDIRECT EXAMINATION

11 BY MR. COLE:

12 Q. ON THOSE CHECKS, YOU SAID YOU ASSUMED YOU MAILED THEM.
13 YOU REALLY DON'T KNOW WHETHER YOU DID OR NOT?

14 A. I DON'T KNOW. I CAN'T SAY YES OR NO, BUT I WOULD
15 THINK THAT I DID.

16 Q. WHY WOULD YOU THINK THAT YOU DID? YOU HAVE NO
17 RECOLLECTION?

18 A. NO I JUST CAN'T SAY FOR SURE.

19 Q. YOU EVER WRITE CHECKS AND JUST HAND THEM TO MR. MCAFEE
20 FOR HIM TO DO THINGS WITH THEM?

21 A. SOMETIMES I WOULD, AGAIN, THERE IS NO SET RULE.

22 MR. COLE: THANK YOU VERY MUCH.

23 RECROSS EXAMINATION

24 BY MR. LEWIN:

25 Q. BUT IF MR. MCAFEE WERE GOING SOMEWHERE AND WANTED TO

1 MAKE A PAYMENT OF A 25 THOUSAND DOLLARS CHECK, HE COULD WRITE
2 OUT HIS OWN CHECKS FOR 25 THOUSAND?

3 A. OH SURE, HE DOES THAT OFTEN.

4 Q. HE FREQUENTLY DOES THAT, HE GOES SOME PLACE AND WRITES
5 OUT A CHECK AND GIVES IT TO THE PERSON?

6 A. YOU MEAN WHILE HE IS OUT OF THE OFFICE?

7 Q. YES, SURE.

8 A. I DON'T KNOW HOW OFTEN THAT WOULD HAPPEN. HE COULD
9 VERY WELL DO THAT.

10 Q. AND HE AT TIMES HAS WRITTEN OUT CHECKS AND THEN
11 CARRIED THEM OUT OF TOWN?

12 A. OH, YES.

13 MR. LEWIN: THANK YOU.

14 MR. COLE: NOTHING FURTHER, YOUR HONOR. MAY THE
15 WITNESS BE EXCUSED?

16 THE COURT: ALL RIGHT. MISS JONES YOU ARE EXCUSED AND
17 WE ASK THAT YOU NOT DISCUSS YOUR TESTIMONY WITH ANY OTHER
18 POSSIBLE WITNESS IN THIS CASE UNTIL THE MATTER IS COMPLETED.

19 (WITNESS EXCUSED.)

20 MR. COLE: THE GOVERNMENT CALLS ITS NEXT WITNESS,
21 ODELL ROGERS.

22 THE COURT: WE WILL GO UNTIL 25 MINUTES AFTER 12 AND
23 THEN BREAK FOR LUNCH.

24 WHEREUPON

25 ODELL ROGERS

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

3 THE COURT: GOOD MORNING, MR. ROGERS.

4 THE WITNESS: GOOD MORNING.

5 DIRECT EXAMINATION

6 BY MR. COLE:

7 Q. WOULD YOU STATE YOUR FULL NAME AND SPELL YOUR LAST?

8 A. ARTHUR ODELL ROGERS. R O G E R S.

9 Q. WHERE DO YOU LIVE?

10 A. PRESTONSBURG, KENTUCKY.

11 Q. HOW ARE YOU EMPLOYED, MR. ROGERS?

12 A. SELF-EMPLOYED.

13 Q. DO YOU OWN A COMPANY?

14 A. YES.

15 Q. WAS THE NAME OF THAT COMPANY?

16 A. REBEL COAL COMPANY.

17 Q. WHAT KIND OF BUSINESS IS THE REBEL COAL COMPANY IN?

18 A. STRIP MINING.

19 Q. HOW LONG HAVE YOU OWNED IT?

20 A. ' 72.

21 Q. WHERE IS THAT LOCATED?

22 A. PRESTONSBURG, KENTUCKY.

23 Q. IS THAT NEAR A TOWN CALLED AUXIER, KENTUCKY?

24 A. YES.

25 Q. DO YOU KNOW A GENTLEMEN BY THE NAME OF CARL MCAFEE?

1 A. YES.

2 Q. HOW DO YOU KNOW MR. MCAFEE?

3 A. HE WAS MY ATTORNEY AT ONE TIME.

4 Q. DID YOU EVER HAVE ANY BUSINESS RELATIONSHIP WITH MR.
5 MCAFEE?

6 A. YES.

7 Q. WHAT KIND OF BUSINESS RELATIONSHIP WAS THAT?

8 A. OH, WE WAS PARTNERS IN AN AIRPLANE, AND A DEEP MINE,
9 TWO OR 3 THINGS, HELICOPTER.

10 Q. YOU BUY SOME TRUCKS WITH HIM AT ONE POINT?

11 A. YES.

12 Q. DO YOU KNOW A PLAN BY THE NAME OF JOHN MEADE?

13 A. YES.

14 Q. HOW DO YOU KNOW MR. MEADE?

15 A. BANKER.

16 Q. WHERE IS HIS BANK AT?

17 A. GRUNDY, VIRGINIA.

18 Q. DO YOU DO BUSINESS AT HIS BANK?

19 A. YES.

20 Q. YOU AND MR. MCAFEE DO BUSINESS TOGETHER AT MR. MEADE'S
21 BANK?

22 A. WE HAVE.

23 Q. TAKEN LOANS OUT?

24 A. YES.

25 Q. TOGETHER?

- 1 A. YES.
- 2 Q. DO YOU KNOW A MAN BY THE NAME OF GEORGE HANSEN?
- 3 A. MET HIM ONCE.
- 4 Q. HOW DO YOU KNOW MR. HANSEN?
- 5 A. I MET HIM IN WASHINGTON.
- 6 Q. YOU REMEMBER ABOUT WHEN THAT WAS YOU MET HIM?
- 7 A. A COUPLE YEARS AGO, I GUESS.
- 8 Q. COULD IT HAVE BEEN 1981; DOES THAT RING A BELL?
- 9 A. COULD HAVE BEEN.
- 10 Q. WHEN DID YOU FIRST HEAR OF GEORGE HANSEN?
- 11 A. I GUESS IT WAS '81.
- 12 Q. DID YOU HEAR OF HIM BEFORE YOU EVER MET HIM?
- 13 A. I DON'T KNOW.
- 14 Q. YOU DON'T KNOW?
- 15 A. I DON'T REMEMBER RIGHT NOW BUT I COULD HAVE.
- 16 Q. DID YOU EVER LOAN CONGRESSMAN HANSEN SOME MONEY?
- 17 A. I GUESS.
- 18 Q. IS THERE ANY QUESTION IN YOUR MIND OVER WHETHER OR NOT
- 19 YOU DID?
- 20 A. NO.
- 21 Q. DID YOU?
- 22 A. YES, SIR.
- 23 Q. AND WHO DID YOU LOAN HIM THAT MONEY WITH, ANYBODY ELSE?
- 24 A. CARL MCAFEE.
- 25 Q. HOW DID IT COME ABOUT? FIRST OF ALL, JUST TO

1 ESTABLISH ONE THING: HOW MANY TIMES DID YOU LOAN HIM MONDAY?

2 A. TWICE.

3 Q. DO YOU RECALL THE AMOUNTS OF EACH ONE?

4 A. 25 THOUSAND AND 60 THOUSAND.

5 Q. GO TO THE 25 THOUSAND LOAN FIRST. IS THAT WITH CARL
6 MCAFEE?

7 A. YES.

8 Q. HOW DID IT COME ABOUT THAT YOU LOANED CONGRESSMAN
9 HANSEN 25 THOUSAND DOLLARS WITH CARL MCAFEE?

10 A. WELL CARL CALLED ME UP ON THE PHONE AND TOLD ME HE HAD
11 A FRIEND THAT NEEDED TO BORROW 25 THOUSAND DOLLARS TO FINISH
12 WRITING A BOOK IS THE WAY I UNDERSTOOD IT

13 Q. DID HE TELL YOU WHO THAT FRIEND WAS?

14 A. YES, HE DID.

15 Q. WHO DID HE TELL YOU THAT WAS?

16 A. GEORGE HANSEN.

17 Q. DID HE TELL YOU WHO THAT FRIEND DID FOR A LIVING?

18 A. YES.

19 Q. WHAT DID HE TELL YOU?

20 A. THAT HE WAS A CONGRESSMAN.

21 Q. DID HE TELL YOU WHAT STATE HE WAS FROM?

22 A. YES.

23 Q. WHAT STATE WAS THAT?

24 A. IDAHO.

25 Q. DID YOU ASK MR. MCAFEE WHY HE NEEDED YOU TO BE

1 INVOLVED ON THIS LOAN?

2 A. NO.

3 Q. DID HE TELL YOU WHY HE NEEDED YOU TO BE INVOLVED ON
4 THIS LOAN?

5 A. NO.

6 Q. HAD YOU EVER HEARD OF CONGRESSMAN HANSEN BEFORE THIS
7 CONVERSATION?

8 A. NO.

9 Q. GO AHEAD?

10 A. I MEAN I MIGHT HAVE MET HIM AND THEN LOANED HIM THIS
11 LOAN, OR LOANED IT AND THEN MET HIM, I DON'T KNOW. I DON'T
12 THINK I HAD THOUGH.

13 Q. YOU DON'T THINK YOU HAD MET HIM BEFORE YOU LOANED IT?

14 A. I DON'T THINK SO.

15 Q. THIS IS THE FIRST TIME YOU HAD EVER HEARD OF HIM?

16 A. YES, I THINK.

17 Q. IS IT A FAIR STATEMENT, SIR, THAT CARL MCAFEE JUST
18 CALLED YOU UP AND SAID I HAVE GOT A FRIEND WHO IS A CONGRESSMAN
19 WHO WANTS TO FINISH WRITING A BOOK; LET'S LOAN HIM \$25,000.00?

20 A. NO, HE JUST SAID HE HAD A FRIEND THAT'S WRITING A BOOK
21 AND NEEDED 25 THOUSAND DOLLARS TO FINISH IT AND I JUST DONE IT
22 IS AS A FAVOR TO CARL MCAFEE.

23 Q. WAS THERE ANY DISCUSSION WITH CARL MCAFEE AS TO WHAT
24 WOULD BE DONE INSOFAR AS THIS LOAN GOES WHETHER THERE WOULD BE
25 SECURITY OR COLLATERAL FOR THE LOAN OR ANYTHING LIKE THAT?

1 A. GIVE US A NOTE.

2 Q. WAS THERE TO BE ANYTHING PUT UP FOR SECURITY FOR THIS
3 LOAN?

4 A. NOT THAT I KNOW OF.

5 Q. WHAT WERE THE TERMS OF PAYMENT GOING TO BE; DID YOU
6 DISCUSS THERE WITH MR. MCAFEE?

7 A. I DID NOT.

8 Q. DID YOU DISCUSS WHAT THE INTEREST RATE WAS GOING TO BE
9 WITH MR. MCAFEE?

10 A. I DID NOT.

11 Q. DID YOU DISCUSS WHEN THE CONGRESSMAN WAS GOING TO HAVE
12 TO PAY THIS MONEY BACK WITH MR. MCAFEE?

13 A. NO.

14 Q. JUST SAID O. K. LET'S LOAN 25 THOUSAND TO FINISH A
15 BOOK?

16 A. NO, I DIDN'T SAY THAT; CARL DID.

17 Q. HE SAID THAT?

18 A. YES, AND I DONE IT AS A FAVOR TO CARL.

19 Q. DO YOU KNOW WHAT HAPPENED? DID YOU GET A NOTE FROM
20 THE CONGRESSMAN ON THAT?

21 A. YES. I DON'T THINK I DID. I THINK CARL DID. MAYBE
22 WE DID. I DON'T KNOW.

23 Q. I'D LIKE TO SHOW YOU WHAT IS ALREADY IN EVIDENCE AS
24 GOVERNMENT EXHIBIT 41, A 25 THOUSAND DOLLAR NOTE MADE OUT ON
25 JULY 17, TO CARL MCAFEE AND ODELL ROGERS SIGNED BY GEORGE

1 HANSEN. HAVE YOU EVER SEEN THAT BEFORE?

2 A. YES.

3 Q. IS THAT THE NOTE FOR THE 25 THOUSAND DOLLARS THAT YOU
4 AND CARL LENT GEORGE HANSEN?

5 A. YES.

6 Q. DID YOU ALL HAVE ANY CONTACT WITH THE BANK CONCERNING
7 THAT NOTE AFTERWARDS?

8 A. I DON'T KNOW WHAT YOU MEAN.

9 Q. WELL, THAT NOTE DOESN'T INVOLVE A BANK, DOES IT? THAT
10 IS JUST PERSONAL BETWEEN YOU AND CARL AND THE CONGRESSMAN,
11 RIGHT?

12 A. YES.

13 Q. DID YOU EVER GO TO A BANK IN REGARD TO THIS 25
14 THOUSAND DOLLARS?

15 A. I DON'T KNOW.

16 Q. I'D LIKE TO SHOW YOU GOVERNMENT'S EXHIBIT 43 WHICH IS
17 ALREADY IN EVIDENCE. IT IS A COPY OF A NOTE FROM YOU AND CARL
18 MCAFEE TO THE MINERS AND MERCHANTS BANK. HAVE YOU EVER SEEN
19 THAT BEFORE?

20 A. YES.

21 Q. DID YOU AND CARL TAKE OUT A 25 THOUSAND DOLLAR LOAN
22 FOR THE MINERS AND MERCHANTS BANK?

23 A. I DON'T KNOW.

24 Q. YOUR NAME IS ON THERE, ISN'T IT, ON THE LOAN FROM THE
25 BANK?

1 A. WHICH ONE?

2 Q. THE EXHIBIT ON THE OTHER SIDE. RIGHT THERE.

3 A. THIS ONE?

4 Q. THIS ONE. THAT WOULD BE GOVERNMENT'S EXHIBIT 43.

5 ISN'T YOUR NAME ON THERE?

6 A. YES.

7 Q. AND ISN'T THAT A LOAN THAT YOU TOOK OUT FROM THE BANK

8 WITH CARL?

9 A. I GUESS IT IS.

10 Q. WHAT IS THE DATE ON THAT? CAN YOU READ IT?

11 A. NO, CAN'T READ IT.

12 Q. ANY NOTATION ON THAT AS TO WHAT THE COLLATERAL OR
13 SECURITY IS FOR THAT LOAN THAT YOU AND CARL TOOK OUT FROM THE
14 BANK IS?

15 A. IF THERE ARE, I CAN'T READ IT.

16 Q. YOU CAN'T READ WHAT IT SAYS RIGHT THERE?

17 A. I GUESS NOT. NOTE SIGNED BY GEORGE HANSEN SOMETHING .

18 Q. SPEAK INTO THE MICROPHONE.

19 A. I BELIEVE IT SAYS " NOTE SIGNED BY GEORGE HANSEN " AND
20 SOMETHING ELSE I CAN'T MAKE OUT.

21 Q. THAT NOTE THAT YOU HAVE UP THERE SIGNED BY GEORGE
22 HANSEN TO YOU AND MR. MCAFEE, THAT IS EXHIBIT 41. WAS THAT THE
23 NOTE THAT YOU GUYS PUT UP AS COLLATERAL FOR THIS 25 THOUSAND
24 DOLLARS LOAN?

25 A. YES.

1 Q. SO. THERE WAS COLLATERAL?

2 A. WELL, YES, I DON'T KNOW. I DIDN'T MAKE THE
3 TRANSACTION. I AM JUST GOING BY WHAT I SEE HERE. I DIDN'T
4 HAVE ANYTHING TO DO WITH IT. MALCOLM VAN DYKE DID ALL THAT.

5 Q. THIS 25 THOUSAND DOLLARS LOAN THAT YOU MADE WITH CARL,
6 WHO WAS THAT LOAN TO?

7 A. MR. HANSEN AS FAR AS I KNOW.

8 Q. AND IT WAS A PERSONAL LOAN TO HIM?

9 A. WELL, I DON'T KNOW. I JUST -- CARL MCAFEE ASKED ME TO
10 GO ON A NOTE WITH HIM AND I DID. YOU CAN CALL IT PERSONAL.
11 YOU WOULD HAVE TO ASK CARL. I DON'T KNOW THAT.

12 Q. WHO WERE YOU EXPECTING TO GET PAID BY ON THIS NOTE?

13 A. I FIGURED MR. HANSEN WOULD PAY IT BACK.

14 Q. WERE YOU EVER LOOKING TO ANY NONPROFIT CORPORATION TO
15 GET PAID BACK FROM?

16 A. NO.

17 Q. ANY ORGANIZATION OR GROUP OF ANY KIND?

18 A. NO.

19 Q. DID YOU EVER ASK ANYBODY TO NOT LET ANYONE KNOW THAT
20 YOU HAD MADE THIS LOAN?

21 A. NO.

22 Q. WERE YOU EVER INTERESTED IN FIGHTING FOR REFORM OF THE
23 I R S OR ANYTHING LIKE THAT WITH THIS LOAN?

24 A. NO.

25 Q. JUST A LOAN TO FINISH A BOOK?

1 A. THAT IS WHAT I UNDERSTOOD.

2 Q. THAT IS WHAT YOU UNDERSTOOD?

3 A. YES.

4 Q. NOW, THERE CAME A TIME WHEN YOU MADE ANOTHER LOAN, IS
5 THAT RIGHT?

6 A. YES.

7 Q. HOW DID THAT COME ABOUT?

8 A. CARL CALLED ME UP AND SAID HE NEEDED THAT TO FINISH
9 HIS BOOK.

10 Q. HOW MUCH DID CARL SAY HE NEEDED?

11 A. 60 THOUSAND DOLLARS.

12 Q. HAD CARL EVER MENTIONED ANYTHING MORE THAN 25 THOUSAND
13 THE FIRST TIME HE CALLED YOU?

14 A. NO.

15 Q DO YOU KNOW WHEN IT WAS THAT CARL CALLED YOU ABOUT THE
16 SECOND LOAN?

17 A. NO.

18 Q. I AM GOING TO SHOW YOU GOVERNMENT'S EXHIBIT 45. HAD
19 YOU EVER SEEN THAT NOTE BEFORE?

20 A. YES.

21 Q. IS THAT THE NOTE THAT YOU GOT FROM CONGRESSMAN HANSEN,
22 YOU AND CARL FOR THAT 60 THOUSAND DOLLARS LOAN?

23 A. I DON'T THINK I EVER GOT IT. I THINK CARL DID. I
24 JUST SEEN IT UP HERE.

25 Q. YOU NEVER SEEN IT BEFORE YOU CAME TO COURT TODAY?

1 A. OH, YES, I HAVE SEEN THIS ONE HERE. A COPY. I DON'T
2 THINK I HAVE EVER SEEN THE NOTE.

3 Q. WELL, THE COPY I AM TALKING ABOUT?

4 A. YES.

5 Q. IS THAT THE NOTE THAT YOU AND CARL GOT FROM
6 CONGRESSMAN HANSEN?

7 A. YES.

8 Q. FOR THE 60 THOUSAND DOLLARS?

9 A. YES.

10 Q. CARL EVER SAY ANYTHING TO YOU ABOUT HOW IT WAS GOING
11 TO BE ANYTHING MORE THAN 60 THOUSAND DOLLARS WHEN HE CALLED YOU
12 ABOUT THIS ONE?

13 A. NO.

14 Q. WHAT IS THE DATE OF THAT NOTE, MR. ROGERS?

15 A. AUGUST 14, 1981.

16 Q. THE FIRST ONE WAS JULY 17, 1981. THE ONE RIGHT UNDERNEATH
17 IT? .

18 A. YES.

19 Q. SO WITHIN LESS THAN A MONTH, YOU HAVE LOANED 85
20 THOUSAND DOLLARS TO THE CONGRESSMAN, IS THAT RIGHT?

21 A. YES.

22 Q. JUST BECAUSE CARL CALLED YOU UP AND SAID HE WANTED YOU
23 TO HELP SIGN THE NOTE?

24 A. YES, SIR.

25 Q. DID YOU EVER END UP MEETING CONGRESSMAN HANSEN?

1 A. MET HIM ONCE.

2 Q WHERE WAS THAT?

3 A. I GUESS IT WAS IN HIS OFFICE.

4 Q. YOU REMEMBER WHETHER OR NOT THAT WAS BEFORE OR AFTER
5 THIS NOTE, THE FIRST NOTE WAS SIGNED?

6 A. NO.

7 Q. HOW LONG DID YOU SPEND WITH HIM IN HIS OFFICE ON THAT
8 ONE MEETING?

9 A. ABOUT A MINUTE OR TWO.

10 Q. WHO ELSE WAS THERE WITH YOU?

11 A. CARL WAS THERE, AND I DON'T KNOW WHO ELSE WAS THERE.

12 Q. WAS JOHN MEADE THERE AT THE TIME?

13 A. I DON'T REMEMBER.

14 Q. WERE YOU IN WASHINGTON AROUND JULY OF 1981?

15 A. SOMETIME, I DON'T KNOW.

16 Q. WERE YOU HERE WITH CARL MCAFEE AND JOHN MEADE DURING
17 THE SUMMER OF 1981?

18 A. YES.

19 Q. WAS THAT THE TIME WHEN YOU WENT TO MEET THE
20 CONGRESSMAN WITH THEM?

21 A. I DON'T KNOW IF IT WAS THAT TIME OR THE TIME BEFORE I
22 HAD BEEN UP HERE.

23 Q. WHAT WERE YOU DOING IN WASHINGTON AT THAT TIME IN JULY
24 OF 1981? WHAT WAS THE PURPOSE OF YOUR TRIP?

25 A. I DON'T KNOW WHICH TIME WAS JULY.

1 Q. WELL, THEN, LET'S GO THE BOTH TRIPS. THE FIRST TRIP
2 YOU TOOK, WHAT WAS THE PURPOSE OF IT?

3 A. I DON'T KNOW. ONE TRIP WE COME UP WE WENT TO MEET
4 HANSEN. AND THE SECOND ONE THAT WAS A PARTY.

5 Q. A PARTY?

6 A. YES.

7 Q. HOW ABOUT CARL MCAFEE AND JOHN MEADE DO YOU KNOW WHAT
8 THEIR BUSINESS WAS?

9 A. THEY HAD TO MEET SOME GUY, I DON'T KNOW.

10 Q. DO YOU KNOW WHERE THEY WERE TO MEET THE GUY?

11 A. I DON'T KNOW.

12 Q. MEETING IN THE PENTAGON, DOES THAT RING A BELL WITH
13 YOU AT ALL?

14 A. I DON'T BELIEVE THEY WOULD HAVE TOLD ME AND I PROBABLY
15 WOULDN'T HAVE REMEMBERED IT ANYWAY.

16 Q. THE 60 THOUSAND DOLLARS NOTE YOU GOT FROM CONGRESSMAN
17 HANSEN, WAS THERE ALSO A LOAN OBTAINED FROM THE BANK ON THAT
18 ONE, TOO?

19 A. I AM SURE THERE WAS.

20 Q. I AM GOING TO SHOW YOU WHAT HAS PREVIOUSLY BEEN MARKED
21 GOVERNMENT'S EXHIBIT 47. HAVE YOU EVER SEEN THAT COPY BEFORE?

22 A. YES.

23 Q. DOES THAT RELATE TO THIS 60 THOUSAND DOLLARS WE ARE
24 TALKING ABOUT?

25 A. I AM SURE IT DOES.

1 MR. COLE: YOUR HONOR, I WOULD MOVE GOVERNMENT'S
2 EXHIBIT 47 INTO EVIDENCE AT THIS TIME.

3 THE COURT: NO OBJECTION?

4 MR. LEWIN: NO OBJECTION.

5 THE COURT: IT IS IN EVIDENCE.

6 (WHEREUPON, GOVERNMENT'S EXHIBIT NO. 47 WAS
7 RECEIVED INTO EVIDENCE.)

8 BY MR. COLE:

9 Q. WHAT IS THAT, IS THAT A 60 THOUSAND DOLLARS NOTE?

10 A. YES.

11 Q. WHO FROM? WHO IS GETTING THE 60 THOUSAND DOLLARS ON
12 THAT NOTE?

13 A. G. A. HANSEN.

14 Q. HANSEN IS GETTING THE 60 THOUSAND DOLLARS ON THAT NOTE?

15 A. THAT IS WHAT IT SAYS.

16 Q. COULD YOU READ TO THE JURY WHAT IT SAYS THERE?

17 A. WHICH PART OF IT? THE WHOLE THING?

18 Q. WELL, YOU ARE SITTING THERE AND SAYING THAT IT SAYS
19 GEORGE HANSEN IS GETTING THE MONEY OUT OF THAT NOTE. WHAT PART
20 LEADS YOU TO BELIEVE THAT?

21 A. IT SAYS DOWN AT THE BOTTOM, NOTE DATED 8/14/81,-- ON
22 DEMAND-- SOMETHING -- 1982 -- PAYABLE TO ODELL ROGERS AND
23 CARL MCAFEE FOR 60 THOUSAND DOLLARS. WITH G. A. HANSEN AS
24 MAKER.

25 Q. NOW, IS THAT THE SECURITY FOR THIS LOAN? IS THAT THE

1 COLLATERAL ON THIS NOTE YOU GOT FROM GEORGE HANSEN?

2 A. I AM SURE IT IS.

3 Q. DID CARL MCAFEE GET THE 60 THOUSAND DOLLARS OFF OF
4 THAT LOAN, OR DID YOU GET IT?

5 A. I DON'T KNOW. YOU WOULD HAVE TO ASK MALCOLM VAN DYKE
6 THAT.

7 Q. WHO IS MALCOLM VAN DYKE?

8 A. HE IS MY PARTNER.

9 MR. LEWIN: THERE IS SOME CONFUSION. THE WITNESS READ
10 AN EXHIBIT, EXHIBIT 45. THAT WAS THE ONE HE WAS TESTIFYING TO.
11 AND EXHIBIT 47 GOT ADMITTED. AND HE IS TESTIFYING ABOUT 45. I
12 WITHDRAW MY CONSENT.

13 THE COURT: LET'S HAVE THE EXHIBITS UP HERE, MR.
14 LEWIN. AND IF YOU WILL STEP DOWN FOR A MOMENT.

15 AT THE BENCH:

16 MR. COLE: YOUR HONOR, THIS IS EXHIBIT 47 AND THAT IS
17 WHAT THE WITNESS WAS TESTIFYING FROM.

18 THE COURT: IT IS OBVIOUS THAT THE WITNESS -- THAT
19 THIS PARTICULAR DOCUMENT, TAKEN FROM THE WITNESS STAND IN HIS
20 HAND AS HE WAS JUST TESTIFYING A MOMENT AGO. IT HAS BEEN
21 MARKED GOVERNMENT EXHIBIT 47 AND IT WAS THE MATTER THAT WAS
22 MOVED INTO EVIDENCE WITHOUT OBJECTION.

23 MR. COLE: THIS ONE IS EXHIBIT 45. THERE IS A
24 SIMILARITY.

25 THE COURT: THE ONE YOU ARE HANDING TO MR. LEWIN?

635

1 MR. LEWIN: I HAD UNDERSTOOD, AND I THINK THE
2 TRANSCRIPT WILL REFLECT. MR. COLE ASKED THE WITNESS TO READ
3 FROM 47 AND HE READ ABOUT A NOTE, PAYMENT TO THE GEORGE HANSEN.

4 MR. COLE: THAT IS REFLECTED ON 47 AS WELL.

5 THE COURT: I DON'T KNOW IF THE SAME VERBAGE IS ON 45.
6 YOU ARE HOLDING IT. IT HAS THE WORDS, " G. A. HANSEN " AS
7 MAKER. PERHAPS IT SAYS THE SAME THING ON YOUR 45?

8 MR. LEWIN: IT SAYS IT IS A NOTE ASSIGNED TO "GEORGE
9 HANSEN".

10 THE COURT: HE DID USE THIS EXHIBIT. YOU WITHDRAW
11 YOUR NONOBJECTION?

12 WE ARE BACK TO SQUARE ONE.

13 IN OPEN COURT:

14 THE COURT: RESUME THE STAND, MR. ROGERS. YOU MAY
15 CONTINUE, MR. COLE.

16 IN OPEN COURT:

17 BY MR. COLE:

18 Q. MR. ROGERS, IS IT FAIR TO SAY THAT A 60 THOUSAND
19 DOLLARS LOAN WAS GOTTEN FROM THE MINERS AND MERCHANTS BANK WITH
20 COLLATERAL BEING THE NOTE THAT YOU AND MR. MCAFEE HAD RECEIVED
21 FROM MR. HANSEN?

22 A. YES.

23 Q. DO YOU KNOW THE DATE YOU GOT THAT LOAN FROM THE MINERS
24 AND MERCHANTS BANK?

25 A. I DON'T KNOW UNLESS I LOOK AT THE NOTE.

1 Q. COULD YOU LOOK AT THE NOTE AND TELL US?

2 A. DATED 8, 31, 81.

3 Q DATED AUGUST 31, 1981?

4 A. YES.

5 Q. DO YOU KNOW WHAT HAPPENED TO THAT THE MONEY FROM THAT
6 LOAN?

7 A. NO.

8 Q DO YOU KNOW WHETHER IT WAS DEPOSITED INTO YOUR ACCOUNT?

9 A. YOU WOULD HAVE TO ASK MALCOLM VAN DYKE. I DON'T KNOW.

10 Q. MR. ROGERS, I WOULD LIKE TO SHOW YOU WHAT HAS
11 PREVIOUSLY BEEN MARKED EXHIBIT NUMBER 50, AND ASK YOU WHETHER
12 YOU RECOGNIZE THAT CHECK?

13 A. YES.

14 Q. IS THAT CHECK WRITTEN ON YOUR ACCOUNT?

15 A. YES.

16 Q. IS IT WRITTEN FOR, IS IT WRITTEN TO CARL MCAFEE?

17 A. YES.

18 Q. WHAT IS THE DATE OF IT?

19 A. 8, 17.

20 Q. WHAT YEAR?

21 Q '81.

22 Q. AND THE AMOUNT?

23 A. 60 THOUSAND DOLLARS.

24 Q. DOES THAT CHECK RELATE IN ANY WAY TO WHAT WE ARE
25 TALKING ABOUT, THIS 60 THOUSAND DOLLARS LOAN?

1 A. PROBABLY THE SAME THING.

2 MR. COLE: YOUR HONOR, I MOVE THAT INTO EVIDENCE AT
3 THIS TIME.

4 MR. LEWIN: NO OBJECTION.

5 THE COURT: IT IS NOW IN EVIDENCE.

6 (WHEREUPON, GOVERNMENT'S EXHIBIT NO.50
7 WAS RECEIVED INTO EVIDENCE.)

8 BY MR. COLE:

9 Q. DID YOU WRITE THE 60 THOUSAND DOLLAR CHECK OR HAVE THE
10 50 THOUSAND DOLLAR CHECK IT WRITTEN FOR THE LOAN TO CARL MCAFEE
11 TO LOAN TO THE CONGRESSMAN?

12 A. I THINK I HAD IT DONE. I DON'T THINK I WROTE IT.

13 Q. DID YOU HAVE IT WRITTEN?

14 A. I PROBABLY DID.

15 Q. DO YOU KNOW WHO WROTE IT?

16 A. WHO WROTE IT?

17 Q. YES.

18 A. MALCOLM VAN DYKE WROTE IT.

19 Q. AT YOUR INSTRUCTIONS?

20 A. RIGHT.

21 THE COURT: IS THAT MALCOLM VAN DYKE THAT YOU ARE
22 SAYING?

23 THE WITNESS: YES MA'AM.

24 BY MR. COLE:

25 Q. MR. ROGERS, BOTH TIMES THAT YOU AND MR. MCAFEE WENT TO

1 THE BANK TO GET THESE LOANS, THE 60 THOUSAND DOLLARS LOAN AND
2 THE 25 THOUSAND DOLLARS LOAN WHO DID YOU DEAL WITH AT THE BANKS?

3 A. JOHN MEADE. BUT I DIDN'T GO TO THE BANK. I THINK
4 MALCOLM CALLED HIM OVER THE PHONE.

5 Q. YOU NEVER PHYSICALLY WENT TO THE BANK?

6 A. I DON'T THINK SO.

7 Q BUT THE PERSON WHO GAVE YOU THESE LOANS WAS JOHN MEADE?

8 A. I AM SURE IT WAS BUT I THINK MALCOLM IS THE ONE THAT
9 DONE THAT.

10 Q. MR. ROGERS, ANYBODY EVER MENTION TO YOU ANYTHING ABOUT
11 A HYDROGEN CAR OR A CAR THAT RUNS ON WATER?

12 A. I THINK HE DID BUT I JUST SORT OF HEARD IT IN
13 CONVERSATION. I DON'T THINK --

14 Q. WHO TOLD YOU ABOUT IT?

15 A. I BELIEVE JOHN MEADE DID, BUT I DON'T REMEMBER.

16 Q. DO YOU KNOW WHAT MR. MEADE'S INTEREST IN THAT HYDROGEN
17 CAR WAS?

18 A. NOT REALLY.

19 MR. LEWIN: I OBJECT TO THAT. THAT IS A LOT OF HEARSAY
20 EVIDENCE COMING IN. IF THIS WITNESS TESTIFIES TO WHAT MR.
21 MEADE TOLD HIM.

22 THE COURT: HE CAN SAY YES OR NO. HE HAS NOT BEEN
23 ASKED THE CONVERSATION.

24 MR. COLE: THAT IS CORRECT.

25 THE COURT: DO YOU KNOW, SIR?

1 THE WITNESS: I DON'T THINK I DO.

2 BY MR. COLE:

3 Q. WERE YOU CONSIDERING INVESTING IN THE HYDROGEN CAR?

4 A. I DIDN'T KNOW ENOUGH ABOUT IT TO INVEST.

5 Q. WERE YOU GETTING SOME INFORMATION ON IT?

6 A. I NEVER GOT ENOUGH INFORMATION TO WHERE I WAS

7 INVESTING.

8 Q. IF YOU HAD HAD ENOUGH INFORMATION WERE YOU THINKING
9 ABOUT INVESTING IN IT?

10 A. I AM SURE I WOULD HAVE IF IT HAD BEEN A GOOD DEAL.

11 Q. MR. ROGERS, YOU SAID YOU ONLY MET CONGRESSMAN HANSEN
12 ONE TIME. DID YOU TALK TO HIM OTHER THAN THAT?

13 A. I THINK I TALKED TO HIM ONCE ON THE PHONE OR MAYBE
14 TWICE. I DON'T REMEMBER.

15 Q. DO YOU RECALL WHAT HAPPENED IN THOSE CONVERSATIONS?

16 A. ONCE I BELIEVE HE WANTED TO BORROW SOME MONEY AND
17 COULDN'T GET AHOLD OF CARL AND I TOLD HIM I WOULD HAVE TO GET
18 AHOLD OF CARL.

19 Q. DID HE CALL YOU IN THAT CONVERSATION?

20 A. WHAT?

21 Q. DID HE CALL YOU?

22 A. YES, I THINK.

23 Q. TO BORROW THE MONEY?

24 A. I THINK.

25 Q. DID HE TELL YOU HOW MUCH HE WANTED TO BORROW?

1 A. NO.

2 Q. YOU HAD ONLY MET HIM ONCE AT THIS POINT?

3 A. YES.

4 Q. WHAT ABOUT THE OTHER CONVERSATION?

5 A. I DON'T KNOW. HE MIGHT NOT HAVE EVEN MADE THE CALLS
6 TWICE SO, I DON'T KNOW. I DON'T KNOW WHETHER HE DID OR NOT.

7 MR. COLE: NO FURTHER QUESTIONS AT THIS TIME.

8 THE COURT: CROSS-EXAMINATION.

9 CROSS-EXAMINATION

10 BY MR. LEWIN:

11 Q. MR. ROGERS, IS IT FAIR TO SAY THAT YOUR PARTICIPATION
12 IN THESE LOANS, AND IN THE DOCUMENTS THAT HAVE BEEN PUT BEFORE
13 YOU WAS SIMPLY A FAVOR FROM YOU TO CARL MCAFEE?

14 A. YES.

15 Q. YOU DIDN'T KNOW OR REALLY ASK WHAT THIS WAS ALL ABOUT?
16 IT IS JUST HE ASKED YOU WILL YOU SIGN ON THESE DOCUMENTS WITH
17 ME AND YOU SAID O. K.?

18 A. THAT IS RIGHT.

19 Q. AND IN THE COURSE OF THE CONVERSATIONS HE DID MENTION
20 SOMETHING TO YOU ABOUT THE FACT THAT THE MONEY WAS TO BE USED
21 FOR A BOOK THAT A CONGRESSMAN WAS, HE PUT, FINISHING; IS THAT
22 RIGHT?

23 A. THAT IS RIGHT.

24 Q. AND YOU, PERSONALLY, REALLY DID NOT GET INVOLVED IN
25 ANY OF THESE DETAILS AS TO WHAT IT WAS ABOUT OR WHAT IT WAS FOR

1 OR HOW IT WAS GOING TO WORK?

2 A. THAT IS RIGHT.

3 Q. AND CARL MCAFEE HAD IN FACT PRIOR TO THAT TIME BEEN
4 YOUR LAWYER AND YOUR BUSINESS PARTNER, IS THAT RIGHT?

5 A. YES.

6 Q. AND IT WAS FOR THAT REASON THAT YOU SIMPLY WENT ALONG
7 WITH WHAT HE HAD ASKED YOU TO DO?

8 A. YES, SIR.

9 MR. LEWIN: ALL RIGHT. THANK YOU.

10 NO FURTHER QUESTIONS.

11 THE COURT: ANYTHING FURTHER?

12 MR. COLE: NOTHING FURTHER.

13 THE COURT: MR. ROGERS, YOU ARE EXCUSED. I JUST ASK
14 THAT YOU NOT DISCUSS YOUR TESTIMONY WITH ANY OTHER POSSIBLE
15 WITNESS UNTIL THIS CASE IS COMPLETED.

16 LADIES AND GENTLEMEN OF JURY, WE REACHED THE TIME WHEN
17 WE CUSTOMARILY RECESS FOR LUNCHEON, SO WE WILL DO IT AT THIS
18 TIME.

19 HAVING JUST COMPLETED A WITNESS WE ASK THAT YOU BE
20 BACK AT 1:30 THIS AFTERNOON. THAT AS HOUR AND A QUARTER FOR
21 THE PURPOSE OF LUNCHEON.

22 REMEMBER THE ADMONITION NOT TO DISCUSS THE CASE. I'LL
23 SEE YOU AT 1:30 THIS AFTERNOON.

24 (JURY OUT AT 12:15 P.M.)

25 THE COURT: WILL THE COUNSEL REMAIN? I WOULD LIKE TO

1 TALK TO YOU A MOMENT.

2 ALL RIGHT. JUST INQUIRY OF GOVERNMENT COUNSEL AS TO
3 HOW MANY MORE WITNESSES WE INTEND TO HAVE TODAY, IF ANY?

4 YOU DON'T HAVE TO SAY WHO. JUST ABOUT HOW MANY?

5 MR. WEINGARTEN: A NUMBER WOULD BE MISLEADING. THERE
6 IS A BRIEF WITNESS MALCOLM VAN DYKE. ONE BRIEF ONE, AND MR.
7 MEADE WHO WILL BE LENGTHY. AND THEN TWO WITNESSES, WE ARE
8 CONSIDERING PUTTING ON, ONE FROM REDSTONE ARSENAL, AND ONE FROM
9 THE PENTAGON. WE EXPECT THEM TO BE BRIEF.

10 A CUSTODIAN FROM VIRGINIA BANK TO WRAP UP ALL OF THIS
11 FINANCIAL STUFF AND A CUSTODIAN FROM RIGGS TO REPRESENT WHERE
12 MONIES WENT THAT WERE RECEIVED BY CONGRESSMAN HANSEN. AND THEN
13 WE REST.

14 THE COURT: ALL RIGHT. IF COUNSEL CAN AGREE ON ANY
15 STIPULATIONS CONCERNING THE CUSTODIANS, FINE AND GOOD.

16 IT SEEMS CLEAR WE ARE GOING TO FINISH BEFORE 7 TODAY.
17 IF THAT IS SO, OF COURSE I AM LOOKING TO MR. LEWIN TO LET HIM
18 KNOW HE WILL HAVE WITNESSES WAITING.

19 MR. WEINGARTEN: I DON'T THINK HE NEEDS WITNESSES
20 TODAY.

21 THE COURT: I AM GLAD YOU GAVE HIM THAT ASSURANCE BUT
22 I AM TELLING HIM HAVE SOMEONE STANDING BY SO WE WILL HAVE
23 WITNESSES IN EARLY EVENING.

24 MR. LEWIN: I HAD ASSUMED FROM WHAT MR. WEINGARTEN
25 HAD TOLD ME THAT HIS CASE WILL BE TAKING ALL DAY. IT LOOKS AS

1 IF IT WILL BE TAKING ALL AFTERNOON AT LEAST UNTIL 7.

2 THE COURT: THE REASON I AM DOING THIS IS JUST TO
3 AVOID ANY DIFFICULTY IN THAT REGARD TO AT LEAST HAVE SOME
4 WITNESS READY IF IT SEEMS APPROPRIATE. YOU MIGHT HAVE THEM ON
5 CALL AND THEN AS WE GET CLOSER TO TIME ADVISE THEM TO BE HERE
6 OR NOT TO BE HERE WHEN REQUESTED.

7 MR. WEINGARTEN: YOUR HONOR, IN OUR TRIAL BRIEF, WE
8 REQUESTED AN OPPORTUNITY TO BE HEARD ON A NUMBER OF DEFENSE
9 EXHIBITS. I HATE TO OBJECT EVERY TIME ONE IS OFFERED INTO
10 EVIDENCE. WE CAN OBJECT IN GROUPS, BUT I THINK PERHAPS A
11 HEARING WILL BE AN APPROPRIATE AFTER WE REST.

12 THE COURT: ALL RIGHT. SEE YOU AT 1:30.

13 (WHEREUPON, AT 12:15 PM., THE ABOVE-ENTITLED MATTER
14 WAS RECESSED FOR LUNCHEON, TO RECONVENE THE SAME DAY AT
15 1:30 P. M.)
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1 AFTERNOON SESSION

2 THE COURT: Good afternoon. Is everyone ready for
3 the jury? Fine.

4 (Jury present at 1:30)

5 THE COURT: All right, ladies and gentlemen. After
6 our luncheon, of whatever quality, we are all ready to continue
7 with the testimony. The government will call its next witness.

8 MR. COLE: The government calls Malcolm Van Dyke.
9 Whereupon,

10 MALCOLM EUGENE VAN DYKE

11 was called as a witness by counsel for the Government and,
12 having been duly sworn by the Deputy Clerk, was examined and
13 testified as follows:

14 THE COURT: Good afternoon, Mr. Van Dyke.

15 DIRECT EXAMINATION

16 BY MR. COLE:

17 Q. Mr. Van Dyke, would you please state your full name
18 for the record and spell your last name?

19 A. Malcolm Eugene Van Dyke. V-A-N-D-Y-K-E.

20 Q. Where do you live, sir?

21 A. Richlands, Virginia.

22 Q. If I could ask you to keep your voice up a little bit
23 and maybe move a little closer to the microphone so we can all
24 hear.

25 Where was that?

- 1 A. Richlands, Virginia.
- 2 Q. How are you employed, Mr. Van Dyke?
- 3 A. I employed by Rebel Coal Company.
- 4 Q. Who owns the Rebel Coal Company?
- 5 A. Odell Rogers.
- 6 Q. Are you involved in any other businesses besides the
- 7 Rebel Coal Company?
- 8 A. Yes.
- 9 Q. When would that be?
- 10 A. We have some partnerships and do some farming.
- 11 Q. Are you familiar with a company named M&T Equipment?
- 12 A. Yes.
- 13 Q. Are you involved in M&T Equipment?
- 14 A. Yes, I am.
- 15 Q. What is your position there?
- 16 A. Partner.
- 17 Q. Who are you partners with?
- 18 A. Odell Rogers.
- 19 Q. Odell Rogers?
- 20 A. Yes.
- 21 Q. He is the owner of Rebel Coal?
- 22 A. Yes.
- 23 Q. How long have you been working for Rebel Coal?
- 24 A. 11, 12 years.
- 25 Q. What are your duties there, if I can ask?

1 A. I am in production right now.

2 Q. What would that involve for those who are not sure
3 about the coal business too much?

4 A. All right. Supervising the operation out in the
5 field.

6 Q. Your duties with M and T Equipment Company?

7 A. To help manage it.

8 Q. What kind of business is it?

9 A. We lease equipment and do some farming.

10 Q. Do you have any duties with regard to Odell Rogers of
11 a personal nature as opposed to a business nature?

12 A. Yes, I do.

13 Q. Could you tell the jury what those duties are?

14 A. I do most of his personal finance work. I write his
15 checks, pay his bills, deposit his checks, et cetera.

16 Q. Would you be known as Odell's business manager?

17 A. Probably.

18 Q. Is that how you have described yourself in the past?

19 A. Yes.

20 Q. In regard to your business relationship personally
21 with Mr. Rogers, have you had involvement with loans that were
22 made to congressman George Hansen?

23 A. Yes.

24 Q. I would like to first show you what is in evidence as
25 Government's Exhibit 41, which is a promissory note from George

1 Hansen to Odell Rogers and Carl McAfee, and Government's
2 Exhibit 43 in evidence, a note from Odell Rogers and Carl
3 McAfee to the Miners & Merchants Bank. Have you ever seen
4 those two before, or originals? Those are copies.

5 A. Yes, I have.

6 Q. Both 41 and 43, both of those exhibits?

7 A. Yes.

8 Q. I would like you to look at the back of the second
9 page of 41, which is the promissory note. There is a signature
10 there. Do you know whose signature that is?

11 A. It appears to be Carl McAfee's.

12 Q. Do you know if Mr. McAfee signed that?

13 A. No, I don't know.

14 Q. I would like you now to look on the Exhibit 43, at
15 the bottom on the signature section. There are two signatures
16 there, is that right?

17 A. Yes.

18 Q. Did you sign either of those signatures?

19 A. Yes.

20 Q. Which one did you sign?

21 A. I signed Odell's, I am sure of it.

22 Q. Was that done at Mr. Rogers' instructions?

23 A. Yes.

24 Q. How about the Carl McAfee signature, did you sign
25 that?

1 A. No, I don't think so.

2 Q. Were you told anything by Mr. Rogers concerning this
3 loan at the time you signed that document?

4 A. Rephrase that again. I was told to do this.

5 Q. You were told to do that?

6 A. Yes.

7 Q. Did he tell you what the money was for?

8 A. No.

9 Q. Did he tell you anything about the nature of the loan
10 or why he was doing it?

11 A. No.

12 Q. Did there come a time when there was another loan
13 that was made by Mr. McAfee and Mr. Rogers to Congressman
14 Hansen, that you know of?

15 A. Yes.

16 Q. I would like to show you what is already in evidence
17 as Government's Exhibit 45, which is a promissory note from
18 George Hansen to Odell Rogers and Carl McAfee, Government's
19 Exhibit 47, which is a note from Carl McAfee to the Miners &
20 Merchants Bank. Let's just start with those two right now.

21 Have you seen those before, Mr. Van Dyke?

22 A. Yes, I have.

23 Q. I would like you now to look first, on the back of
24 the promissory note from George Hansen. There appears two
25 signatures on the back. Do you know who wrote those signatures

1 on the back?

2 A. I think I did.

3 Q. Both of them?

4 A. Yes.

5 Q. One is for Odell Rogers?

6 A. Yes.

7 Q. The other is for Carl McAfee?

8 A. Yes.

9 Q. I would like you now to look at the note itself,
10 which is Government's Exhibit 47. There is a signature on the
11 bottom line there of Carl McAfee. Did you sign that as well?

12 A. Yes, I did.

13 Q. How is it that you came to sign those signatures on
14 those notes, Mr. Van Dyke?

15 A. Mr. McAfee was out-of-town, and he made arrangements
16 with the bank for the loan, and also authorized me, with the
17 bank officials, to sign his name.

18 Q. Did you have a conversation with Mr. McAfee?

19 A. Yes, I did.

20 Q. Did he call you?

21 A. Yes.

22 Q. What instructions did he give you as far as what you
23 were supposed to do here?

24 A. Get the money and deliver it to his office.

25 Q. Where were you supposed to get the money from?

1 A. from the bank, the note.

2 Q. From the Miners & Merchants Bank?

3 A. From the proceeds of the loan, yes.

4 Q. Did he instruct you to have a check written on Mr.
5 Rogers' account and sent over to his office?

6 A. No.

7 Q. Let me show you Government's Exhibit 59, which is in
8 evidence, and ask you if you have ever seen that check before?

9 A. Yes, I did write that check, but not under the
10 instructions of Mr. McAfee.

11 Q. Why did you write that check, Mr. Van Dyke?

12 A. In order to transfer the funds from Miners &
13 Merchants Bank to Mr. McAfee.

14 Q. Now, that is a \$60,000 check to Carl McAfee?

15 A. Yes, it is.

16 Q. Signed Arthur L. Rogers?

17 A. Yes.

18 Q. What is the date on that check?

19 A. 8-15-31.

20 Q. That would be August 19th, 1931?

21 A. Yes.

22 Q. Were there funds to cover at that point from the bank,
23 that check? Had you already gotten the money from the bank at
24 that point?

25 A. No.

1 Q. So you were advancing the funds?

2 A. Right. The funds were to come from the proceeds of
3 the loan.

4 Q. Now, had Mr. McAfee told you to get that money over
5 to his office prior to actually having the loan finished up at
6 the Miners & Merchants Bank?

7 A. Yes.

8 Q. Did Mr. McAfee give you any other instructions as to
9 who you were to have those loan documents sent to at the bank?

10 A. Yes.

11 Q. Who did he tell you to send them to?

12 A. Mr. Meade.

13 Q. That is John Meade?

14 A. John Meade.

15 Q. He was the president of the bank at the time?

16 A. Yes, he was.

17 Q. Mr. McAfee, if I can summarize, told you to sign the
18 back of the George Hansen note, is that correct?

19 A. Yes.

20 Q. Then he told you to sign the \$50,000 note from him to
21 the Miners & Merchants Bank, is that correct?

22 A. Yes.

23 Q. When that note was signed, was there anything filled
24 in as far as when the payment terms were supposed to be or what
25 the collateral was going to be or anything of that nature?

1 A. No.

2 Q. It was just a blank note?

3 A. A blank note.

4 Q. You were to sign that blank note?

5 A. Yes.

6 Q. Did Mr. McAfee inform you at all of what was going to
7 happen to that blank note when it got over to Mr. Meade at the
8 bank?

9 A. No.

10 Q. Was it your understanding that Mr. Meade knew what to
11 do with that note when he got it?

12 A. Yes.

13 Q. How did you get that understanding?

14 A. Mr. McAfee told me that he had talked to Mr. Meade
15 and they had worked out the loan, and he had told him what to
16 do with the funds.

17 Q. Now, did Mr. Rogers instruct you to sign his name on
18 that loan document as well?

19 A. Yes.

20 Q. Was money ever obtained from the bank for this loan
21 that you had made out for Mr. Meade?

22 A. Yes.

23 Q. I would like to show you what has previously been
24 marked for identification as Government's Exhibit 46 and
25 Exhibit 49. First, to No. 48, which is the document you are

1 looking at, have you ever seen that before or something like
2 that?

3 A. No.

4 Q. Looking at No. 49, have you ever seen that before, or
5 an original of it?

6 A. I don't recall ever seeing that before, no.

7 Q. Okay. Mr. Van Dyke, did there come a time when you
8 began to make some payments on this loan, on both of these
9 loans?

10 A. I paid some interest, no principal payment.

11 MR. COLE: If I could have this item marked
12 Government's Exhibit 51B.

13 DEPUTY CLERK: Government's Exhibit 51B marked for
14 identification.

15 (Whereupon, Government's Exhibit No.
16 51B was marked for identification)

17 MR. COLE: I am showing a copy of 51B to counsel. I
18 am also showing a copy of Government's 51 to counsel.

19 BY MR. COLE:

20 Q. Mr. Van Dyke, I would like to show you first
21 Government Exhibit 51, a piece of paper containing copies of
22 two checks. Have you seen either of those two checks before?

23 A. Yes, I have seen one of them.

24 Q. Which one have you seen?

25 A. The M and T Equipment Company check.

1 Q. What is the date it is made out?

2 A. It is not legible.

3 Q. Have you seen the other check on that sheet?

4 A. No.

5 Q. Let me show you Exhibit 51B and ask you if the check
6 on 51B is the same as the check you have just been looking at
7 on 51?

8 A. Yes, it is.

9 Q. Can you make out the date on that one?

10 A. 9-30-81.

11 Q. What else is on 51B, what else besides the check, is
12 on that piece of paper?

13 A. The check stub.

14 Q. Is that a check stub and check that you made out and
15 filled out concerning a payment on the loans we are talking
16 about here today?

17 A. An interest payment, yes.

18 MR. COLE: Your Honor, I would move 51B at this time
19 into evidence.

20 MR. LEWIN: No objection.

21 THE COURT: It is now in evidence, without objection.

22 (Whereupon, Government's Exhibit

23 No. 51B was received into evidence).

24 BY MR. COLE:

25 Q. Would you tell the jury what the check is for, first

1 of all, who it is made out to, the date and the amount?

2 A. The check was written on September 30th, 1931, to
3 Miners & Merchants Bank, and its stubbed as an interest payment
4 for one-third of interest on note 10-7-42 and 10-7-15. The
5 amount of the check \$536.53.

6 Q. You said the check stub said one-third interest on
7 those two notes, is that correct?

8 A. One-third of the interest on the two notes.

9 Q. Were you instructed at that time to pay one-third of
10 the interest on those two notes?

11 A. Yes.

12 Q. Are those the two notes we have been talking about
13 here that were secured with Congressman Hansen's personal notes
14 to Mr. Rogers and Mr. McAfee?

15 A. I can't see the note number on there.

16 Q. Is that your understanding?

17 A. That is my understanding that that was the two notes,
18 yes.

19 Q. Who told you to make a one-third payment on that?

20 A. Mr. Rogers.

21 Q. Did you ever discuss it with Mr. McAfee?

22 A. No.

23 Q. Were you ever paid back that one-third payment?

24 A. Not to my knowledge, no.

25 Q. Was it your understanding that you were to make that

1 one-third payment as a payment on interest, without expecting
2 to be reimbursed for it?

3 A. No, the re-payment was never discussed.

4 Q. Do you know who made the other two-thirds payments?

5 A. No, I don't.

6 Q. Nobody ever told you?

7 A. No. From this exhibit, I can tell you who made part
8 of it.

9 Q. The other exhibit?

10 A. It looks like John Meade's check, which was an
11 interest check also for that.

12 Q. Mr. Van Dyke, have you ever been paid interest by
13 Congressman Hansen on the note on behalf of Odell Rogers?

14 A. No, I have not.

15 Q. As Mr. Rogers' business manager, who did you
16 understand the loan of 25,000 and 60,000 to be made to?

17 A. Mr. Hansen.

18 Q. As his business manager, who did you expect to have
19 re-payment made by?

20 A. By Mr. Hansen, yes.

21 MR. COLE: Thank you, Mr. Van Dyke.

22 THE COURT: Cross-examination.

23 CROSS-EXAMINATION

24 BY MR. LEWIN:

25 Q. Mr. Van Dyke, you were never told by Mr. Rogers what

1 the purpose was of these loans to Congressman Hansen, were you,
2 what he understood the purpose to be?

3 A. I don't know. He never told me the purpose, no.

4 Q. He never told you.

5 With regard to those loans, the documents that are
6 before you, Government's Exhibit 41, and the \$50,000 note,
7 Government Exhibit 45, I just ask you to read to the jury, if
8 you will, the first printed line under the number of the
9 principal that was owed under those notes. It says, "with
10 interest thereon", is that right?

11 A. Yes.

12 Q. So could you please read that?

13 A. "With interest thereon at the rate of 20 percent per
14 annum from August 14th, 1931, until paid."

15 Q. And in the other note?

16 A. "With interest thereon at the rate of 20 percent per
17 annum from July 17th, 1931, until paid."

18 Q. So both of those were notes in which Congressman
19 Hansen was obligating himself to pay principal and interest at
20 the rate of 20 percent per annum, is that right?

21 A. Yes.

22 Q. That was a good rate of interest at the time, was it
23 not?

24 A. Yes.

25 MR. LEWIN: Thank you.

1 MR. COLE: No further questions.

2 THE COURT: Thank you for your testimony. I ask only
3 that you not discuss it with any other possible witness in this
4 case until the matter is concluded.

5 THE WITNESS: Okay.

6 MR. COLE: The government calls as its next witness,
7 John Meade.

8 Whereupon,

9 JOHN D. MEADE, JR.

10 was called as a witness by counsel for the Government and,
11 having been duly sworn by the Deputy Clerk, was examined and
12 testified as follows:

13 THE COURT: Good afternoon, Mr. Meade.

14 THE WITNESS: Good afternoon.

15 DIRECT EXAMINATION

16 BY MR. COLE:

17 Q. Would you please state your full name and spell your
18 last name for the court reporter?

19 A. John D. Meade, Jr. M-E-A-D-E.

20 Q. Where do you live?

21 A. 11 Route 3, Lebanon, Virginia.

22 Q. How are you employed, sir?

23 A. Self employed.

24 Q. What kind of business do you do self employed?

25 A. Farming.

1 Q. Where is Lebanon, Virginia?

2 A. It is in the southwestern part of Virginia, near
3 Bristol, Virginia, Tennessee.

4 Q. Prior to that, Mr. Meade, how were you employed,
5 prior to being a farmer?

6 A. I was president of the Miners & Merchants Bank Trust
7 Company in Grundy, Virginia.

8 Q. What period of time was it that you were president of
9 Miners & Merchants Bank?

10 A. I believe it was from April of 1978 until sometime in
11 April of 1982.

12 Q. Mr. Meade, when you left the bank, was it under
13 somewhat unusual circumstances, sir?

14 A. Yes, it was.

15 Q. Were you in fact under criminal charges or
16 contemplated criminal charges at the time you left the bank?

17 A. Yes, I was.

18 Q. Did you eventually plead guilty to those criminal
19 charges?

20 A. Yes, sir.

21 Q. Could you tell the jury what those criminal charges
22 were?

23 A. Misapplication of bank funds, making false entries on
24 bank books and making false statements in order to get a loan.

25 Q. Is it fair to say, Mr. Meade, that on the 3rd of June,

1 1983, you ultimately plead guilty to seven counts in Federal
2 District Court involving these violations that you have just
3 told the jury of?

4 A. June of 1983 or June of 1982?

5 Q. June of 1983, I believe, was the last date you were
6 in court, is that correct?

7 A. That was the last date I was in court, yes, sir.

8 Q. You had had a hearing before that in November?

9 A. Yes.

10 Q. It was seven counts?

11 A. Yes.

12 THE COURT: Ladies and gentlemen of the jury, the
13 testimony of a witness may be discredited or impeached by the
14 showing that he has been convicted of a crime. A witness'
15 prior criminal conviction is admitted into evidence solely for
16 your consideration in evaluating his credibility as a witness.
17 You may consider Mr. Meade's prior conviction only in
18 connection with your evaluation of the credence to be given to
19 his present testimony in court.

20 You may continue, Mr. Cole.

21 MR. COLE: Thank you, Your Honor.

22 BY MR. COLE:

23 Q. Mr. Meade, is it fair to say you resigned from Miners
24 & Merchants Bank on the 29th of April, 1982?

25 A. I believe that is the date, sir. It was in 1982.

1 Q. Was there a bank examination going on at the time?

2 A. Yes, there was.

3 Q. Did that examination reveal irregularities in the
4 transactions of the bank?

5 A. Yes.

6 Q. When did that examination begin?

7 A. I believe sometime in March, sir, of 1982.

8 Q. Did it go on up until the 29th of April? Did it take
9 some time?

10 A. It took some time, sir. The exact date was sometime
11 in April, yes, sir.

12 Q. Was it still going on when you left the bank?

13 A. Yes, sir.

14 Q. Who followed you as president of the bank?

15 A. I am sorry?

16 Q. Who followed you, who was president of the bank after
17 you resigned from being president?

18 A. Jack Reazor.

19 Q. Do you know how long he remained president of the
20 bank?

21 A. From the time I left in 1982 up until just recently,
22 sir, sometime around the end of 1983, I believe.

23 Q. Mr. Meade, do you know a man by the name of Carl
24 McAfee?

25 A. Yes, sir.

1 Q. How long have you known Mr. McAfee?

2 A. Practically all my life, sir.

3 Q. How do you know him? Is he a friend? Is he a
4 business partner? How would you describe your relationship?

5 A. Well, a friend, an attorney. He represented me, like
6 in the case that we just talked about.

7 Q. Did you also have business dealings with Mr. McAfee?

8 A. Well, kind of.

9 Q. Did you ever go into any sort of investment with Mr.
10 McAfee or thinking about going into an investment with Mr.
11 McAfee?

12 A. We discussed about going into business together, but
13 actually there was never any -- for instance, we discussed one
14 time of going into a coal operation together, but to my
15 knowledge I was never in that company, at least I was never
16 issued any stock or anything, to my knowledge.

17 Q. Do you know a man by the name of Odell Rogers?

18 A. Yes, sir.

19 Q. How long have you known Mr. Rogers?

20 A. Practically all my life, again, or all of his life,
21 not really all that close up until 5 or 7 years ago, I guess 10,
22 12 years ago.

23 Q. What kind of relationship, again, with Mr. Rogers,
24 friendship, business?

25 A. Friendship, and then from a business standpoint of

1 dealing with Mr. Rogers and his companies through the bank.

2 Q. Did you ever extend loans to Mr. McAfee and Mr.
3 Rogers together while you were at the Miners & Merchants bank
4 as president?

5 A. Yes, sir.

6 Q. I would like to draw your attention specifically now
7 to July of 1981. Did you extend a loan to Mr. Rogers and Mr.
8 McAfee at that time?

9 A. I believe that is the date, sir. If I could see an
10 instrument or something, I could tell you.

11 Q. I am going to show you Government's Exhibit 42, which
12 is a \$25,000 note from Miners & Merchants Bank from Carl McAfee
13 and Odell Rogers.

14 A. Yes, sir.

15 Q. Did you handle that transaction for them?

16 A. Yes, sir.

17 Q. How much is the loan for?

18 A. \$25,000.

19 Q. What is the collateral or security for that loan?

20 A.. It states, the note signed by George Hansen.

21 Q. What kind of note is that, Mr. Meade? When is it due?

22 A. The one made to McAfee and Rogers?

23 Q. That is correct.

24 A. It is a demand note, payable on demand.

25 Q. Is there any time period then that they have to pay

1 it in?

2 A. Not really, sir.

3 Q. How about interest payments, do they have to make
4 interest payments on it?

5 A. Interest payments were to be paid on a calendar
6 quarter basis.

7 Q. For those of us who aren't in the banking business,
8 what does it mean to make an interest payment on a calendar
9 quarter basis?

10 A. There would be a payment due April 1, July 1, October
11 1.

12 Q. And then January 1?

13 A. And then January 1, yes, sir.

14 Q. So it is quarters of the year?

15 A. Yes, sir.

16 Q. I would like to show you Exhibit 44, which is a \$25,000
17 check from Miners & Merchants Bank to Carl McAfee. Have you
18 seen that before, Mr. Meade?

19 A. Evidently I have. I signed it.

20 Q. Is that the money that was given to Mr. McAfee
21 because of this loan that was made?

22 A. Well, sir, it is of the same date. I don't know of
23 any other loan he had in the bank or any other reason I would
24 have been giving him that check.

25 Q. Now, this loan was secured by a note from George

1 Hansen to Mr. McAfee and Mr. Rogers, is that correct?

2 A. Yes, sir.

3 Q. Were you told anything about this loan at the time
4 from Mr. McAfee or Mr. Rogers as to why they loaned money to
5 Congressman Hansen?

6 A. No, sir.

7 Q. Was this security, this note, required as collateral
8 for your loans, in your bank?

9 A. Is the question, did we require Mr. Hansen's note as
10 security on Mr. Rogers' and McAfee's loan?

11 Q. Correct.

12 A. No, sir, we would not have necessarily required it.

13 Q. Was the bank looking to Mr. Hansen for the loan at
14 all at this point?

15 A. No, sir.

16 Q. Just to Mr. Rogers and Mr. McAfee?

17 A. Yes, sir.

18 Q. Do you know why this note was put up as collateral?

19 A. No, sir.

20 Q. Had you met Congressman Hansen at the point you
21 negotiated this loan?

22 A. I don't remember whether I had met him at the time.
23 It seems like I have checked this before, and perhaps I had. I
24 really don't remember whether it was before or right after, but
25 anyway, it was right during the period of time that I met Mr.

1 Hansen.

2 Q. Did you ever discuss this loan with Mr. Hansen,
3 around that period of time?

4 A. At that period of time that the loan was made?

5 Q. Yes.

6 A. No, sir.

7 Q. Did there come a time when you did another loan of
8 the same variety for Mr. McAfee and Mr. Rogers?

9 A. I am sorry? What was the question again?

10 Q. Did there come another time when there was a loan
11 made to Mr. McAfee and Mr. Rogers, about a month later, the
12 same kind of thing?

13 A. Yes, sir.

14 Q. I would like to show you Government's Exhibit 47 and
15 Government's Exhibit 45. Do you recognize those at all?

16 A. Yes, sir.

17 Q. No. 47, is that the loan document concerning the loan
18 you made to Mr. McAfee for \$50,000?

19 A. Yes, sir.

20 Q. Government Exhibit 45, I believe, which is next to
21 you there, is that the note that was used as collateral for
22 that?

23 A. Yes, sir.

24 Q. That again, you are saying, the bank didn't require
25 there be any collateral here at all?

1 A. No, sir.

2 Q. Was it your understanding, Mr. Meade, that these two
3 notes from Congressman Hansen were being used as collateral so
4 that the money you gave Mr. McAfee and Mr. Rogers could be used
5 to give to the congressman?

6 A. Really, on the \$25,000, I don't remember that, but on
7 the \$50,000 I believe that I was aware that the proceeds of the
8 loan was going to Congressman Hansen, or someone other than
9 McAfee and Rogers.

10 Q. You learned that from someone other than McAfee and
11 Rogers, did you say?

12 A. No, I said, or to someone other than McAfee and
13 Rogers.

14 Q. I would like to show you Exhibits 48 and 49 and ask
15 you if you recognize them?

16 A. Yes, sir.

17 Q. Could you tell us what they are?

18 A. Exhibit 48 is a loan clearing account check or item
19 for \$50,000 payable to Carl E. McAfee.

20 Q. Is that issued by your bank?

21 A. Yes, sir.

22 Q. Is that in relation to the \$50,000 loan we just
23 talked about?

24 A. Yes, sir.

25 MR. COLE: I move that into evidence at this time,

1 Your Honor.

2 THE COURT: No objection?

3 MR. LEWIN: Could I just see the document, Your Honor?

4 THE COURT: Of course.

5 MR. LEWIN: No objection.

6 THE COURT: It is in evidence.

7 (Whereupon, Government's Exhibit
8 No. 48 was received into evidence).

9 BY MR. COLE:

10 Q. I would like you to look at Exhibit 49. Do you know
11 what that is, sir?

12 A. Yes, sir.

13 Q. What is that?

14 A. That is a deposit ticket to Arthur O. Rogers' account
15 for \$50,000.

16 Q. Is that also from your bank?

17 A. Yes, sir.

18 MR. COLE: I would like to move that into evidence at
19 this time, Your Honor.

20 MR. LEWIN: No objection.

21 THE COURT: It is in evidence.

22 (Whereupon, Government's Exhibit
23 No. 49 was received into evidence).

24 BY COLE:

25 Q. Would you look at that loan clearing document,

1 Exhibit 48. Who is it made out to?

2 A. Carl E. McAfee.

3 Q. Are there any instructions on it?

4 A. Yes, sir.

5 Q. What are those instructions?

6 A. The instructions say to deposit to Arthur O. Rogers'
7 account No. 02-3591-6.

8 Q. Artnur O. Rogers is Odell Rogers?

9 A. Yes, sir.

10 Q. Odell Rogers is not on the \$60,000 note with Miners &
11 Merchants, is he?

12 A. I don't believe he was, sir.

13 Q. Just Mr. McAfee?

14 A. Looking at the document, I believe that is all I
15 remember seeing on it, yes, sir.

16 Q. Would you like to see the document to be sure?

17 A. Yes, sir.

18 Q. I am showing the witness Exhibit 47.

19 A. Do you have the back of this note?

20 Q. No.

21 A. Well, Odell Rogers is not signed as a maker on the
22 front of the note, no, sir.

23 Q. Yet the check for the proceeds is being deposited to
24 Mr. Rogers' account?

25 A. Yes, sir.

1 Q. Mr. Meade, you said that there are interest payments
2 due quarterly on these notes, is that correct?

3 A. Yes, sir.

4 Q. Who would the interest payments be expected from?

5 A. Carl McAfee and Odell Rogers.

6 Q. I would like to show you Exhibit 51, Mr. Meade, and
7 ask you if you recognize the top check on there?

8 A. Yes, sir.

9 Q. Could you tell us what it is?

10 A. It is a check signed by me on an account of mine in
11 the name of Cherokee Cattle Company payable to Carl McAfee and
12 Odell Rogers for \$623.06. It looks like, \$623.06.

13 Q. Is that one of your checks?

14 A. Yes, sir.

15 Q. Do you know what that check was used for?

16 A. It says on there it went to pay interest on the
17 Hansen loan.

18 MR. COLE: Your Honor, I would move Exhibit 51 into
19 evidence at this time.

20 MR. LEWIN: Could we see that document again?

21 THE COURT: Surely.

22 MR. LEWIN: Your Honor, I understand there are two
23 checks photographed on Government Exhibit 51 and Mr. Cole
24 advises me that the bottom check is in evidence as 51B and that
25 only the top check is 51. We have no objection.

1 THE COURT: Fine. It is in evidence.
2 (Whereupon, Government's Exhibit
3 No. 51 was received into evidence).

4 BY MR. COLE:

5 Q. Mr. Meade, you said that check is made out to Odell
6 Rogers and Carl McAfee, is that correct?

7 A. Yes, sir.

8 Q. Did you make that check out?

9 A. I really don't remember, sir. I rather think that my
10 secretary did, sir.

11 Q. Would she have made it out without your instruction?

12 A. No, sir.

13 Q. Would your instructions have included who to make it
14 out to?

15 A. Yes, sir, it would have.

16 Q. Would it include the amount?

17 A. Yes, sir.

18 Q. Would it include instructions to have it signed with
19 your name?

20 A. Yes, sir.

21 Q. Why would you not have made it out yourself?

22 A. I really don't know. I mean, except my secretary did
23 a lot of work for me on a personal basis and she had my
24 signature on a stamp that she could sign checks, on my behalf,
25 or on my accounts.

1 Q. What is the date of that check, Mr. Meade?

2 A. It is so blotted out I really can't tell you, sir.
3 It looks like 9 something of 1981.

4 MR. COLE: Your Honor, if I may show Mr. Meade
5 another copy?

6 THE COURT: Surely.

7 THE WITNESS: It looks like maybe 9-30.

8 MR. LEWIN: Your Honor, may we have the better copy
9 marked in evidence so that the jury can see it?

10 THE COURT: If you would rather have it done that way,
11 good idea, Mr. Lewin.

12 BY MR. COLE: We will substitute this for Exhibit 51.

13 THE COURT: This is the better copy.

14 THE WITNESS: It is dated 9-30-81.

15 MR. COLE:

16 Q. September 30th?

17 A. Yes, sir.

18 Q. Is that the date the interest payment was due on
19 these loans?

20 A. That is when it would have been due, yes, sir.

21 Q. Would it have been due on both of the loans that day?

22 A. What was the date of the \$25,000 one? Was it dated
23 in August of 1981?

24 Q. I believe July of 1981.

25 A. July of 1981? Yes, sir, interest on both of them

1 would have been due on 9-30.

2 Q. Did this check go for interest on those?

3 A. I assume it did.

4 Q. Did you give this check to Mr. McAfee and Mr. Rogers?

5 A. No, sir.

6 Q. It is made out to them, isn't it?

7 A. Yes, sir.

8 Q. Doesn't a check need to be endorsed to be cashed?

9 A. Well, it was my own check, sir. Well, it was my
10 secretary, I believe, the endorsement will show -- or someone
11 other than I signed it but they would have done that by my
12 instructions.

13 Q. You would have instructed them to endorse someone
14 else's name on the check?

15 A. Yes, sir, since it was my own check.

16 Q. Mr. Meade, how long have you been a banker?

17 A. About 25 years.

18 Q. In banking circles and in banking practice, is it
19 proper to endorse someone else's name on a check without his
20 permission?

21 A. I wouldn't say it was proper, sir, but I have seen it
22 done for your friends and so forth.

23 Q. Do you know if this was the total interest payment
24 that was supposed to be made on this loan at that time, Mr.
25 Meade?

1 A. Right off, I don't recall, but from the amounts of
2 the loans I wouldn't think it would be the total interest, no,
3 sir.

4 Q. would there be other interest that would have to be
5 paid?

6 A. I would think so, yes, sir.

7 Q. Did you ever get paid back by Mr. McAfee or Mr.
8 Rogers on this check?

9 A. I really don't remember, sir, whether I did or I
10 didn't.

11 Q. Mr. Meade, have I asked you in the past to check on
12 whether or not you did?

13 A. Yes, sir, you did, and by my records, I haven't found
14 where I was repaid, no, sir.

15 Q. To the best of your knowledge, you haven't been
16 repaid?

17 A. Yes, sir.

18 Q. Now, you have on the bottom of this check, in the
19 memo section, what does it say there?

20 A. It says, "interest on Hansen loan".

21 Q. Now, the two loans we are talking about at the Miners
22 & Merchants Bank, those weren't loans to Congressman Hansen,
23 were they?

24 A. No, sir.

25 Q. Mr. Meade, why do you have interest on the Hansen

1 loan written on the check?

2 A. Well, evidently that is where the money was being
3 applied was to the interest on one of the two loans of J. Ell
4 Rogers and Carl McAfee that was secured by the notes on
5 Congressman Hansen.

6 Q. Did you ever talk to Mr. Rogers or Mr. McAfee about
7 each of you paying a third of this interest for the congressman?

8 A. No, sir.

9 Q. Are you sure about that?

10 A. To the best of my memory and knowledge, I don't
11 remember it, no, sir.

12 Q. If Mr. Van Dyke came in here and said he was
13 instructed to pay one-third of the interest and believed you
14 were to also pay a third, would that refresh your memory at all?

15 A. No, sir, it does not refresh my memory.

16 Q. Did you ever make any efforts to have these notes
17 collected from Congressman Hansen?

18 A. To collect the notes, to collect the principal of the
19 notes, is that your question?

20 Q. To collect any payments on these \$25,000 and \$50,000
21 loans.

22 A. By telephone, I have talked to Congressman Hansen, I
23 believe, about paying the interest.

24 Q. How many times?

25 A. I really don't remember, sir.

1 Q. Did you do that on your own?

2 A. No, sir. I did that at the request of Mr. McAfee and
3 Mr. Rogers, one or both. I really don't remember which one
4 might have requested it.

5 Q. Was there ever a payment pursuant to your call?

6 A. I really don't remember, sir.

7 Q. Do you recall testifying in the grand jury?

8 A. Yes, sir.

9 Q. Would it refresh your memory if I showed you the
10 grand jury section concerning that?

11 A. Yes, it probably would. That was over a year ago.
12 I could remember better then than I can now.

13 THE COURT: Do we have an extra copy of that grand
14 jury testimony?

15 MR. COLE: I believe so, Your Honor. For counsel,
16 Your Honor, I am referring to page 60, line 11 through line 18.

17 BY MR. COLE:

18 Q. Would you just read that to yourself, Mr. Meade?

19 Does that refresh your memory, sir?

20 A. Well, sir, like I stated at the time, my memory was
21 much more fresher on this over a year ago than it is today. So,
22 you know, today I still don't remember it but evidently I did
23 at that time.

24 BY MR. COLE:.

25 Q. Was this true at the time you said this?

1 A. Yes.

2 MR. COLE: Your Honor, I would request permission to
3 have the witness read that section into the record.

4 THE COURT: Starting at line 11?

5 MR. COLE: Yes.

6 THE WITNESS: Line 11 is my answer, "I might have
7 called him more than once; I really don't remember. But about
8 the only thing I do recall or remember was that, on one
9 occasion I called him and as well as I remember, he said he
10 would send the check or send whatever the amount was we were
11 asking for. And as well as I remember, we received it. I
12 don't remember whether it was immediately or whether it was two
13 weeks later or whatever."

14 Through lines what, sir?

15 BY MR. COLE:

16 Q. That is sufficient, Mr. Meade. Thank you.

17 Mr. Meade, I would like to show you Government's
18 Exhibit 54.

19 Let me show it to counsel, first.

20 I would ask you if you recognize that?

21 A. Yes, sir.

22 Q. Could you tell us what it is?

23 A. It is a check dated April 14th, 1982, payable to
24 Miners & Merchants Bank Trust Company for \$8,476.71, and I
25 believe that that is G. A. Hansen's signature or something, G.

1 Hansen's signature.

2 Q. Do you know if that check relates to the \$25,000 and
3 \$50,000 loans we are talking about?

4 A. As well I remember, it would have had to relate to
5 one or both of those loans, yes, sir.

6 MR. COLE: Your Honor, I would move that exhibit into
7 evidence at this time.

8 MR. LEWIN: No objection.

9 THE COURT: In evidence.

10 (whereupon, Government's Exhibit
11 No. 54 was received into evidence).

12 BY MR. COLE:

13 Q. Mr. Meade, what is the date of that check?

14 A. April 14th, 1932.

15 Q. I believe you testified earlier that there was a bank
16 examination going on in your bank in April of 1932, is that
17 correct?

18 A. Yes, sir.

19 Q. Was this check written during the time of that bank
20 examination?

21 A. Yes, sir.

22 Q. Mr. Meade, the \$25,000 loan, did your bank always
23 have that as a loan in its possession or did you ever, I
24 believe the term is, "participate" it out to another bank?

25 A. It could have been participated out, sir. Today, I

1 couldn't remember whether it was or whether it wasn't.

2 Q. Mr. Meade, I would like to show you Government's
3 Exhibit 56A and tell me if you have ever seen that document
4 before?

5 A. I am sure I have, sir.

6 Q. Is that a ledger from your bank?

7 A. Yes, sir.

8 Q. Does it concern one of the loans we are talking about?

9 A. Well, sir, to state definitely, I would have to see a
10 copy of that \$25,000 note to get the number off the note, to
11 get the note number off. No, wait a minute, it doesn't even --
12 no, it doesn't have the note number on the certificate. Yes,
13 it does. Yes, the number is here.

14 THE COURT: Your final answer is it does have the
15 number on it?

16 THE WITNESS: Yes.

17 BY MR. COLE:

18 Q. I show you Exhibit 43.

19 A. Now, sir, I don't find the number on the note itself.
20 Down here where it says old number and new number on the note,
21 there is no number on it. That is not out of the ordinary use.
22 We used to keep the numbers on note jackets and the number is
23 on the note jacket.

24 Q. So you don't know?

25 A. I would assume that --

1 Q. Does that match the dates, Mr. Meade?

2 A. What date did we say the note was dated again? I
3 can't read it on this copy. July the --

4 Q. All we have is that copy, Mr. Meade. The question is,
5 do you know if that is the same ledger sheet for that note?

6 A. It certainly appears to be, yes, sir.

7 MR. COLE: Your Honor, I would offer that into
8 evidence at this time.

9 MR. LEWIN: Your Honor, could I please see that?

10 THE COURT: Surely.

11 MR. LEWIN: Your Honor, might I just voir dire the
12 witness?

13 Could I have this document marked the next
14 Defendant's Exhibit.

15 THE COURT: This isn't appropriately
16 cross-examination, it is voir dire.

17 MR. LEWIN: It is voir dire. It just goes to the
18 document, Your Honor.

19 THE COURT: Fine.

20 DEPUTY CLERK: Defendant's Exhibit 14 marked for
21 identification.

22 (Whereupon, Defendant's Exhibit No.

23 14 was marked for identification)

24 VOIR DIRE EXAMINATION

25 BY MR. LEWIN:

1 Q. Mr. Meade, the document Mr. Cole was asking you about,
2 Government 55A, let me place that before you, and let me place
3 before you another document which is marked Defendant's Exhibit
4 14, which is a copy of which we received some time ago from the
5 government. If you compare the two, there are differences
6 between those two, are there not?

7 A. Yes, sir, there is.

8 Q. Defendant's Exhibit 14 has some handwriting up on top
9 after the word "demand", it says "business", where the other
10 one does not?

11 A. I am sorry, sir.

12 Q. Defendant's Exhibit 14, which is the one on your left,
13 not the one you are looking at right now but the other one in
14 your left hand, when it describes the note up on top it says
15 "demand-business", is that written in there?

16 A. No, sir. I see "demand".

17 Q. Government's Exhibit 55A is the one that has "business"
18 written?

19 A. Yes.

20 Q. Someone has written the word "business" on the
21 right-hand side?

22 A. Yes, sir.

23 Q. Government's Exhibit 55 has another entry down at the
24 bottom?

25 A. Yes, sir.

1 Q. Which is the authentic document or copy of the
2 authentic document, do you have any way of knowing?

3 A. No, sir, I don't. The bank, I am sure, would have.
4 I mean, I would have no way of knowing, sir.

5 MR. LEWIN: Your Honor, I submit the matter is not of
6 any great relevance but --

7 THE COURT: Let's do it at the bench, though.

8 Mr. Meade, step down for a moment.

9 (Bench conference).

10 MR. LEWIN: Well, Your Honor, as I say, it is not a
11 matter of any great relevance but we have two different
12 documents, one which was given to us by the government some
13 time ago and another one which the government is trying to
14 offer into evidence as the bank document.

15 I don't know which one is the right document. For
16 that reason, I have to object. As I say, it is not a matter of
17 any great moment but nonetheless I can't allow a document -- if
18 there were no conflicting document, I guess I would not object
19 but since there are two different ones, I don't know which one
20 is the right one.

21 MR. COLE: The original document that we gave them,
22 Your Honor, I am sure was produced during grand jury.

23 THE COURT: Is that Defendant's 14?

24 MR. COLE: Yes. It was given to them almost a year
25 ago. The one I have here with me today I frankly did not

1 compare it to the one we had --

2 THE COURT: Which is 55A.

3 MR. COLE: Yes, which was provided to us by the bank
4 pursuant to a subpoena for the trial. Now, the only thing I
5 can surmise out of this is that probably there are two
6 different copies of similar documents, different bank ledgers
7 that contain the same information. Other than the difference
8 noted by Mr. Lewin, I don't think there is a difference.

9 MR. LEWIN: There is a whole different entry at the
10 bottom of the page.

11 THE COURT: All this witness was being asked to
12 testify to was did this come from the bank ledgers and he said
13 he assumed someone at the bank could say so but he couldn't say
14 so. At this time I don't think he can force him to say that
15 which is not in his memory. I think it has to be withdrawn or
16 put aside at this point.

17 MR. COLE: I will withdraw it at this time.

18 THE COURT: Will we have a similar problem with 55B
19 if that is going to be offered?

20 MR. COLE: That won't be offered.

21 THE COURT: It is listed as \$50,000 loan.

22 MR. LEWIN: It may be.

23 MR. COLE: I won't offer it at this time.

24 (End of bench conference).

25 DIRECT EXAMINATION (Resumed)

1 BY MR. COLE:

2 Q. Mr. Meade, going back to my other question, do you
3 know whether or not the loan was given to another bank?

4 A. I really don't remember, sir, but I have participated
5 loans out to other banks.

6 Q. You don't remember whether this one was "participated",
7 is that the term?

8 A. No, sir, I don't.

9 Q. Did there come a time when you also made a loan to
10 Mr. Hansen yourself?

11 A. Yes, sir.

12 Q. Do you recall about when that was, Mr. Meade?

13 A. I believe November of 1981, sir.

14 Q. Mr. Meade, I would like to show you what has
15 previously been marked as Government's Exhibit 52. Have you
16 seen that before, sir?

17 A. Yes, sir.

18 Q. Could you tell the jury what it is?

19 A. It is a note dated November 21st, 1981, in the amount
20 of \$50,000, payable on demand, at the rate of interest of prime
21 plus one percent, signed by G. Hansen.

22 Q. Is there a date on it?

23 A. November 21, 1981.

24 Q. Is this a note signed by Mr. Hansen to you for this
25 loan?

1 A. Yes, sir.

2 Q. Could you tell the circumstances of this loan going
3 to Mr. Hansen, to the jury, please?

4 A. Well, to the best of my memory, the congressman
5 discussed with me by phone the possibility of needing to borrow
6 a sum of money -- I don't remember whether he discussed \$50,000
7 or what -- for the purpose of promoting a book or books that he
8 was having published.

9 Q. Did he call you about this?

10 A. Did he call me to get the loan, is that what you are
11 saying, sir?

12 Q. Yes.

13 A. Well, I don't know whether the purpose of his call
14 was just to discuss the matter of borrowing the money. I don't
15 recall having just one conversation where Congressman Hansen
16 called me and said, "I need to borrow \$50,000. Will you loan
17 it to me?" It was just in a conversation or conversations we
18 had.

19 Q. There wasn't one point where he said to you, "Mr.
20 Meade, I need some money. Could I borrow it from you"?

21 A. I would think that wouldn't have been out of the
22 ordinary for him to say that, no, sir, but I just don't recall
23 one conversation with him about it. You know, I recall having
24 conversations where he said he needed to borrow some money and
25 asked if I could help him in any way to raise some money, or to

1 borrow the money.

2 Q. You were asked if you could help him raise money.

3 Did you ever talk about actually giving him money?

4 A. Actually giving him money?

5 Q. Or loaning him money?

6 A. Yes, I talked to him about, in those conversations,
7 about I might could possibly loan him some money.

8 Q. But you can't remember any specific conversation you
9 had where he asked you to borrow \$50,000?

10 A. I am sure he asked me. I don't know whether he just
11 asked specifically \$50,000 or not, but, you know, I remember
12 having conversations where he and I discussed the possibility
13 of my lending him monies.

14 Q. Where was that note signed?

15 A. In Lebanon, Virginia.

16 Q. Is that near where you live?

17 A. Yes, sir.

18 Q. Where in Lebanon, Virginia?

19 A. First Russell County Bank & Trust Company.

20 Q. Do you know what day of the week it was?

21 A. To the best of my memory, sir, it was on a Sunday.

22 Q. Was the bank opened or closed?

23 A. Closed.

24 Q. Were you involved at all with the First Russell
25 County Bank?

1 A. Yes, sir.

2 Q. How were you involved in it?

3 A. I was the organizer of First Russell County Bank and
4 owned stock and contributed to the operation of that bank, the
5 management of the bank.

6 Q. I would like to show you what has previously been
7 marked as Government's Exhibit 53. Have you ever seen
8 Government's Exhibit 53 before, Mr. Meade?

9 A. I believe I have, sir.

10 Q. Could you tell us what it is?

11 A. It is a cashier's check on First Russell County Bank
12 and Trust Company dated November 21st, 1961, payable to George
13 Hansen, in the amount of \$50,000.

14 Q. Who signed it?

15 A. Martha Cartmell.

16 Q. Does that check relate to the \$50,000 money that you
17 loaned to Congressman Hansen?

18 A. Yes, sir.

19 MR. COLE: Your Honor, I would move Government's
20 Exhibit 53 into evidence.

21 MR. LEWIN: No objection.

22 THE COURT: It is in evidence, without objection.

23 (Whereupon, Government's Exhibit
24 No. 53 was received into evidence).

25 BY MR. COLE:

1 Q. Mr. Meade, you said the bank was closed at the time?

2 A. Yes, sir.

3 Q. How did you get the cashier's check issued?

4 A. Well, I am the one that typed the amount in the check.

5 I don't recall having done this but I am sure I did call Martha

6 Cartmell or someone at the bank, First Russell County Bank, and

7 asked them to leave a cashier's check or cashier's checks

8 somewhere in the bank where I could get to them or have access

9 to them.

10 Q. Were your instructions for her to leave them blank?

11 A. Yes, sir, my instructions would have been that, yes,
12 sir.

13 Q. Then you and Congressman Hansen went in the bank
14 together?

15 A. Yes, sir.

16 Q. On a Sunday?

17 A. Yes, sir.

18 Q. And transacted this business?

19 A. Yes, sir.

20 Q. He signed the note in the bank?

21 A. Yes, sir, to the best of my memory he did, sir.

22 Q. What are the terms of your note to Congressman Hansen?

23 When is it due? How long is it for?

24 A. Payable on demand.

25 Q. Any specific time that he has to pay that back?

1 A. No, sir.

2 Q. Any interest payments required on that?

3 A. To the best of my memory, sir, it was just agreed at
4 the time maybe the loan was made that the loan would be paid
5 out by spring, of the coming year.

6 Q. So it would be spring of 1932?

7 A. Yes, sir.

8 Q. But no agreement that there would be interest paid
9 periodically?

10 A. Well, you know, if that was our agreement, and to the
11 best of my memory that was what we agreed on verbally, then I
12 wouldn't have necessarily asked for an interest payment from
13 November up until April.

14 Q. My question was, was there an agreed upon amount of
15 interest that would be paid at a specific time, Mr. Meade?

16 A. There was an agreed upon rate of interest to be paid.

17 Q. I am talking about schedule of interest payments.

18 A. It is not in here, sir.

19 To my memory, I don't remember, you know, having any
20 verbal agreement with him like he would pay it yearly or
21 monthly or however.

22 Q. Was there any collateral issued by Congressman Hansen
23 for this loan?

24 A. No, sir.

25 Q. Just his own signature?

1 A. Yes, sir.

2 Q. Nothing you could take back in return if he wasn't to
3 pay on the loan?

4 A. No, sir.

5 Q. Did he pay the money back in the spring?

6 A. No, sir.

7 Q. Did he pay the money back the following November, in
8 1982?

9 A. No, sir.

10 Q. Did he make any interest payments during 1982 to you?

11 A. No, sir.

12 Q. Did he pay the money back by the following November
13 of 1983?

14 A. No, sir.

15 Q. Did he make any interest payments to you during 1983?

16 A. No, sir.

17 Q. When did he pay you back, Mr. Meade?

18 A. It has just been recently, I believe, in February or
19 March of this year.

20 Q. Of this year?

21 A. Yes, sir.

22 Q. 1984?

23 A. Yes, sir.

24 Q. I assume that was with all the interest owing?

25 A. I am sorry?

1 Q. I assume that was with all the interest that was owed
2 to date?

3 A. Yes, sir.

4 Q. Now you said Congressman Hansen loaned you this money
5 and he was going to, I believe you said, "promote his book,"
6 that was the purpose, when you loaned him this money he said it
7 was going to be used to promote his book?

8 A. Yes, sir.

9 Q. What did you understand "promote" to be?

10 A. Well, "promote" would be to advertise or sell, and
11 there was a discussion, to the best of my memory, of something
12 about a mass mailing of some type or sort, and it would be the
13 general merchandising of the book or books.

14 Q. This would be a business venture?

15 A. Yes.

16 Q. Was it your understanding that Congressman Hansen
17 expected to make a profit off of this business venture?

18 A. Well, I don't know that it was my understanding that
19 Congressman Hansen would make the profit, but it was my
20 understanding that there would be enough proceeds generated
21 from the sale or sales of these books to repay my loan, sir.

22 Q. When I speak of promotion, the promotion that you
23 were speaking of was promoting the book so that money could be
24 made, is that right?

25 A. Yes, sir.

1 Q. Who was this loan to?

2 A. Mr. Hansen.

3 Q. Who did you expect to use the money?

4 A. Who did I expect to use the money?

5 Q. When you made the loan.

6 A. Well, sir, I either expected Congressman Hansen or
7 some group or organization to use the money for the purpose
8 that was stated.

9 Q. Of promoting the book?

10 A. Yes, sir.

11 Q. Who did you expect to be paid back by?

12 A. Well, sir, I expected that Congressman Hansen would
13 repay me.

14 Q. You didn't expect any group or organization to repay
15 you, did you?

16 A. Well, sir, at the time I was looking to Congressmen
17 Hansen to repay me.

18 Q. Who did repay you?

19 A. I assume, sir, Congressman Hansen did.

20 Q. You got a check, didn't you?

21 A. Yes, sir.

22 Q. Was it a check from him?

23 A. Yes, sir.

24 Q. He repaid you then, didn't he?

25 A. Yes, sir.

1 Q. Mr. Meade, what was this book about that you were
2 trying to help the congressman promote?

3 A. Well, sir, it was my understanding that there would
4 be a second book. The first book was pertaining to something
5 of the Internal Revenue Service and the second book was to
6 pertain to the Iranian hostage situation.

7 Q. Wasn't it your understanding you were promoting the
8 second book?

9 A. Well, I don't know whether it was definitely
10 understood. I was more interested in promoting the second book
11 than I was the first.

12 Q. It was your understanding the first was already
13 finished, is that right?

14 A. Well, I understood that it was -- it had already been
15 printed, yes, sir.

16 Q. Mr. Meade, have you ever heard of a thing called a
17 hydrogen car?

18 A. Yes, sir.

19 Q. Is that a car that runs on water?

20 A. Well, it was supposed to have, sir.

21 Q. Who first told you about it?

22 A. A man by the name of Wiley Fancher and Premier
23 Peterson of Queensland, Australia.

24 Q. When do you know when it was Mr. Fancher and Mr.
25 Peterson told you about this?

1 A. To the best of my memory, sir, it would have been in
2 the fall of 1980.

3 Q. What did they tell you about this car?

4 A. They told me that the Premier had driven such a
5 vehicle and that it generated the hydrogen on board that it
6 burnt or that it operated on, and that it would operate like
7 four or five hundred miles on, to the best of my memory, four
8 or five gallons of water, distilled water.

9 Q. They told you the Premier had driven it?

10 A. Yes, sir.

11 Q. Did they tell you how they were going to manufacture
12 this?

13 A. No, sir.

14 Q. Did anybody mention to you that it involved a nuclear
15 reactor on the car?

16 A. Yes, sir.

17 Q. Was that the method through this nuclear reactor?

18 A. That was told me later, sir.

19 Q. That was later?

20 A. Yes, sir.

21 Q. What was your involvement with the hydrogen car?

22 A. Well, to explain that, sir, expect I was to be
23 involved from a business standpoint of trying to -- if there
24 was such a vehicle and if this gentleman did have such an
25 invention, that I would be involved in the distribution or

1 manufacturing or whatever of the vehicle.

2 Q. Were you looking to invest in it if it worked out?

3 A. Yes, sir.

4 Q. Hoping to make some money?

5 A. Yes, sir.

6 Q. Were you trying to also get backers in the United
7 States for this project?

8 A. Well, I don't know whether it was backers or not, but
9 I tried to get other people involved to the standpoint that
10 they would either manufacture or sell the vehicle.

11 Q. Were you trying to get other people involved in
12 investing in it?

13 A. Yes, sir.

14 Q. Did those people include the United Coal Company at
15 one point?

16 A. Yes, sir.

17 Q. They ultimately dropped out?

18 A. Yes, sir.

19 Q. Why did they drop out, Mr. Meade?

20 A. Because none of us could ever see such a unit or see
21 it in operation or we could never see any test results or
22 anything of such a unit.

23 Q. Would it be safe to say they dropped out because they
24 were skeptical about whether there was such a unit?

25 A. Yes, sir.

1 Q. After United Coal Company dropped out, did Mr. Rogers
2 and Mr. McAfee become interested?

3 A. Yes, sir.

4 Q. You had told them about it, is that right, is that
5 how they learned of it?

6 A. Well, Wiley Fancher, and I, I believe together, told
7 them about it. Mr. Fancher was in the United States at the
8 time.

9 Q. Had Mr. Fancher made any efforts to get any people to
10 test this car from this country before then?

11 A. Had he made any effort, did you say?

12 Q. Right.

13 A. At that time, it was my understanding that -- well,
14 sir, Mr. Fancher had told me there would be a test made in
15 Canada at one point and we flew to Canada and there was no such
16 test.

17 Q. How about people from the United States to test it?

18 A. Well, whether he had actually tried to get those or
19 not, I don't know, sir, I mean prior to this time.

20 Q. Anybody ever mention anything to you about getting
21 some Army people, some people from the Redstone Arsenal in
22 Huntsville, Alabama, to test it?

23 A. Yes, sir.

24 Q. Didn't Mr. Fancher tell you some names of people who
25 he thought could test it?

1 A. Yes, sir.

2 Q. Had not he in fact tried to get those people released
3 earlier and the Army wouldn't do it?

4 A. That statement was made to me by someone else, sir,
5 but as I say, at the time I didn't know that. I was not aware
6 of that, sir.

7 Q. When you talked to Mr. Fancher about these Redstone
8 Arsenal people, getting them to go, did he tell you you were
9 going to need approval of the Secretary of the Army to get them
10 to go?

11 A. Well, somebody told me that. I really don't remember
12 today whether it was Mr. Fancher or who, but somebody.

13 Q. You heard you needed approval of the Secretary of the
14 Army?

15 A. I wasn't told, I don't think, that I necessarily
16 needed the Secretary's approval but it took Army or Pentagon
17 approval for these people.

18 Q. Haven't you also been told you were going to need
19 Congressional influence to get this approval, Mr. Meade?

20 A. To the best of my memory, sir, up to that point, no,
21 sir.

22 Q. Up to which point now?

23 A. Up to the time that we met with the Secretary or with
24 the Army people.

25 Q. Mr. Fancher hadn't told you about this, Mr. Meade?

1 A. No, sir.

2 Q. The need for Congressional approval?

3 A. To the best of my memory today, sir, I don't remember
4 that, no, sir.

5 Q. Do you remember testifying in the grand jury about
6 this, Mr. Meade?

7 A. Yes, sir. I don't remember my statement in the grand
8 jury but I remember testifying in the grand jury.

9 Q. Page 16.

10 THE COURT: Page 16?

11 MR. COLE: Yes, Your Honor.

12 BY MR. COLE:

13 Q. Mr. Meade, do you recall being asked this question
14 and giving this answer; start at line 15:

15 "Anybody ever mention to you the need to get
16 Congressional influence in order to get these people freed up
17 by the Army?

18 "Answer: Not that I remember directly. Could have
19 but I don't remember.

20 "Question: Did Mr. Fancher ever mention that to you?

21 "Answer: Mr. Fancher, I am sure, probably -- I don't
22 remember any particular conversations, but, probably during the
23 course of several or many conversations I had with him, he
24 could have said that."

25 "Then going onto page 18, starting actually at the

1 bottom of page 17, line 23.

2 MR. LEWIN: Could you please start that question at
3 page 17, line 18?

4 THE COURT: There is some more language there that
5 might be appropriate, Mr. Cole.

6 MR. COLE: "Question: The statement would be that
7 Congressional influence is what it would take to get the army
8 to release these men to go to Australia?

9 "Answer: (Pause) I really don't remember, you know,
10 him making a statement such as you made, and I really don't,
11 you know. I am sure that maybe during some of the
12 conversations that the conversation might have gotten around to,
13 well, maybe it would take Congressional influence to get these
14 people permission to go. But, no, I don't remember any
15 particular one conversation or recall any one conversation it
16 might have been brought up in.

17 "Question: Do you recall being interviewed by
18 Special Agent Thomas Hoy of the FBI?

19 "Answer: Yes, I do.

20 "Question: Do you recall telling him words to that
21 effect, that Mr. Fancher had told you that Congressional
22 influence was what it was going to take?

23 "Answer: No, I don't remember making that statement
24 that way. I am not going to say I didn't make it, but I really
25 don't remember making that statement just exactly the way you

1 said it.

2 "Question: Anything close to that statement?

3 "Answer: Well, I just got through saying that I am
4 sure, in the course of several conversations, it probably came
5 up, that it would take Congressional influence maybe to get
6 these people permission to go."

7 BY MR. COLE:

8 Q. Do you recall being asked those questions and giving
9 those answers, Mr. Meade?

10 A. Yes, sir, I do.

11 Q. Were they true at the time you gave them?

12 A. Well, sir, to me what I was actually saying there was
13 that it wouldn't be out of the ordinary for that -- for such a
14 statement to have been made in one of those conversations. But
15 to recall or remember any one conversation that that was said,
16 I don't. I mean, that is what I was saying at that time and
17 that is what I am still saying, sir.

18 Q. Do you recall telling Mr. McAfee of this need for
19 Congressional influence?

20 A. No, sir.

21 Q. You never told him this?

22 A. I am not saying I didn't. I am saying I don't
23 remember ever having said that.

24 MR. COLE: Again, Your Honor, page 18 -- excuse me,
25 page 19, starting at line 10:

1 "Had you ever mentioned to Mr. McAfee that maybe
2 Congressional influence might be needed in order to --

3 "Answer: I had discussed with Carl that maybe we
4 need to call on, like, Congressman Bill Wampler or Senator
5 Harry Byrd."

6 MR. LEWIN: This relates to the appointment of the
7 Secretary of the Army and I believe Mr. Cole should begin
8 reading from page 18, so that it is clear that what we are
9 talking about is a call to a congressman regarding the
10 appointment with the Secretary, not the other matter.

11 THE COURT: Mr. Lewin, it does skip a little bit back
12 and forth, which is why I don't think it is necessary to read
13 that at this time, but certainly you can when it comes your
14 opportunity for cross-examination. It doesn't have quite that
15 same flow as the preceding matter did.

16 You may continue, Mr. Cole.

17 MR. COLE:

18 2. "Answer: I had discussed with Carl that maybe we
19 need to call on, like congressman Bill Wampler or Senator Harry
20 Byrd or somebody that maybe could have some inroads into the
21 Army."

22 Do you recall being asked those questions and giving
23 that answer?

24 A. Yes, sir.

25 Q. Again, back to page 18, line 13:

1 "was Congressman Hansen ever contacted in this regard?

2 "Answer: Yes, but not by me.

3 "Question: Who contacted him?

4 "Answer: As far as I know, Carl McAfee."

5 Do you recall being asked that question and giving
6 that answer, Mr. Meade?

7 A. Yes, sir.

8 Q. You say today that you didn't tell Carl McAfee the
9 need for Congressional influence?

10 A. Not just the way you are stating it, I don't remember
11 having made, you know, the remark. Again, I am sure that it
12 would not have been out of the ordinary in a conversation with
13 Carl McAfee to have made the statements as you just read that I
14 made before the grand jury.

15 Q. Mr. Meade, what was your purpose in contacting the
16 Army concerning the hydrogen car?

17 A. To try to get some physicists permission or get
18 permission for certain physicists from Redstone Arsenal to go
19 to Australia to test the hydrogen car.

20 Q. Was there any financial interest you had in this?

21 A. Did I have any financial interest?

22 Q. Yes, Mr. Meade.

23 A. I didn't at the time, other than my expenses of going
24 here and there and telephone calls and so forth. If you are
25 saying I invested funds at that time?

1 Q. No, I am asking if you were thinking that you might
2 make money if the Army went or that the project might get money
3 if the Army went.

4 A. I was thinking if the project went through I would be
5 making money, yes, sir.

6 Q. Did you ever think you were going to get financial
7 backing of the U.S. Government and that was the reason you were
8 going to the Army, for the hydrogen car project?

9 A. I am sorry, sir. I don't understand the question.

10 Q. Did you ever think you were going to get financial
11 backing from the U.S. Army for the hydrogen car, was that part
12 of your reason for going?

13 A. For going to where?

14 Q. To the Pentagon, to the Army.

15 A. No, sir. I mean, my going to the Pentagon or the
16 Army to get these physicists released, I certainly didn't think
17 at that point in time that I would have any government backing,
18 as it were, financial government back, is that what you are
19 saying?

20 Q. You never thought that?

21 A. Are you saying financial government backing?

22 Q. Yes.

23 A. No, sir.

24 MR. COLE: Counsel, I refer you to page 3 of the
25 Telex, bottom half.

1 THE COURT: Page?

2 MR. COLE: Let me see if I can find you a copy.

3 THE COURT: That is all right. Let's not take the
4 time.

5 BY MR. COLE:

6 Q. Do you recall sending a Telex to Mr. Wiley Fancher in
7 Australia concerning the hydrogen car?

8 A. I did not recall until you showed me a copy.

9 Q. Was that a copy of a Telex you sent to Mr. Fancher?

10 A. Yes, sir.

11 Q. Do you recall saying the following to Mr. Fancher,
12 starting at the second photograph.

13 MR. LEWIN: Are you marking that as an exhibit of
14 some kind?

15 MR. COLE: I am using it as a prior statement.

16 MR. LEWIN: It ought to be a document that is marked,
17 even just for identification.

18 MR. COLE: I will be happy to.

19 THE COURT: What would be the government's next
20 exhibit number?

21 MR. COLE: We mark Government's Exhibit No. 60, Your
22 Honor, for identification.

23 (Whereupon, Government's Exhibit No.

24 60 was marked for identification).

25 BY MR. COLE:

1 Q. Do you recall saying this to Mr. Fancher, in this
2 Telex:

3 "At the present time McAfee has got me on standby to
4 fly privately to Washington, D.C. tomorrow at 11:00 a.m. to
5 meet with Secretary Marsh, Secretary of the Army. Marsh has
6 been in California all week and will get back into D.C. tonight.
7 Quite frankly, I will probably get murdered by Shirley because,
8 as you know, my daughter Nancy's wedding is Saturday. I
9 promised to take Thursday and Friday to help her with financial
10 arrangements. However, if" --

11 MR. LEWIN: "Final arrangements."

12 BY MR. COLE:

13 Q. "Final arrangements," thank you. "However, if Marsh
14 gets back and can see us, I will go. If he cannot see us, we
15 will not be able to see him until tomorrow or Monday."

16 MR. LEWIN: It says, "We will not be able to see him
17 until Monday."

18 MR. COLE: Thank you, counsel.

19 "We have been told we can see Marsh as soon as he
20 gets back. We were assured of this by Judy Peeche on the White
21 House staff, and Hansen."

22 MR. LEWIN: I think the Telex says "Hensen".

23 MR. COLE: Hensen.

24 MR. LEWIN: H-E-N-S-E-N.

25 BY MR. COLE:

1 Q. Who are you referring to as H-E-N-S-E-N?

2 A. I am sure at the time it meant Congressman Hansen.

3 Q. Next paragraph,

4 "This meeting is for the purpose of getting the
5 approval for the scientist in Huntsville, Alabama, to test the
6 process in Australia. We have been assured if process proves
7 successful, we will have the full financial backing of the U.S.
8 Government. This will be through different grants, energy
9 commission, direct and et cetera."

10 Did you send that Telex to Mr. Fancher?

11 A. I am sure I did, sir.

12 J. You told us here today that you were not seeking
13 financial backing from the U.S. government?

14 A. No, sir, I was not.

15 Q. How do you reconcile the two?

16 A. That was pure puffery in that, in stalling Wiley
17 Fancher and Premier Peterson, because they were pushing to get
18 the test or get something done fast, soon, or whatever, and
19 that was just statements to stall and put them off, sir.

20 Q. So it wasn't true?

21 A. More or less keep them off of our back.

22 Q. It wasn't true, was it?

23 A. I am sorry, sir?

24 Q. Are you telling us now that it wasn't true?

25 A. That was not true, no, sir.

1 Q. And that you were telling them something you knew not
2 to be true at the time?

3 A. I guess you would have to say that, sir.

4 Q. Did you go meet with the Secretary of the Army, Mr.
5 Meade?

6 A. Yes, we did.

7 Q. What was the date of that meeting?

8 A. Right now, sir, I don't remember, but I believe that
9 is in my grand jury testimony, whatever the date was.

10 Q. Would it refresh your memory to see your grand jury
11 testimony?

12 A. Yes, it would.

13 Q. Mr. Meade, had you written it on your hand in the
14 grand jury?

15 A. Yes, I had, sir.

16 Q. Page 9, lines 7 through 9.

17 THE COURT: I am sorry, the question was about the
18 Secretary of the Army?

19 MR. COLE: Correct, Your Honor.

20 MR. LEWIN: Before the witness answers, may I voir
21 dire him with regard to that?

22 MR. COLE: This is just used for refreshing his
23 memory. If it does, it does; if it doesn't, it doesn't.

24 THE COURT: We will wait for a moment, Mr. Lewin and
25 we will see.

1 But don't read it out yet, Mr. Meade.

2 BY MR. COLE:

3 Q. The witnessing is pointing to me, Your Honor, page 9,
4 Your Honor, lines 18 through 20.

5 Does this refresh your memory, Mr. Meade?

6 A. Yes.

7 MR. LEWIN: May I voir dire the witness? I object to
8 that.

9 (Bench conference)

10 THE COURT: What I am trying to locate in the grand
11 jury testimony in the pages that have been cited is a reference
12 to the meeting with the Secretary of the Army as distinguished
13 to a meeting with Mr. Hansen. I see Mr. Hansen's name written
14 on the pages but at the moment I don't see the Secretary of
15 the Army. I find the reference to writing something on the
16 hand.

17 MR. COLE: I think that is what he is using to
18 refresh his memory. Also page 21, it kind of comes out of
19 several different statements, Your Honor. I am not offering
20 the statements into evidence at this time. I am only using
21 them to try and bring the dates back to Mr. Meade's memory that
22 he did have written on his hand at the time, and if that brings
23 it back, I mean, if I gave him a comic book and that refreshed
24 his memory, I think that would be sufficient.

25 MR. LEWIN: It seems to me I am entitled to voir dire.

1 This man has no recollection of any date at all. That
2 refreshes him as to a date he wrote on his hand.

3 THE COURT: I think we need some more foundation, I
4 will agree with you, Mr. Lewin and perhaps Mr. Cole can do that.
5 Perhaps you can tie it together, because clearly it would have
6 to be tied together a little bit better than what has been
7 suggested at this moment.

8 MR. LEWIN: Your Honor, might I please, before the
9 witness testifies to any particular date, I would like to be
10 able to voir dire him whether this refreshes his recollection
11 or whether it simply is an indication of what he wrote on his
12 hand.

13 THE COURT: If it has been made clear through the
14 questions of Mr. Cole, then it will be unnecessary.

15 (End of bench conference).

16 BY MR. COLE:

17 Q. Mr. Meade, at the time you came to the grand jury,
18 did you write some dates on your hand?

19 A. Yes, sir.

20 Q. Was one of those dates the date you met with the
21 Secretary of the Army?

22 A. Yes, sir.

23 MR. COLE: Your Honor, at this time, I would say that
24 that establishes the foundation.

25 THE COURT: Not necessarily.

1 Mr. Meade, from where did you obtain the date that
2 you had written on your hand?

3 THE WITNESS: As well as I remember, I called my wife
4 and had her to look it up on a file that I had.

5 THE COURT: On a file?

6 THE WITNESS: Like a file folder. No, I believe we
7 established it by the date that my daughter was married.

8 BY MR. COLE:

9 Q. What was the date of your daughter's wedding, Mr.
10 Meade, do you remember that?

11 A. It would have been July 25th, 1981, if that is on a
12 Saturday.

13 Q. Would your meeting with the Secretary of the Army
14 have been two days prior to that, on a Thursday?

15 A. Yes, sir.

16 Q. Could I ask you now, if you can, to reconstruct at
17 this time what the date of the meeting with the Secretary of
18 the Army was?

19 A. To the best of my memory, July 23rd, 1981.

20 Q. Do you know who set that meeting up?

21 A. Are you asking do I directly know who set the meeting
22 up, sir?

23 Q. I am asking you if you have knowledge of who arranged
24 the meeting.

25 A. I was told, sir, that Congressman Hansen had made it.

1 Q. Was Mr. Hansen there at the meeting with you at the
2 time you met the Secretary of the Army?

3 A. To the best of my memory, only through the
4 introduction.

5 Q. He left at that point?

6 A. Yes, sir, to the best of my memory, he did.

7 Q. Again, Mr. Meade, the purpose of your meeting was to
8 get some specific scientists from the Redstone Arsenal released
9 to go to Australia?

10 A. Yes, sir, to get permission for them to go to
11 Australia.

12 Q. You were dealing with some specific people that you
13 wanted to go, is that right?

14 A. Yes, sir.

15 Q. These people's names were provided to you by Mr.
16 Fancher?

17 A. Yes, sir.

18 Q. You met with the Undersecretary of the Army that day,
19 is that right?

20 A. Yes, sir, and it seems to me like there might have
21 been another individual sitting at the meeting. I don't
22 remember who it was. It seems like it was someone from the
23 Pentagon who sat in on the meeting.

24 Q. They didn't give you an answer at this meeting?

25 A. No, sir.

1 Q. Did you get an answer to your request shortly
2 thereafter as to whether these people could go or not?

3 A. I don't remember how shortly, but we got an answer
4 after that.

5 Q. Did you talk to somebody at the Pentagon?

6 A. Yes, sir.

7 Q. What were you told about the hydrogen car project at
8 that point, Mr. Meade?

9 A. Well, I really don't recall any specifics that I was
10 told, but I was told, or at least I got the feeling, that
11 everyone that I had a conversation with was very skeptical of
12 any such process or vehicle.

13 Q. They didn't think it would work?

14 A. More or less, yes, sir.

15 Q. Were you told that these specific people you were
16 asking for were not really the people the Army would send, even
17 if it wanted to send people?

18 A. To the best of my memory, sir, we were told that may-
19 be that there were better qualified people to do such a test
20 than the people whose names we had submitted, sir.

21 Q. Were you ever told that this was not really an Army
22 project?

23 A. I really don't remember, sir. Probably, but I really
24 don't remember, sir.

25 Q. Were you ever told this was more appropriately a

1 project for the Department of Energy and not for the Army?

2 A. To the best of my memory and belief, I was told that
3 somewhere, sometime, because I later got a letter from the
4 Department of Energy in regard to that. But as to who made
5 that statement to me, sir, I don't recall exactly who and where,
6 where it was made.

7 Q. Were you ever told that there were specific Army
8 procedures that you would have to go through if you wanted to
9 get this proposal in front of the Army for review and that you
10 were not following those procedures? Were you told that?

11 A. I really don't remember, sir, whether I was or not.

12 Q. Mr. Meade, did you go to Australia?

13 A. Yes, sir.

14 Q. Do you remember when you went to Australia?

15 A. August of 1981, but the exact date I don't remember,
16 sir, again.

17 Q. Again, was it in the grand jury, Mr. Meade?

18 A. Yes, sir, I believe it was.

19 Q. Where did you obtain the information when you had it
20 in the grand jury?

21 A. From my hand.

22 Q. Where did you get the information to put on your hand?
23 Did you have records that you looked at in your home?

24 A. Yes. I believe I had to call my wife, or daughter,
25 one. Anyway, I got it from some type of record that I had at

1 Home.

2 MR. COLE: Counsel, grand jury page 8, lines 19
3 through 22.

4 MR. COLE:

5 Q. Mr. Meade, I ask you to read those lines and ask you
6 if that refreshes your memory?

7 A. Which lines, sir?

8 Q. 18 through 22, actually, 19 through 22.

9 A. I thought the question was when I went to Australia.

10 Q. Correct, line 19, starting right there.

11 A. Yes, sir.

12 Q. Does that refresh your memory, Mr. Meade?

13 A. Yes, sir.

14 Q. What date did you go to Australia?

15 A. August 14th, 1981.

16 Q. When did you return?

17 A. August 24th, 1981.

18 Q. What was your business in Australia?

19 A. It was to check into or pursue the hydrogen car deal
20 and also to check on a ranch operation I had in Australia that
21 wasn't doing too well at the time.

22 Q. Who was there with you in Australia?

23 A. Carl McAfee, my wife and son-in-law.

24 Q. Did Mr. McAfee leave the same day you did?

25 A. Yes, sir.

1 Q. August 14th?

2 A. Yes, sir.

3 Q. Mr. McAfee was there with you, as another person
4 financially interested in the hydrogen car?

5 A. Yes, sir.

6 Q. You went to Australia after you had heard from the
7 Pentagon, after they had told you it probably wasn't a good
8 project?

9 A. I really don't remember today, sir, whether it was
10 before or after.

11 Q. When you came back from Australia, did you go down to
12 Huntsville, Alabama, sometime after that?

13 A. I went to Huntsville, Alabama. Again, I don't
14 remember today whether that was just before going to Australia
15 or after getting back from Australia.

16 Q. The date September 30th, 1981, doesn't ring a bell as
17 far as when you were in Huntsville meeting with people?

18 A. No, sir, September 30th, 1981, doesn't ring any bell
19 with me.

20 Q. Who was there with you when you went to Huntsville?

21 A. Carl McAfee.

22 Q. Your purpose there in Huntsville?

23 A. Well, again, I guess it was to talk to the physicists
24 to see if there was a possibility of them still going to --
25 well, either going or testing. We didn't really care where the

1 unit was tested, whether it be tested in the United States or
2 Australia. We wanted to see if they would have any interest,
3 or was there still any way they could go or did they have any
4 interest in going.

5 Q. You say you are not sure the date of when you went to
6 Huntsville but you know the purpose of your trip was to try to
7 get these people to go to Australia?

A. Yes, sir.

8 Q. Did you find that there was any resistance from their
9 superiors to their going, during this trip?

10 A. Any resistance from their superiors, sir?

11 Q. Yes, were their bosses telling them they couldn't go?

12 A. I don't remember whether it was, you know, whether
13 anything was mentioned during that trip or not, sir, as to that.

14 Q. Did you ever tell any of these people in the Redstone
15 Arsenal that you would try and get somebody at the Pentagon to
16 help them go, to release them?

17 A. Well, sir, I believe when we made the trip, I believe
18 when we made the trip, sir, that they were already aware that
19 we had contacted the Pentagon on behalf of getting them to go.

20 Q. Was that part of what you discussed with them when
21 you were there, when you were talking to these scientists that
22 you wanted to go?

23 A. The problem, sir, is I really don't remember what we
24 discussed or everything we discussed. I couldn't tell you
25

1 verbatim what we discussed at all.

2 Q. Did you make any efforts, after that trip, to have
3 the Pentagon contacted to release these people?

4 A. To the best of my memory today, sir, I don't remember.

5 Q. Did you ever ask Congressman Hansen to contact the
6 Pentagon on your behalf to get these people released?

7 A. To the best of my memory today, sir, I could have,
8 sir, I am not saying I did or I didn't, but just to the best of
9 my memory, no, sir.

10 Q. You are saying you don't remember whether you did or
11 didn't ask Congressman Hansen to do this?

12 A. I don't remember whether I did or didn't.

13 Q. This isn't something that would stick in your mind at
14 all, Mr. Meade?

15 A. Not with all the conversations I might have had with
16 Congressman Hansen.

17 Q. You understand my question, it is whether you asked
18 Congressman Hansen to contact the Pentagon on your behalf to
19 get these people released to go to Australia?

20 A. Today, sir, I don't remember having done that. To
21 the best of my memory and belief today, no.

22 Q. You are saying you just don't know?

23 A. I am saying to the best of my memory and belief, you
24 know, I don't know.

25 Q. Did Mr. McAfee go to Australia again after you were

1 in Huntsville, Alabama?

2 A. Yes, sir, I believe it was after we were in
3 Huntsville, Alabama. I am not sure of the date when we were in
4 Huntsville, Alabama, but Mr. McAfee did go back to Australia.

5 Q. A second time?

6 A. Yes, sir.

7 Q. Without you?

8 A. Yes, sir.

9 Q. That was in October of 1981?

10 A. Yes, sir.

11 Q. Do you know what his purposes were in Australia on
12 that trip?

13 A. Well --

14 MR. LEWIN: I object to this witness testifying to
15 what Mr. McAfee's purpose was in going to Australia. How does
16 he know?

17 MR. COLE: If I may ask one foundational question.

18 BY MR. COLE:

19 Q. Was he doing in business for you in Australia?

20 A. Yes, he was.

21 Q. Do you know what business you had told him to do in
22 Australia?

23 A. Yes, sir, to check on my ranch operation and to
24 employ a qualified attorney and CPA to try to straighten out
25 some of my affairs in Australia.

1 Q. Was he going to contact anybody about the hydrogen
2 car?

3 A. To the best of my memory, I didn't have any knowledge
4 at all that that was going to take place at the time that he
5 went.

6 Q. You and Mr. McAfee were involved in the hydrogen car
7 together, though, weren't you?

8 A. Yes, sir.

9 Q. You were involved together for the full time that
10 either one of you were involved, isn't that right? You both
11 lost interest at the same time?

12 A. That, sir, I don't know. Mr. McAfee could have been
13 involved longer than me or shorter than me. I don't know how
14 long Mr. McAfee had been involved.

15 Q. Did you make a call back to the Huntsville arsenal to
16 a Dr. Thomas Miller concerning the hydrogen car, Mr. Meade?

17 A. Well, I either made a call to them or they made calls
18 to me, sir. I don't remember who.

19 Q. Do you remember at one point calling Mr. Miller and
20 telling him that your efforts at the Pentagon had failed as far
21 as getting them released? Do you recall a conversation like
22 that with him?

23 A. As to whether my effort had failed?

24 Q. That is correct, sir.

25 A. Well, again, it would have been an ordinary thing for

1 me to make the statement, "well, it looks like that I can't get
2 permission from the Army for you to go".

3 Q. Did he then tell you what his superior had told him,
4 that he couldn't go?

5 A. One of the gentlemen from Huntsville made a statement
6 to me, that I think you are getting to, sir, and I don't
7 remember exactly which gentleman that would have been, sir,
8 which physicist that would have been.

9 Q. Do you recall making a statement to Mr. Miller in
10 this conversation, Dr. Miller rather, that you would have
11 Congressman Hansen call him if he was worried about losing his
12 job?

13 A. To my memory today, I don't remember having said that.
14 Again, it would have been a normal, ordinary part of my
15 conversations I might have had with him.

16 Q. Do you recall discussing that subject in the grand
17 jury?

18 A. Not right off, sir. I probably did.

19 Q. You have no recollection at this time of making any
20 statement to Dr. Miller that you would have Congressman Hansen
21 call him about going to Australia on the hydrogen car project?

22 A. I am saying today I just don't remember having made
23 that statement. I am saying that it would have been -- to me,
24 it would not have been out of the ordinary type of conversation
25 that I had with him to have made that statement, sir.

1 Q. I am not asking you to speculate, Mr. Meade. I am
2 just asking you if you remember making that statement?

3 A. No, I don't remember making the statement, no, sir.

4 Q. Would your grand jury testimony refresh your memory
5 at all, sir?

6 A. It could, sir.

7 MR. COLE: Your Honor, page 24, starting at line 18,
8 going through page 25, line 3.

9 MR. COLE:

10 Q. Mr. Meade, I will ask you to read this to yourself
11 and see if this refreshes your memory, starting at line 18 on
12 page 24 through line 3 on page 25.

13 A. Again, sir, my memory was much better then pertaining
14 to the hydrogen car thing than it is today.

15 Q. Does this refresh your memory, Mr. Meade? Do you now
16 have a present recollection of having made this statement?

17 A. Do I have a recollection of having made the statement
18 that is in there?

19 Q. Or have a recollection of having made these
20 statements to Mr. Miller?

21 A. I am sure I made the statements in there, but as to
22 today, I just really don't remember having made the statement.
23 But like I said, I could remember things a year and a half ago,
24 that I don't remember today, sir.

25 Q. When you said this in the grand jury, was it true at

1 this time?

2 A. I am sure it was.

3 MR. COLE: I would like to have the witness read the
4 section that I have pointed to, Your Honor.

5 THE COURT: All right, starting at page 24?

6 MR. COLE: Page 24, line 18, through page 25, line 3.

7 BY MR. COLE:

8 Q. Would you read that to the jury, Mr. Meade?

9 A. "Question: Did you ever ask Mr. Miller if a call
10 from Congressman Hansen of Idaho might help change his mind as
11 far as whether he could go on his own in spite of Army orders?

12 "Answer: It seemed to me like I did. Seemed to me
13 like I did.

14 "Question: What was his reply?

15 "Well, I don't remember whether I said Congressman
16 Hansen or not, but it seemed to me like I asked him if he could
17 be assured by a congressman or somebody that he wouldn't lose
18 his job or something, would he go on his own."

19 Q. That was the truth when you said it, Mr. Meade, is
20 that correct?

21 A. Yes, sir.

22 Q. Mr. Meade, were you having Congressman Hansen make
23 efforts on your behalf with the Pentagon to get these people
24 released?

25 A. I am sorry, sir, what was the question?

1 Q. Were you having Congressman Hansen make efforts on
2 your behalf, with the Pentagon, to get these people released to
3 go to Australia?

4 A. I wasn't having Congressman Hansen to do anything on
5 my behalf.

6 Q. You weren't having him do anything for you in this
7 regard, is that what you are saying?

8 A. I am saying that Mr. McAfee -- I was told that Mr.
9 McAfee and told by Mr. McAfee that Mr. Hansen got the
10 appointment at the Pentagon.

11 Q. Had you ever asked Congressman Hansen to call the
12 Pentagon after that and encourage the Pentagon to let these
13 people go to Australia?

14 A. Again, that would have been an ordinary conversation
15 I might have had with him. I don't recall or remember at this
16 time any one particular conversation or having done that, sir.

17 Q. Did you make requests to Congressman Hansen in that
18 regard in return for the \$50,000 you gave him?

19 A. No, sir.

20 MR. COLE: I have no further questions at this time,
21 Your honor.

22 THE COURT: Cross-examination.

23 MR. LEWIN: Does Your Honor want me to begin the
24 cross-examination now?

25 THE COURT: I am just going to check with the marshal

1 and see if the coffee is back there, Mr. Lewin.

2 It is going to take about ten minutes for that. So
3 let's start with cross-examination, and then even if we don't
4 finish it, we will have our mid-afternoon recess, and perhaps
5 one other before 7:00, if we think it is necessary, tonight.

6 About ten minutes, ladies and gentlemen of the jury,
7 and, Mr. Meade, and, Mr. Lewin.

8 CROSS-EXAMINATION

9 BY MR. LEWIN:

10 Q. In these few minutes before the recess, Mr. Meade,
11 let's discuss that meeting of July 23rd, 1921. You first met
12 Congressman Hansen on that day, is that correct? That is the
13 first time that you ever met him?

14 A. Yes, sir.

15 Q. You had been told by Mr. McAfee that a meeting had
16 been arranged with the Secretary of the Army?

17 A. Yes, sir.

18 Q. It is a fact, is it not, that you were surprised that
19 a congressman was involved in that at all?

20 A. Well, it is a fact that I was maybe somewhat
21 surprised that Mr. McAfee hadn't made the appointment direct,
22 since it was my understanding that he already knew the
23 Secretary of the Army.

24 Q. That is what I was referring to. You had been told
25 by Mr. McAfee that he knew the Secretary of the Army and he

1 could arrange and would arrange an appointment with the
2 Secretary of the Army?

3 A. Well, I had been told that he knew the Secretary of
4 the Army. I don't know that I was told that he could arrange
5 the appointment.

6 Q. But what actually happened on the 23rd is you flew in
7 to Washington, is that right?

8 A. Yes, sir.

9 Q. You went to a hotel, you checked into a hotel?

10 A. Yes, sir.

11 Q. Then you went over to the Congressional Office
12 Building to pick up the congressman, is that it?

13 A. Sir, I don't remember how that occurred.

14 Q. Do you remember whether or not you went over to the
15 Pentagon with the congressman or separately?

16 A. The congressman was with us when we went to the
17 Pentagon.

18 Q. The congressman, however, just stayed for the
19 introductions, is that right?

20 A. To the best of my memory, yes, sir.

21 Q. Then he left?

22 A. Yes, sir.

23 Q. In fact, the Secretary of the Army left shortly after
24 the introductions as well, did he not?

25 A. Yes, sir.

1 Q. So you and Mr. McAfee were left to discuss the
2 substance of your request with some assistant to the Secretary
3 of the Army?

4 A. Yes, sir.

5 Q. The substance of that discussion were attempts made
6 by you to persuade this official that there was substance to
7 the hydrogen car?

8 A. I am sorry, sir. I didn't understand that question.

9 Q. What actually went on during that conversation? What
10 were you trying to do?

11 A. In the conversation with the officials at the
12 Pentagon?

13 Q. Yes.

14 A. A discussion was just held in regard to the hydrogen
15 car. We keep saying hydrogen car. To me, this was just a
16 process of taking hydrogen out of water and burn it as fuel in
17 a vehicle, and it was to be burnt in any number of different
18 engines and so forth, supposedly, and about the need for having
19 some tests run in regard to the hydrogen process, and that we
20 were trying to get, I guess, some physicists or somebody from
21 the Army, somewhere, to run the tests.

22 Q. When you sent this Telex that Mr. Cole has asked you
23 about to Mr. Fancher, he was in Australia?

24 A. Yes, sir.

25 Q. You were telling him that you would be seeing the

1 Secretary of the Army, and you had been assured of this by Judy
2 Peeche, on the White House staff? Did you ever speak to a Judy
3 Peeche on the White House staff?

4 A. Never in my life, sir.

5 Q. Also, the additional name you had in that Telex was a
6 Hansen, H-E-N-S-E-N. Did you even know for sure what the
7 spelling of the congressman's name was?

8 A. No, sir.

9 Q. You could have written Hensen, H-E-N-S-E-N?

10 A. Yes, sir, but it could have been a typographical
11 error, too.

12 Q. When you said, "We were assured of this by Judy
13 Peeche on the White House staff, and Hansen," you had not been
14 assured of it by anyone, not by Judy Peeche or Hansen?

15 A. I had been told by Carl McAfee.

16 Q. This was, as you said, puffing to Mr. Fancher, to
17 tell him that you had some connection high up in the government
18 in some way?

19 A. Well, part of that Telex is that way, but the
20 statement that you are making right there, I don't remember the
21 date of the Telex but if it was sent just prior to our going,
22 or coming to Washington, then that part of meeting with the
23 Secretary would not have been puffery because it would have
24 been my understanding that we did have a meeting.

25 Q. But in terms of having an assurance from somebody on

1 the White House staff, you personally didn't have any assurance
2 from anybody on the White House staff?

3 A. No.

4 Q. Also, do you know any Undersecretary Ambrose,
5 A-M-B-R-O-S-E?

6 A. Well, I don't personally, unless that was the
7 gentleman we met with that day at the Pentagon.

8 Q. Did you use Undersecretary Ambrose's name with Mr.
9 Fancher in any way?

10 A. I am sorry, now?

11 Q. Did you use Undersecretary Ambrose's name with Mr.
12 Fancher at all, also to impress him?

13 A. I believe that was in that Telex. Yes, sir, it would
14 have been to impress him, yes, sir.

15 Q. You said that you met the congressman on July 23rd,
16 1961, in his office, is that right, before you went over?

17 I am sorry. You did not.

18 A. I don't remember exactly where I had met him.

19 Q. You said you had driven over to there with the
20 congressman?

21 A. Yes, sir.

22 Q. After the meeting, did you ever meet with him again,
23 on that day?

24 A. After we met with -- after we had the meeting in the
25 Pentagon, yes, we met the congressman for just a short period

1 of time in his office, as I remember.

2 THE COURT: Are you talking about the same day or
3 another day?

4 THE WITNESS: The same day.

5 BY MR. LEWIN:

6 Q. Let me show you what is in evidence as Defendant's
7 Exhibit 12, and ask you whether you received an autographed
8 copy of that book on that day?

9 A. I received an autographed copy of a book on that day.
10 It is embarrassing to the congressman for me, I don't remember
11 whether it was this one, sir, or another one. I mean, it was
12 his book. It sticks in my memory, sir, that it had a white
13 cover on the book, but I did receive an autographed copy of it.

14 Q. Was the book about the Internal Revenue Service?

15 A. Yes, it was.

16 Q. Was the conversation then later that day general
17 conversation about the book or the things the congressman was
18 doing?

19 A. Sir, to the best of my memory, we were only in the
20 congressman's office a very short period of time and I received
21 a copy of the book. It seems to me like I might have received
22 a favor of some type, like a pin shaped like a potato or
23 something, and the congressman had to leave to vote on
24 something in the assembly. Again, to the best of my memory,
25 sir, I was only in there for a very short period of time.

1 MR. LEWIN: Can we take a recess now, Your Honor?

2 THE COURT: Fine. Even if the coffee hasn't arrived,
3 this is a good point to take a recess.

4 Ladies and gentlemen, if the coffee hasn't arrived
5 yet, it should be here momentarily. So let's take our recess
6 for 15 minutes at this time.

7 Remember, do not discuss the case.

8 (Jury excused at 3:30 p.m.)

9 (Recess)

10 THE COURT: We . . . so long because we were waiting
11 for the cafeteria to bring up some libations for our jurors.
12 The cafeteria hasn't made it yet. It is on its way. I told
13 them we would take another recess in an hour or an hour and 15
14 minutes from now, so the jurors will get whatever is waiting
15 for them at that time, coffee and cokes. They now understand
16 they will have to wait a little while.

17 Mr. Meade, if you will come back to the stand, we
18 will bring the jury in again.

19 (Jury present at 4:00 p.m.)

20 THE COURT: Ladies and gentlemen of the jury, I am
21 sorry that you didn't get the coffee and the cooler drinks that
22 we had asked for you. There was some little mix-up in the
23 cafeteria, which we hope won't occur in the future. In the
24 event, there will be something in maybe an hour or an hour and
25 15 minutes. We will break then and hopefully you will have it

1 at that time.

2 Mr. Lewin.

3 BY MR. LEWIN:

4 Q. Mr. Meade, I believe in your direct examination
5 earlier this afternoon, you testified, in response to Mr. Cole's
6 questions, about some difficulties that you got into with the
7 law in April, beginning with about April of 1932, is that right?

8 A. Yes, sir.

9 Q. Is it accurate to say that these matters grew out of
10 a -- well, it was originally sort of a routine bank examination
11 that began at the beginning of April of 1932?

12 A. Well, it grew out of an examination, sir. I don't
13 remember exactly what date the examination started on.

14 Q. Well, if I specifically directed your attention to
15 April 5, 1932, does that sound about right?

16 A. Well, that would sound about right. I really was
17 thinking maybe the examination started the latter part of March --
18 I really don't remember -- of 1932.

19 Q. If I told you that Mr. Reasor testified before the
20 grand jury that the examiners came in on April 5, 1932, would
21 that satisfy you?

22 A. Mr. Reasor certainly ought to know, sir.

23 Q. As a result of that examination, they uncovered these
24 irregularities with which you had been involved, is that
25 correct?

1 A. Yes, sir.

2 Q. I believe you testified that you resigned or you were
3 asked by the board of directors of the bank to resign, and you
4 did resign about April 29, 1982? I am not sure whether you
5 testified to the date.

6 A. Somewhere in that timeframe, yes, sir.

7 Q. In fact, the examination was going on as of April 29,
8 1982. You did testify that it continued on beyond April 29,
9 1982?

10 A. I didn't understand I was testifying it went beyond
11 April 29, because I really don't know or don't remember the
12 date that the examination ended, sir. The examination did
13 continue after I resigned.

14 Q. With regard to your resignation on April 29, 1982,
15 you didn't send out notices or inform people about your
16 resignation at that point, did you? Did you make it a matter
17 of public notice?

18 A. Do you mean by sending out an official notice or a
19 letter of any kind?

20 J. Yes, right.

21 A. No, sir.

22 Q. Specifically even with regard to Congressman Hansen,
23 with whom you had talked before, you didn't inform him you had
24 resigned on April 29, 1982, did you?

25 A. No, sir. I might have had a conversation with him

1 sometime or another and made that statement to him, but I don't
2 really recall ever having made any statement of that nature to
3 him.

4 Q. In other words, you can't pinpoint the time when
5 Congressman Hansen learned about your difficulties growing out
6 of this investigation, can you?

7 A. No, sir, not really.

8 Q. You don't know? There is no specific time that you
9 know that you told him, "I am under investigation and I have
10 resigned"?

11 A. No, sir.

12 Q. Until such time as you were under investigation and
13 you resigned, these irregularities were concealed, were they
14 not, nobody knew about them?

15 A. Yes, sir, yes, sir.

16 Q. In other words, there was no reason for Congressman
17 Hansen to think at the time he dealt with you in November of
18 1951 and prior and thereafter that you were doing anything that
19 was unlawful?

20 A. No, sir.

21 Q. Now, you testified, I believe -- well, maybe you
22 didn't testify. Just tell us, when was it that you pleaded
23 guilty to these charges concerning bank irregularities? Let me
24 do what the government has done and show you --

25 THE COURT: Let me see if he remembers, first of all,

1 and if not, of course we can try and refresh his recollection.

2 THE WITNESS: It would have been in the fall of 1982.

3 BY MR. LEWIN:

4 Q. Was it November of 1982?

5 A. Yes, sir.

6 Q. Is that your recollection, it is November of 1982?

7 A. Yes, yes, sir, to the best of my memory.

8 Q. That is when you pleaded guilty to these offenses in
9 the United States District Court for the western district of
10 Virginia, in Roanoke, is that right?

11 A. Yes, sir.

12 Q. It is a fact, is it not, that in December,
13 specifically on December 7th, 1982, you were originally
14 sentenced, is that correct?

15 A. Yes, sir.

16 Q. At that sentencing, the judge who sentenced you did
17 sentence you to serve a term of imprisonment initially?

18 A. Yes, sir.

19 Q. He directed that that term of imprisonment be served
20 beginning June of 1983, is that correct?

21 A. Well, it was my understanding that I could report in
22 that timeframe from December 7th, up until June 1 or 3 of 1983.

23 Q. To Maxwell Air Force Base, in Alabama?

24 A. Yes, sir.

25 Q. After being sentenced in December of 1982, it was in

1 January of 1983 that you testified before this grand jury that
2 Mr. Cole has made reference to testimony at various times?

3 A. I believe that is correct, sir, January of 1983.

4 Q. As of the time then that you testified, you had the
5 prospect of serving a term of imprisonment, is that correct?

6 A. Yes, sir.

7 Q. It is a fact, is it not, that there was some
8 consideration being given by you at that point to maybe moving
9 the judge for a reduction of that sentence?

10 A. Sir, I don't know how to answer that or not. I don't
11 know how you are phrasing the question.

12 Q. Strike that question then that way.

13 THE COURT: Sir, you don't want him to answer the
14 question?

15 MR. LEWIN: I will approach it a different way since
16 the witness has said that.

17 THE COURT: The question has been stricken, ladies
18 and gentlemen of the jury. You are to ignore it.

19 BY MR. LEWIN:

20 Q. In fact, Mr. Meade, in June of 1983, that sentence
21 was reduced, was it not?

22 A. Yes, sir.

23 Q. There was a re-sentencing in which the judge
24 sentenced you to pay a fine and serve community service and not
25 serve a term of imprisonment?

1 A. Yes, sir.

2 Q. Was that pursuant to a motion to reduce the sentence?

3 A. Was the question was that pursuant to a motion to
4 reduce the sentence?

5 Q. Yes.

6 A. Not being an attorney, sir, I would assume that would
7 be the proper term, yes, sir.

8 Q. In other words, your attorney asked the judge to
9 reduce that sentence and not to have you serve a term of
10 imprisonment?

11 A. Yes, sir.

12 Q. It is a fact then that your grand jury appearance
13 occurred between the time that you were initially sentenced and
14 the time that your sentence was reduced?

15 A. Yes, sir.

16 Q. Is it also a fact, Mr. Meade, that during that period
17 of time --

18 THE COURT: Which period of time?

19 BY MR. LEWIN:

20 Q. The period of time between December of 1932, when you
21 were initially sentenced, and June of 1963, counsel for the
22 government, Messrs. Weingarten and Cole, had discussions with
23 your attorney, in which they tried to suggest that you should
24 fully testify and make full and frank disclosure, in their
25 words, of any wrongdoing on the part of Congressman Hansen?

1 A. Now, the question again is -- I am sorry, sir?

2 Q. To your knowledge, in that period of time, did the
3 attorneys for the government meet with your counsel -- who was
4 your counsel at that time, Mr. Meade?

5 A. Well, sir, Carl McAfee was my attorney up until -- I
6 really don't remember the date, sir, but then I later employed
7 an attorney by the name of Jim Bowie.

8 Q. Jim Bowie?

9 A. Yes.

10 Q. Jim Bowie met with government attorneys and they
11 tried to persuade him to communicate to you that you should
12 make full and frank disclosure of any and all information you
13 have concerning any wrongdoing on the part of Congressman
14 Hansen?

15 A. Well, sir, my attorney, Jim Bowie, met with them. I
16 could not phrase or, from memory phrase, what that discussion
17 was, sir.

18 Q. Did he advise you that the government lawyers said
19 they would grant you immunity if you disclosed that you did
20 anything wrong with Congressman Hansen?

21 A. As I understand the question, it was did my attorney
22 advise me that they would what?

23 Q. That they would grant you immunity from prosecution
24 for anything wrong that you testified to that you did with
25 Congressman Hansen.

1 A. No, sir. To my memory, I don't remember Mr. Bowie
2 stating it that way, sir.

3 Q. What did he say to you was what the government
4 counsel had suggested?

5 A. To the best of my memory, he just told me that if I
6 knew anything different than what I had testified to before the
7 grand jury, or that if I had additional information, that this
8 was the time I should come forth with it, or whatever, sir.

9 Q. This was the time, because it would be to your
10 benefit to do so, because you then might get your sentenced
11 reduced, is that right?

12 A. No, sir, I don't believe Mr. Bowie ever made a
13 statement in that regard to me, sir.

14 Q. Is that what you understood that this was a good time,
15 if you had any information that was critical of Congressman
16 Hansen, this was a good time to do it because you had a prison
17 sentence hanging over you and you wanted to get a reduction of
18 that prison sentence?

19 A. No, sir. To my memory, there was never anything like
20 that, a statement like that made.

21 Q. Did that occur to you, even if there was no such
22 statement?

23 A. No, sir.

24 Q. It didn't occur to you that that would be a good time
25 or an appropriate time if there was anything improper that you

1 had done with Congressman Hansen?

2 A. No, sir, I hadn't done anything improper.

3 Q. I am getting to that. I am just saying was that
4 suggested to you that if you knew anything improper then, you
5 should at that time disclose it?

6 A. No, sir, there was never anything presented to me in
7 that manner, sir.

8 Q. In fact, though, you did, through your counsel,
9 reaffirm to government counsel, that there was absolutely
10 nothing improper in any of your dealings with Congressman
11 Hansen?

12 A. Yes, sir.

13 Q. You told them at that a time when you were awaiting a
14 decision on whether your sentence would be reduced?

15 A. Yes, sir.

16 Q. And you were aware, were you not, that if in fact you
17 provided --

18 MR. COLE: I am going to have to object here.

19 THE COURT: Counsel to the bench, please.

20 Step down, Mr. Meade.

21 (Bench conference).

22 MR. COLE: Your Honor, if Mr. Lewin wishes to testify,
23 we can swear him as a witness. But right now he is making his
24 closing argument to the jury and trying to put some words in
25 the witness' mouth which clearly aren't there.

1 MR. LEWIN: I think I am entitled to probe. I think
2 it is obvious that this witness did know that this was a good
3 time in which if he had any information whatever regarding
4 Congressman Hansen --

5 THE COURT: You certainly are entitled to probe, and
6 you have probed. I don't want you to belabor it, but obviously
7 if there is more you feel you have to do, I am not going to
8 deny you that right. Certainly you have a right to probe this.

9 I think what Mr. Cole is suggesting at the bench, and
10 there is some merit to it, is that some of this comes out as
11 though it is perhaps not testimony, but you will recall I told
12 that you the newspaper article referred to "your testimony".
13 Some of it comes out as almost a paragraph, Mr. Lewin, and then
14 a question at the end.

15 Now, if it has a foundation and we have had that in
16 evidence, fine. But obviously on cross-examination you have a
17 lot more latitude than what is given on direct examination.
18 But it might be nice to go a little closer to the point to move
19 it along.

20 MR. LEWIN: All right.

21 (End of bench conference)

22 THE COURT: All right, Mr. Lewin.

23 BY MR. LEWIN:

24 Q. You were aware, were you not, in that period of time,
25 in May of 1983, that any information that would incriminate

1 Congressman Hansen would be useful in terms of your motion for
2 reduction of sentence?

3 A. The question is, I was aware of the fact that any
4 information that I had that might be useful to incriminate
5 Congressman Hansen would be helpful in my sentencing?

6 Q. If you had any information whatever, if there was any
7 truth to it, that that might gain you the favor of Messrs.
8 Weingarten and Cole?

9 A. No, sir, I didn't have any such information.

10 Q. You didn't think so?

11 A. No, sir.

12 Q. Did your counsel, to your knowledge, respond to the
13 request by Messrs. Weingarten and Cole that you search your
14 memory for whether you had anything whatever that would
15 incriminate Congressman Hansen?

16 A. Yes, sir.

17 Q. In fact, he wrote a letter dated May 4, 1983, to the
18 government counsel, do you remember that?

19 A. He wrote a letter, sir. I don't remember the date of
20 it.

21 Q. But it was a letter which you got a copy of and he
22 wrote after consultation with you, is that correct?

23 A. Yes, sir.

24 MR. COLE: Your Honor, may we approach the bench?

25 THE COURT: You may. Bring the document up with you.

1 (Bench conference).

2 MR. COLE: Your Honor, I am not sure where Mr. Lewin
3 is going with this but this is a communication between Mr.
4 Meade's counsel and us, and frankly, I don't see what it has to
5 do with Mr. Meade's testimony at this point, or how introducing --

6 THE COURT: I don't know. I haven't read it. Can we
7 have your proffer?

8 MR. LEWIN: Yes, Your Honor. It clearly indicates
9 that Mr. Weingarten and Mr. Cole met with Mr. Meade's counsel,
10 pressed him to get his client to, as I said, come up with
11 anything that would incriminate Congressman Hansen. There had
12 been some discussion of immunity in that context.

13 Mr. Meade's counsel replied and said, "we have gone
14 through it all and we realize all this, and there is absolutely
15 nothing whatever that was in any way inculpatory in the
16 relations between Mr. Meade and Congressman Hansen."

17 Consequently, we think it is very important evidence
18 to buttress that proposition. The government has called Mr.
19 Meade, and is obviously trying to imply to the jury there was
20 an impropriety, a quid pro quo. This is strong evidence to the
21 contrary.

22 MR. COLE: First of all, I don't understand why this
23 would not be hearsay.

24 MR. LEWIN: First of all, a copy of it is sent to Mr.
25 Meade and it is done on behalf of Mr. Meade by his attorney.

1 THE COURT: Mr. Meade did say that he had cooperated,
2 or whatever term he used, with his attorney in this particular
3 document.

4 MR. COLE: It is a letter of Mr. Bowie's. If they
5 want to call Mr. Bowie and put him, then that is something else.
6 I am not saying we won't object to that on relevancy grounds
7 but that seems to me to be the best evidence as far as what we
8 are talking about here.

9 As far as hearsay goes, this is just an out of court
10 statement by Mr. Bowie on behalf of his client.

11 MR. LEWIN: This is a statement by the counsel on
12 behalf of a client.

13 THE COURT: That normally is so. You will recall, of
14 course, the testimony of Mr. Meade in response to your
15 questions were you advised by your counsel that certain things
16 happened in that counsel's conversation with the government
17 counsel, and he has said that he wasn't aware of those things,
18 some of which I am now reading in this communication. So I am
19 not certain whether he ever did see this letter, did talk about
20 cooperation. There is a CC to him, but a copy to someone and
21 the cooperation in preparing something are two different
22 matters.

23 MR. LEWIN: If he authorized the writing of that --

24 THE COURT: I don't know that.

25 MR. LEWIN: I will ask him.

1 THE COURT: I don't know if he authorized this
2 specific communication. I think this is one thing we have to
3 find out, whether he authorized this specific communication and
4 whether it was written on his behalf by his agent, acting for
5 him as a principal.

6 MR. LEWIN: I will show it to him.

7 MR. COLE: As you read through the letter, you will
8 find out, first of all, Mr. Lewin is slightly
9 mischaracterizing this letter. We were not by any means
10 seeking to incriminate anyone. We were seeking to get at the
11 truth.

12 Secondly, I think as you read the communication,
13 there are comments in there by Mr. Bowie which clearly are his
14 own comments and reflect his own opinions, and I don't believe
15 they are the opinions of Mr. Meade.

16 I also fail to see the relevance of this to Mr.
17 Meade's testimony. He is here testifying right now about what
18 his understanding was. Mr. Lewin has gone through it again and
19 again and again, and Mr. Meade has testified about it.

20 Now, what a piece of self-serving hearsay, if Mr.
21 Meade was involved with it, or what Mr. Bowie's statement, has
22 to do with what Mr. Meade's understanding was, I don't know at
23 this point. If they want Mr. Bowie to come up to contradict
24 Mr. Meade they are free to call him.

25 THE COURT: It may be necessary, but I have to find

1 out first, and Mr. Lewin can ask that question, as to how much
2 authorship of Mr. Meade is involved in this document, whether
3 Mr. Meade saw it prior to the time that it was sent out to, as
4 it is put, Messrs. Weingarten and Cole, and whether he
5 sanctioned each and every paragraph, in effect, of this.

6 I have to agree, from what you have just said, Mr.
7 Cole, that there are some things here in the letter that do
8 look like an attorney talking to another attorney, but it may
9 have been with Mr. Meade's blessing and knowledge and
10 understanding. I just don't have the foundation to make that
11 kind of ruling.

12 It can come in if, and I emphasize "if", if it can,
13 through Mr. Meade, but if it can't come in through Mr. Meade,
14 Mr. Bowie can be called.

15 MR. COLE: I don't see how it is relevant and
16 admissible in evidence. If it is a prior statement of Mr.
17 Meade and he wishes to impeach Mr. Meade with it, then fine.
18 But otherwise I don't see how it would come in as an exhibit at
19 this point.

20 THE COURT: I don't think it can be used for
21 impeachment at the present time because the man is testifying
22 consistently.

23 MR. COLE: I agree. How is it to be used as an
24 exhibit?

25 MR. LEWIN: Your Honor, this is the somewhat unusual