

COURT OF APPEAL OF THE STATE OF CALIFORNIA  
SECOND APPELLATE DISTRICT

DOCKET  
No. *88DA0269*  
Entered in \_\_\_\_\_  
Date \_\_\_\_\_

THE PEOPLE OF THE STATE OF CALIFORNIA, )  
 )  
 PLAINTIFF-RESPONDENT, )  
 )  
 VS. )  
 )  
 JOE HUNT, AKA JOSEPH HUNT, )  
 AKA JOSEPH HENRY GAMSKY, )  
 )  
 DEFENDANT-APPELLANT. )

SUPERIOR COURT  
NO. A-090435

OCT 09 1987

APPEAL FROM THE SUPERIOR COURT OF LOS ANGELES COUNTY  
HONORABLE LAURENCE J. RITTENBAND, JUDGE PRESIDING  
REPORTERS' TRANSCRIPT ON APPEAL

APPEARANCES:

FOR PLAINTIFF-RESPONDENT: JOHN K. VAN DE KAMP  
STATE ATTORNEY GENERAL  
3580 WILSHIRE BOULEVARD  
ROOM 800  
LOS ANGELES, CALIFORNIA 90010

FOR DEFENDANT-APPELLANT: IN PROPRIA PERSONA

VOLUME *52* OF 101  
(PAGES *7823* TO *7981* , INCLUSIVE)

COPY

ROSEMARIE GOODBODY, CSR NO. 932  
SALLY YERGER, CSR NO. 2008  
OFFICIAL REPORTERS

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DEPARTMENT WEST C

HON. LAURENCE J. RITTENBAND, JUDGE

THE PEOPLE OF THE STATE OF CALIFORNIA, )

PLAINTIFF, )

VS. )

JOSEPH HUNT, )

DEFENDANT. )

NO. A-090435

REPORTERS' DAILY TRANSCRIPT

WEDNESDAY, FEBRUARY 18, 1987

VOLUME 52

PAGES 7823 TO 7981, INCL.

APPEARANCES:

FOR THE PLAINTIFF: IRA REINER, DISTRICT ATTORNEY  
BY: FREDERICK N. WAPNER, DEPUTY  
1725 MAIN STREET  
SANTA MONICA, CALIFORNIA 90401

FOR THE DEFENDANT: ARTHUR H. BARENS, ESQ.  
10209 SANTA MONICA BOULEVARD  
LOS ANGELES, CALIFORNIA 90067

AND

RICHARD C. CHIER, ESQ.  
10920 WILSHIRE BOULEVARD  
LOS ANGELES, CALIFORNIA 90024

ROSEMARIE GOODBODY, CSR NO. 932  
SALLY YERGER, CSR NO. 2008  
OFFICIAL REPORTERS



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1 SANTA MONICA, CALIFORNIA; WEDNESDAY, FEBRUARY 18, 1987; 10:45 A.M.  
2 DEPARTMENT WEST C HON. LAURENCE J. RITTENBAND, JUDGE  
3 (APPEARANCES AS NOTED ON TITLE PAGE.)  
4

5 THE COURT: ALL RIGHT, GOOD MORNING, LADIES AND  
6 GENTLEMEN.  
7

8 JOHN W. REEVES,  
9 CALLED AS A WITNESS BY THE PEOPLE, HAVING BEEN PREVIOUSLY  
10 SWORN, RESUMED THE STAND AND TESTIFIED FURTHER AS FOLLOWS:

11 THE CLERK: YOU HAVE PREVIOUSLY BEEN SWORN SO YOU ARE  
12 STILL UNDER OATH.

13 IF YOU WOULD JUST STATE YOUR NAME AGAIN FOR THE  
14 RECORD.

15 THE WITNESS: JOHN W. REEVES.  
16

17 CROSS-EXAMINATION (REOPENED)

18 BY MR. BARENS:

19 Q GOOD MORNING, MR. REEVES.

20 PURSUANT TO OUR DISCUSSION AT THE END OF THE DAY  
21 YESTERDAY, I BELIEVE LAST NIGHT YOU DID SOME REVIEW AND  
22 ANALYSIS OF THE CREDIT CARD CHARTS AND THE MONTHLY BILLINGS  
23 OF THE ACCOUNT NUMBERS THAT YOU REFERRED TO YESTERDAY IN YOUR  
24 DIRECT TESTIMONY?

25 A YES.

26 Q MR. REEVES, IN CONJUNCTION WITH THAT, YOU MADE  
27 REFERENCE TO CERTAIN DOCUMENTS I HAD PREPARED FOR YOU TO KIND  
28 OF CROSS-REFERENCE YOUR ANALYSIS, SIR?

1           A       YES.

2           Q       ALL RIGHT. I AM GOING TO BE REFERRING TO THOSE  
3 AS I SPEAK TO YOU TODAY AND WHEN IT IS NECESSARY, I WILL  
4 APPROACH AND ENABLE YOU TO LOOK AT THOSE DOCUMENTS, OKAY?

5           A       THANK YOU.

6           Q       I NOW WANT TO GO BACK TO THE FIRST PORTION OF  
7 THE RECORDS YOU LOOKED AT, WHICH WOULD BE SOME CHARGES IN  
8 THE MONTH OF DECEMBER, 1983; DID YOU FIND SOME CHARGES FOR  
9 THAT MONTH, SIR?

10          A       YES.

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1 Q AND SIR, IN WHOSE CHARGE ACCOUNT NAME WERE THOSE  
2 CHARGES MADE?

3 A THEY WERE UNDER THE ORIGINAL BLANKET ACCOUNT  
4 WHICH IS THE FINANCIAL SERVICES ACCOUNT WITH SHEARSON.  
5 HOWEVER, THE CARD THAT WAS USED AND PRESENTED WAS THAT IN  
6 THE NAME OF REED.

7 THE COURT: REED?

8 THE WITNESS: YES, YOUR HONOR.

9 Q BY MR. BARENS: THE FIRST NAME ON THOSE CHARGES,  
10 SIR?

11 A PRESLEY REED.

12 Q NOW, I BELIEVE, SIR, THAT YOU FIND CHARGES ON  
13 DATES 12/30 AND 12/31 FOR WHAT APPEAR TO BE PURCHASES AT  
14 CLOTHING STORES?

15 A YES.

16 Q AND THEY ARE IN THE AMOUNT -- ONE IS G & G ON  
17 RODEO IN THE AMOUNT OF \$74.78?

18 A YES, SIR.

19 Q AND THE OTHER IS IN THE AMOUNT OF A HUNDRED AND  
20 SEVENTY-FIVE DOLLARS AND SEVENTY-THREE CENTS?

21 A YES.

22 Q AND THAT IS A TOTAL I BELIEVE, OF \$250.51 FOR  
23 THE MONTH OF DECEMBER, 1983?

24 A YES, SIR.

25 Q ALL RIGHT, SIR. MOVING AHEAD, I BELIEVE THE  
26 NEXT TOTAL AREA THAT YOU COME TO WOULD REFLECT BILLS FOR THE  
27 MONTH OF FEBRUARY, IS THAT CORRECT?

28 A YES, SIR.

1 Q AND WHAT ARE THE TOTAL CHARGES FOR THE MONTH  
2 OF FEBRUARY, 1984?

3 A \$1,009.63.

4 Q NOW, AMONG THOSE CHARGES SIR, DID YOU FIND TWO  
5 CHARGES, ONE TO I. MAGNIN ON 2/12/84 AND ONE TO JERRY MAGNIN  
6 ON 2/16/84?

7 A (NO AUDIBLE RESPONSE.)

8 MR. BARENS: IF I MIGHT APPROACH, YOUR HONOR?

9 THE COURT: YES.

10 THE WITNESS: YES. I FOUND THOSE TWO CHARGES.

11 Q BY MR. BARENS: AND SIR, THOSE WERE IN THE AMOUNTS  
12 FOR I. MAGNIN OF \$356.78 AND FOR JERRY MAGNIN, \$304.06?

13 A YES, SIR.

14 Q NOW, THOSE WERE THE ONLY ITEMS THAT APPEARED  
15 TO BE CLOTHING CHARGES FOR THAT MONTH, SIR?

16 A YES.

17 Q AND THAT WOULD TOTAL SOME \$660.84?

18 A YES.

19 Q NOW MR. REEVES, BETWEEN THOSE TWO ITEMS, I BELIEVE  
20 YOU SEE A CHARGE TO LA SCALA BOUTIQUE ON 2/13/84, IS THAT  
21 CORRECT, SIR?

22 A I DID NOT RESEARCH THAT. IT IS ON YOUR RECORD  
23 THAT THAT APPEARS.

24

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1 Q COULD YOU TRY TO SEE IF THAT RECORD IS ACCURATE  
2 BY VERIFYING FOR ME THAT YOU SEE A CHARGE AT THAT ESTABLISHMENT  
3 ON THAT DATE?

4 A YES, THAT IS CORRECT.

5 Q AND YOU IN FACT FIND A CHARGE AT LA SCALA  
6 BOUTIQUE ON THAT DATE?

7 A WELL, IT IS LA SCALA OF BEVERLY HILLS, SAME AMOUNT.

8 Q DOES THAT APPEAR TO BE A FOOD ESTABLISHMENT OR  
9 AN EATING ESTABLISHMENT?

10 A I DO NOT KNOW.

11 Q YOU DON'T KNOW OF YOUR OWN PERSONAL KNOWLEDGE?  
12 THANK YOU, SIR.

13 ALL RIGHT, NOW, SIR, I BELIEVE THE NEXT --

14 I AM GOING TO STAY BY THE WITNESS WITH YOUR HONOR'S  
15 PERMISSION, YOUR HONOR, BECAUSE OF THE DOCUMENTS.

16 THE COURT: ALL RIGHT.

17 Q BY MR. BARENS: THE NEXT BILLING FRAME WOULD BE  
18 FOR MARCH '84; IS THAT CORRECT, SIR?

19 A YES, SIR.

20 Q AND WHAT WOULD THE TOTAL CHARGES ON THESE CARDS  
21 BE FOR MARCH OF 1984?

22 A \$4,020.16.

23 Q NOW, I ASKED YOU TO IDENTIFY FOR ME WHAT APPEARED  
24 TO BE CLOTHING CHARGES FOR THAT MONTH, AND IS IT TRUE THAT  
25 YOU FIND ON 3-2-84 A CHARGE AT MAXFIELD?

26 A YES.

27 Q AND THAT IS IN THE SUM OF \$846?

28 A YES, SIR.

1 Q AND DURING THAT MONTH, THE OTHER CLOTHING  
2 CHARGE WE COULD FIND WAS THEODORE MANN ON 3-24-84 IN THE SUM  
3 OF \$308.85; IS THAT CORRECT, SIR?

4 A YES.

5 Q FOR A CLOTHING TOTAL OF \$1,154.85 FOR THAT MONTH,  
6 SIR?

7 A YES.

8 Q ALL RIGHT, SIR, THE NEXT MONTH WE WOULD COME TO  
9 WOULD THEN BE APRIL OF 1984, AND WHAT ARE THE TOTAL CHARGES  
10 THAT YOU SHOW FOR THE CARD USER IN APRIL '84?

11 A I HAVE TWO CHARGES LISTED -- I AM SORRY -- FIVE  
12 CHARGES LISTED.

13 Q AND THEIR TOTALS, SIR?

14 A \$1,910.

15 MR. WAPNER: MAY THE WITNESS INDICATE -- HE IS REFERRING  
16 TO A DOCUMENT, MAY WE HAVE THAT DOCUMENT IDENTIFIED?

17 MR. BARENS: YES, LET'S CALL THAT, I THINK I AM ON D OR E.

18 YOUR HONOR, WE WILL ASK TO HAVE THAT MARKED AT  
19 THIS POINT IN TIME, THIS WOULD BE AN INDEX PREPARED AND  
20 ANALYSIS OF THE CHARGES ON THE ACCOUNTS REFERRED TO BY THIS  
21 WITNESS CONSISTING OF -- I THOUGHT THERE WERE FIVE PAGES ON  
22 THIS -- FIVE PAGES, YOUR HONOR.

23 THE COURT: THAT WILL BE F; ISN'T THAT CORRECT?

24 MR. BARENS: ALL RIGHT, YOUR HONOR, CONSISTING OF FIVE  
25 PAGES IN MONTHLY SEQUENCE AS I HAVE IDENTIFIED THEM WITH THE  
26 WITNESS.

27 THE COURT: ALL RIGHT.

28 Q BY MR. BARENS: ALL RIGHT, SIR, DIRECTING YOUR

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ATTENTION AGAIN TO THE APRIL CHARGES; YOU SEE DURING THE MONTH  
OF APRIL CHARGES TOTALING \$1910, SIR?

A YES.

F

1 Q AND THOSE ARE FOR CLOTHING? WOULD YOU IDENTIFY  
2 THE STORES WHICH YOU FOUND CLOTHING CHARGES, SIR AND THE  
3 AMOUNTS AS YOU SEE THEM, SIR?

4 MR. WAPNER: FOUNDATIONAL OBJECTION. I DON'T KNOW  
5 IF THE WITNESS IS DOING THIS FROM THE DOCUMENTS THAT ARE IN  
6 FRONT OF HIM OR FROM THE SUMMARY. I WOULD JUST AS SOON HAVE  
7 HIM TESTIFY FROM THE DOCUMENTS, RATHER THAN THE SUMMARY.

8 THE COURT: I THINK THAT WOULD DESIRABLE, TOO.

9 MR. BARENS: YOUR HONOR, WHAT THE WITNESS HAS DONE,  
10 TO MY KNOWLEDGE, HE HAS TAKEN OUR RECAP AND LOOKED AT THE  
11 DOCUMENTS AND THEN PUT HIS INITIALS AND CHECKS NEXT TO THE  
12 ONES HE VERIFIED, YOUR HONOR.

13 MR. WAPNER: WELL, CAN WE HAVE THAT TESTIMONY PERHAPS  
14 FROM THE WITNESS INSTEAD OF FROM THE ATTORNEY?

15 THE COURT: YES.

16 Q BY MR. BARENS: IS THAT A CORRECT STATEMENT,  
17 MR. REEVES?

18 A I TOOK OUR DOCUMENTS THAT YOU FURNISHED ME. I  
19 COMPARED IT WITH THE DOCUMENTS IN PEOPLE'S 77. AND THE ONES  
20 THAT I SAW THAT CORRELATED, I MARKED AND IDENTIFIED THEM AS  
21 OUR MERCHANTS.

22 Q THEREFORE, IF YOU WERE TO REFERENCE FOR ME --  
23 IF YOU ARE READING FROM THE DOCUMENTS I HAVE MARKED AS  
24 DEFENDANT'S NEXT, I THINK IT WAS F, YOU ARE TELLING ME THAT  
25 YOU VERIFIED THOSE REFERENCES BY WHAT YOU LOOKED AT IN YOUR  
26 DOCUMENTS?

27 A YES.

28 Q WITH THAT IN MIND, COULD YOU TELL ME WHAT YOU

1 FIND IN THE MONTH OF APRIL, 1984?

2 A I FIND RECEIPTS FOR FIVE SEPARATE CHARGES ON  
3 4/2/84 AT MAXFIELD, \$717 AND ON 4/3/84, MAXFIELD, \$662. ALSO  
4 ON 4/5/84 AT MAXFIELD, \$318.

5 ON 4/17, TWO SEPARATE CHARGES AT SAK'S FIFTH  
6 AVENUE, ONE FOR \$127.80 AND ONE FOR \$85.20.

7 Q AND WHAT TOTAL DID YOU SHOW FOR APRIL, 1984,  
8 SIR?

9 A THIS SHOWS A TOTAL OF \$1,910. I DID NOT ADD  
10 IT UP THERE.

11 Q DOES THAT APPEAR LIKE SOMEONE HAD TAKEN THE FIVE  
12 ITEMS YOU LISTED AND ATTEMPTED TO TOTAL THEM, SIR?

13 A YES.

14 Q NOW SIR, WE NOW COME TO MAY OF 1984. WHAT IS  
15 THE TOTAL CHARGES YOU FOUND IN YOUR RECORDS FOR THE MONTH  
16 OF MAY, 1984?

17 A THE TOTAL CHARGES ON THE MAY BILLING IS AN  
18 ACCUMULATIVE VALUE OF AN UNPAID BILLING I BELIEVE FROM APRIL,  
19 FOR \$20,000 IN ADDITION TO THE NEW CHARGES OCCURRING DURING  
20 THAT BILLING CYCLE. THAT IS \$20,159.27.

21 Q AND HOW MUCH ARE THE NEW CHARGES DURING THE  
22 MONTH OF MAY, 1984?

23 A DURING THOSE ITEMS THAT WERE BILLED DURING THE  
24 PRECEDING -- THE BILL OF JUNE THE 12TH?

25 Q YES, SIR.

26 A IT IS A TOTAL OF \$23,910.24.

27 Q WHAT I BELIEVE YOU ARE TELLING ME IS THAT THE  
28 CUSTOMER HAD NEW CHARGES WHERE THE CARD WAS PRESENTED AND

1 INVOICES INCURRED DURING THE MONTH OF MAY, 1984, THAT ARE  
2 REFLECTED ON THE JUNE 12 STATEMENT?

3 A YES.

4 Q NOW SIR, I DIRECT YOUR ATTENTION TO THE DOCUMENT  
5 YOU REFERENCED IN PREPARING FOR YOUR TESTIMONY. COULD YOU  
6 TELL ME, DOES THAT SHOW A TOTAL ON THERE AS FAR AS THE GENERAL  
7 CHARGES FOR THAT MONTH?

8 A THE GENERAL CHARGES TOTAL ON THIS PARTICULAR  
9 DOCUMENT WHICH YOU PREPARED OR SHOWED ME, \$21,128.

10 Q AND OF THOSE, WHAT NUMBER DO WE FIND FOR  
11 CLOTHING?

12 MR. WAPNER: EXCUSE ME. THERE IS A FOUNDATIONAL  
13 OBJECTION. AGAIN, HE IS TESTIFYING ABOUT A TOTAL THAT IS  
14 ON THE DOCUMENT THAT HE PREPARED. I STILL DON'T KNOW IF THERE  
15 IS A FOUNDATION THAT THAT CORRESPONDS TO THINGS THAT ARE IN  
16 THE DOCUMENTS OR NOT.

17 THE COURT: JUST USE YOUR OWN RECORDS, WILL YOU, AS  
18 TO HOW MUCH IT IS.

19 Q BY MR. BARENS: I BELIEVE YOU TESTIFIED THAT  
20 YOUR RECORDS SHOWED THE TOTAL TO BE TWENTY-THREE THOUSAND  
21 DOLLARS AND SOME?

22 THE COURT: A CUMULATIVE AMOUNT, WAS THAT IT?

23 MR. BARENS: NO SIR. THERE ARE TWO AMOUNTS HE IS  
24 TESTIFYING TO, YOUR HONOR. ONE IS A CUMULATIVE AMOUNT OF  
25 TWENTY THOUSAND SOME ODD DOLLARS. THEN THERE ARE NEW CHARGES  
26 IN THE MONTH OF MAY OF TWENTY-THREE THOUSAND SOME ODD DOLLARS.

27 Q IS THAT CORRECT, MR. REEVES?

28 A YES.

1 THE COURT: ALL RIGHT.

2 Q BY MR. BARENS: NOW, SIR, AND NOW FOCUSING YOUR  
3 ATTENTION SOLELY ON NEW CHARGES.

4 DID YOU GO THROUGH THE ORIGINAL COPIES OF THE  
5 RECORDS YOU BROUGHT AND SEEK TO IDENTIFY WITH PARTICULARITY  
6 WHAT APPEARED TO BE CLOTHING CHARGES?

7 A YES.

8 Q COULD YOU PLEASE TELL ME WHAT YOU FOUND IN DOING  
9 THAT, SIR, THE DATES AND THE CHARGES?

10 A I CAN'T TELL YOU THE DATES OF THESE CHARGES FROM  
11 THIS DOCUMENT. I HAVE TO GO BACK THROUGH ALL OF THESE LITTLE  
12 INVOICES AGAIN.

13 HOWEVER, I DID COMPARE YOUR MATERIAL TO MY  
14 INVOICES AND IT APPEARS THAT THE TOTAL IS THE SAME AS YOURS  
15 WITH THE EXCEPTION OF ABOUT FOUR CHARGES, WHICH I COULD NOT  
16 ESTABLISH WERE TO CLOTHING STORES, AND YOUR TOTAL IS \$8,146  
17 AND I SEE AN APPROXIMATE \$600 THAT I COULD NOT ESTABLISH AS  
18 YOU HAVE ESTABLISHED IT.

19 Q ALL RIGHT. NOW, SIR, YOU THEN WENT AND YOU TOOK  
20 MY DOCUMENT AND VERIFIED THE ONES THAT YOU SHOW, YOU HAVE  
21 CHECK MARKS AND WHAT I BELIEVE TO BE YOUR INITIALS THERE,  
22 SIR?

23 A THAT IS CORRECT.

24 Q AND THAT WOULD BE CONFIRMING THAT YOU IN FACT  
25 VERIFIED THAT THE CHARGES ENUMERATED IN THE REFERENCES MADE  
26 ON THIS LIST WERE ACCURATE IN TERMS OF THE MICROFICHE THAT  
27 YOU HAVE ON THE ACTUAL INVOICES THE CUSTOMER INCURRED DURING  
28 THAT TIME FRAME?

1 A YES.

2 Q ALL RIGHT, SIR, COULD YOU PLEASE, THEREFORE,  
3 IDENTIFY FOR US THE CHARGES FOR CLOTHING THAT YOU FOUND DURING  
4 THE MONTH OF MAY, 1984?

5 AND SIR, I BELIEVE IN CONJUNCTION WITH THAT,  
6 YOUR CARDS ARE DESCRIPTIVE IN PART AS TO WHAT THE ITEMS ARE.  
7 FOR INSTANCE, IF THERE IS AN ITEM MARKED UNDERWEAR PURCHASES  
8 WITH THE AMOUNT AND THE STORE, WOULD YOU PLEASE IDENTIFY THAT  
9 AS YOU GO THROUGH YOUR LISTING?

10 A WELL, I DID NOT MAKE THAT STUDY.

11 I CAN TELL YOU WHETHER IT IS A CLOTHING STORE  
12 BY OUR RECORDS.

13 Q OKAY.

14 A BUT I CAN'T TELL YOU ON EACH OF THESE CHARGES  
15 WHAT THE INDIVIDUAL CHARGE WAS FOR.

16 Q WHY DON'T YOU FIRST DO YOUR LIST AND WHERE  
17 APPROPRIATE, I WILL GO BACK AND ASK YOU TO SPECIFICALLY  
18 RETRIEVE THE CHARGE.

19 A ALL RIGHT. I SHOW THE FIRST CHARGE ON 5-3-84  
20 FOR \$247.61 AT SAKS, JACKETS AND SHIRTS -- AND PANTS --  
21 EXCUSE ME.

22 THE NEXT CHARGE IS ON 5-3, ALSO AT SAKS FOR  
23 SHIRTS \$464.35.

24 AND ON 5-5 OF '84, SAKS, SUITS, \$953.18.

25 AGAIN, ON 5-5, SAKS, NO DESCRIPTION OF MATERIAL,  
26 FOR \$56.48.

27 AND AGAIN ON 5-5 OF '84, SAKS, NO DESCRIPTION  
28 OF CLOTHING, FOR \$220.99.



1 AND ON 5-6, SAKS, FOR SHIRTS, FOR \$127.80.  
2 ON 5-7 AT L.S. WOVEN SHIRTS, W-O-V-E-N, \$380.74.  
3 AND ON 5-7 -- I DON'T HAVE THE STORE NAME --  
4 FOR A TOTAL OF \$329.62.

5 ON 5-7 OF '84, THANKS FOR THE MEMORIES, FOR  
6 \$360. NO DESCRIPTION OF PROPERTY.

7 ON 5-7 OF '84, MAXFIELD BLUE, NO DESCRIPTION,  
8 FOR SEVEN HUNDRED SIXTY-FIVE FIFTY.

9 ON 5-7, BROOKS BROTHERS, UNDERWEAR, EIGHTY-THREE  
10 O SEVEN.

11 ON 5-7, BROOKS BROTHERS FOR SPORTS SHIRTS,  
12 THREE HUNDRED EIGHTEEN NINETY-SEVEN.

13 5-8, BONWIT TELLER, COSMETICS, NINETY-SIX  
14 THIRTY-EIGHT.

15 AND THERE IS ON 5-9-84, IT SAYS HANDBAGS -- I  
16 DIDN'T IDENTIFY THE MERCHANT LOCATION.

17 THE COURT: HANDBAGS, DID YOU SAY?

18 THE WITNESS: HANDBAGS, FOR ONE HUNDRED TWENTY-SEVEN  
19 SEVENTY-NINE.

20 ON 5-12, SAKS, FOR SWEATER, SHIRT AND SHORTS,  
21 \$607.05.

22 ALSO, ON 5-12 AT SAKS, FOR SHOES, FIFTY-THREE  
23 TWENTY-FIVE.

24 ON 5-12 AT JERRY MAGNIN'S, \$596.40.

25 LOUIS VOITTAN LUGGAGE STORE, \$234.30.

26 ON 5-13, SAKS, MENS SPORTSWEAR, ONE HUNDRED  
27 NINE SIXTEEN.

28 ON 5-13, SAK SPORTSWEAR, TWO HUNDRED THREE

1 FORTY-TWO.

2 ON 5-13 AT SAKS, NO DESCRIPTION OF PROPERTY,  
3 TWO HUNDRED EIGHTEEN THIRTY-SEVEN.

4 AND ON 5-13, BROOKS BROTHERS, SHOES, SIXTY-THREE  
5 NINETY.

6 ON 5-15 OF '84, I BELIEVE IT IS GUMPS OF  
7 BEVERLY HILLS, FOR \$414.98.

8 AND THE SECOND CHARGE, SAME LOCATION \$639. NO  
9 DESCRIPTION.

10 ON 5-12 AT SAKS, --

11 MR. WAPNER: EXCUSE ME. MAY I INTERRUPT BRIEFLY?

12 THOSE LAST TWO CHARGES FOR GUMPS, IS THERE SOME  
13 INDICATION, COULD I ASK COUNSEL TO ASK THE WITNESS, IF THERE  
14 IS SOME INDICATION THAT IS CLOTHING ON THE CHARGE?

15 THE COURT: IS THERE ANY INDICATION OF WHAT IT WAS  
16 FOR?

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1 THE WITNESS: I WILL HAVE TO RESEARCH THAT, YOUR HONOR.

2 MR. WAPNER: MR. BARENS IS OUR BEVERLY HILLS EXPERT.  
3 BUT THE LAST TIME I CHECKED, I DON'T THINK THAT THEY SOLD  
4 CLOTHES AT GUMP'S.

5 MR. BARENS: THEY SELL LUGGAGE, MR. WAPNER.

6 THE COURT: WELL, I WILL STRIKE THAT. I WILL STRIKE  
7 BOTH YOUR REMARKS. THE JURY WILL DISREGARD THAT.

8 THE WITNESS: I AM UNABLE TO READ THE MICROFICHE ON  
9 THAT GUMP'S CHARGE. I DON'T KNOW WHAT THE PROPERTY WAS. THEY  
10 ARE OF POOR QUALITY.

11 THE COURT: ALL RIGHT.

12 Q BY MR. BARENS: WHY DON'T YOU JUST GO AHEAD WITH  
13 THE ONES, MR. REEVES, THAT YOU HAVE LEFT?

14 A THERE WAS ONLY ONE OTHER CHARGE, 5/13 AT SAKS  
15 FOR IT LOOKS LIKE A WATCH, \$213.

16 Q NOW, DURING THAT MONTH, DO YOU FIND ON 5/15/84,  
17 A CHARGE AT OLYMPIC CAMERA IN THE SUM OF \$2,997?

18 A \$2,997.42.

19 Q IS IT 42?

20 A OR 92, WHATEVER THE CASE IS.

21 Q I AM NOT SURE WHETHER IT IS A 4 OR 9, MYSELF.  
22 SO, THAT IS ON THE DATE OF WHAT, SIR?

23 A IT IS INVOICED ON 5/15/84.

24 Q ALL RIGHT, SIR. NOW, THERE ARE ONLY TWO OTHER  
25 ITEMS THAT I WOULD LIKE TO IDENTIFY. DO YOU FIND A CHARGE  
26 TO BUDGET RENT-A-CAR BEVERLY HILLS ON 5/2/84 IN THE SUM OF  
27 \$2,000?

28 A YES. WELL, I CAN'T BE EXACT ON THE DATE OF IT.

1 LET ME PULL THE INVOICE. THAT IS A \$2,000 BUDGET RENT-A-CAR  
2 CHARGE?

3 (PAUSE.)

4 Q WELL, SUFFICE IT TO SAY MR. REEVES, TO SAVE THE  
5 COURT'S TIME -- DO YOU SEE ENTRY ON A MONTHLY TOTAL FOR A  
6 CHARGE OF BUDGET RENT-A-CAR OF \$2,000?

7 A YES.

8 Q DO YOU LATER SEE A CHARGE TO BUDGET RENT-A-CAR  
9 IN THE SUM OF \$3,500 ON 5/8/84?

10 A I SEE THE ENTRY BUT IT IS NOT DATED.

11 MR. BARENS: ALL RIGHT. YOUR HONOR, I WOULD LIKE TO  
12 CONFIRM THE DATES ON THAT, WHICH REQUIRES A MOMENT FOR THE  
13 WITNESS TO DOCUMENT.

14 THE COURT: ALL RIGHT.

15 (PAUSE.)

16 MR. BARENS: IF YOU SEE THE OTHER ONE, THE \$2,000 ONE,  
17 PULL IT AT THE SAME TIME, WILL YOU, MR. REEVES?

18 THE WITNESS: THE ONE OF \$2,000 IS ON 5/2/84 AND  
19 \$3500 IS ON 5/8/84.

20 Q BY MR. BARENS: THANK YOU, SIR.

21 NOW, MR. REEVES, ARE YOU FAMILIAR AT ALL WITH  
22 THE TYPE OF CREDIT STATUS A CARDHOLDER OF YOURS HAS TO HAVE  
23 IN ORDER TO OBTAIN CREDIT WITH AMERICAN EXPRESS?

24 A IN PART.

25 MR. BARENS: A MOMENT, YOUR HONOR. I AM NOT SURE WHOSE  
26 EXHIBIT I AM WALKING AROUND WITH, HERE.

27

28

1 Q BY MR. BARENS: SIR, DO PEOPLE HAVE TO QUALIFY  
2 FOR CERTAIN SPENDING LIMITS ON THEIR CARDS WHEN THEY ARE  
3 ISSUED?

4 A I DON'T UNDERSTAND THAT QUESTION.

5 Q WELL, IN OTHER WORDS, DO CARDS HAVE VARIOUS  
6 LIMITS, FOR INSTANCE, ONE CLIENT MIGHT HAVE A LIMIT THAT THEY  
7 COULD ONLY INCUR A MAXIMUM OF A THOUSAND DOLLAR CHARGES AND  
8 ANOTHER MIGHT HAVE A \$5,000 LIMIT AND ANOTHER MIGHT HAVE A  
9 \$25,000 LIMIT; DO YOU GRADE YOUR CLIENTS ON THAT BASIS?

10 A NOT AS A CUSTOMARY RULE, NO.

11 Q HOW DO YOU DETERMINE THE SPENDING LIMIT THAT A  
12 CARDHOLDER MAY INCUR?

13 A BASICALLY, THERE ISN'T A TRUE LIMIT TO OUR CARD.  
14 WHAT IT AMOUNTS TO IS IT IS DUE ON BILLING AT  
15 EACH CYCLE. AS LONG AS THAT CONTINUES, THE DOLLAR LIMIT IS  
16 NOT SOMETHING THAT COMES INTO PLAY AS A GENERAL RULE.

17 Q NOW, IS THERE A SYSTEM THAT AMERICAN EXPRESS USES  
18 WHERE THEY HAVE SOMEWHAT OF, WELL, WHAT I WOULD CALL A  
19 CLIENT OR CARDHOLDER PROFILE FOR CHARGES WHERE YOU WOULD BE  
20 SENSITIZED, THEY WOULD CHARGE SO MUCH A MONTH AS A REGULAR  
21 AMOUNT AND THEN IF THEY WENT WAY OUT OF PROFILE, IN OTHER  
22 WORDS, A CLIENT THAT MIGHT CHARGE A THOUSAND DOLLARS EVERY  
23 MONTH AND THEN ONE MONTH YOU SEE A \$50,000 CHARGE, DO YOU  
24 HAVE A SYSTEM FOR NOTICING THAT AND MAKING SOME DEMAND FOR  
25 PAYMENT?

26 A IN SOME INSTANCES, YES, SIR.

27 Q WHAT DO YOU MEAN BY IN SOME INSTANCES, SIR; HOW  
28 DOES THAT SYSTEM OPERATE?

1           A       WELL, OUR AUTHORIZATION PERSONNEL HAVE INSTRUCTIONS  
2 TO WATCH FOR PROFILE CHARGING AND THEY THEN INQUIRE OF THE  
3 CARD MEMBER AT THE TIME A LARGE CHARGE OR EXCEEDINGLY LARGE  
4 CHARGE AMOUNTS ARE BILLED THAT IS NOT -- BUT IT IS NOT A SET  
5 CIRCUMSTANCE. IN A LOT OF CASES, IT WOULD NOT APPLY.

6           MR. BARENS: THANK YOU, MR. REEVES. I WOULD ALSO LIKE  
7 TO THANK YOU, FOR THE RECORD, FOR THE TIME YOU SPENT LAST  
8 NIGHT TO DO THAT.

9           THE COURT: THAT IS ALL RIGHT, YOU DON'T HAVE TO  
10 EXPRESS YOUR THANKS FOR EVERYTHING THAT IS DONE IN THIS  
11 COURTROOM.

12                   GO AHEAD.

13  
14                                   REDIRECT EXAMINATION

15           BY MR. WAPNER:

16           Q       MR. REEVES, FIRST OF ALL, I WOULD LIKE TO TRY  
17 AND CLEAR UP OR UNDERSTAND SOME OF THE THINGS YOU WERE ASKED  
18 ABOUT MONTHLY CHARGES.

19                   WHAT WAS THE TOTAL AMOUNT OF ALL OF THE CHARGES  
20 ACCUMULATED IN APRIL THAT WAS BILLED ON THE MAY STATEMENT?

21           A       I CANNOT TELL YOU FROM THAT DOCUMENT IN FRONT  
22 OF ME.

23           Q       WHY?

24           A       BECAUSE THERE IS NO MAY STATEMENT IN THESE  
25 DOCUMENTS.

26           Q       ALL RIGHT. YOU CAME UP WITH A TOTAL IN APRIL  
27 OF CHARGES THAT WERE -- THAT YOU DEEMED TO BE CHARGES FOR  
28 CLOTHING AND YOU GAVE US CERTAIN DATES, WOULD THAT BE ON THE

1 APRIL BILLING?

2 A IN PART.

3 Q THOSE WERE ALL BEFORE THE 7TH OF APRIL?

4 MR. BARENS: NO. I WOULD OBJECT, YOUR HONOR, IT  
5 MISSTATES THE EVIDENCE THAT HE TESTIFIED TO.

6 THE COURT: HE IS ASKING HIM A QUESTION. HE IS NOT  
7 TESTIFYING NOW, THIS WITNESS IS.

8 THE WITNESS: THE CHARGES THAT I MENTIONED IN APRIL  
9 ARE THE ONES THAT I HAVE INVOICES FOR IN FRONT OF ME IN  
10 PEOPLE'S 77.

11 THE ACCUMULATED AMOUNT THAT YOU ASKED ABOUT THAT  
12 I SAID WAS CARRIED OVER ONTO THE MAY BILLING, THAT IS BILLS  
13 THAT HAVE ACCUMULATED UP TO THE MAY CYCLE CUT OR THE MAY BILL,  
14 WHICH WAS REFERRED TO AS THE \$20,159 FIGURE.

15 Q BY MR. WAPNER: WHERE DID YOU GET THAT \$20,159?

16 A FROM THE CARRYOVER AMOUNT STATED ON THE JUNE 12  
17 BILL.

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1 Q WHAT YOU HAVE IN FRONT OF YOU ARE MICROFICHE  
2 COPIES OF BILLS THAT YOU KEEP AT AMERICAN EXPRESS?

3 A YES.

4 Q AND IS A COPY OF THAT STATEMENT ALSO SENT TO  
5 THE CUSTOMER?

6 A YES.

7 MR. WAPNER: I HAVE SOME DOCUMENTS IN FRONT OF ME,  
8 YOUR HONOR, THAT HAVE BEEN PREVIOUSLY MARKED AS PEOPLE'S 51  
9 FOR IDENTIFICATION. MAY THEY AGAIN BE MARKED AS PEOPLE'S  
10 51?

11 THE COURT: YES.

12 Q BY MR. WAPNER: MR. REEVES, SHOWING YOU 51 FOR  
13 IDENTIFICATION, DO YOU RECOGNIZE THE FORM OF THOSE STATEMENTS  
14 IN THAT EXHIBIT?

15 A YES.

16 Q WHAT ARE THEY?

17 A THESE ARE CUSTOMER BILLINGS, PAGE 1 FOR AN  
18 AMERICAN EXPRESS FSA ACCOUNT NUMBER 371351200181004.

19 Q IS THAT THE CARD WE HAVE BEEN TALKING ABOUT?

20 A YES. THAT IS THE ENTIRE ACCOUNT.

21 Q ENTIRE ACCOUNT MEANING IT WOULD ENCOMPASS ALL  
22 THE CARDS, THE NUMBER OF CARDS THAT YOU GAVE US YESTERDAY?

23 A YES, SIR.

24 Q AND DOES THAT GROUP OF EXHIBITS THAT IS PEOPLE'S  
25 51, HAVE A STATEMENT IN THERE FROM MAY OF 1984?

26 A YES, IT DOES.

27 Q WHAT ARE THE NEW CHARGES THAT WERE INCURRED IN  
28 MAY?



1 A MAY I TAKE THIS APART?

2 THE COURT: YOU MAY DO THAT.

3 THE WITNESS: NEW CARD CHARGES DURING THE CYCLE CUTTING  
4 ON MAY THE 8TH, 1984, WAS \$20,159.27.

5 Q BY MR. WAPNER: AND IN THE EXHIBIT THAT YOU HAVE  
6 IN FRONT OF YOU THAT I BELIEVE IS 77 THAT YOU HAVE BEEN  
7 REFERRING TO, DO YOU HAVE ANY OF THE COPIES OF THOSE CHARGES  
8 THAT WERE IN MAY?

9 A I DO NOT BELIEVE SO.

10 Q AND WHEN DID THAT MAY -- WHAT IS THE DATE ON  
11 THE MAY STATEMENT?

12 A MAY 8, 1984.

13 Q SO THAT WOULD BE CHARGES INCURRED BETWEEN APRIL  
14 THE 9TH AND MAY THE 8TH?

15 A CHARGES ARRIVING AT AMERICAN EXPRESS, YES.

16 Q AND SO, YOU DON'T KNOW MUCH OF THAT WAS FOR  
17 CLOTHES OR POTS OR PANS OR TEA KETTLES OR WHATEVER IT WAS  
18 FOR?

19 A NO.

20 Q WHEN YOU LOOK AT THE CHARGES ON THOSE BILLS THAT  
21 INDICATE CLOTHING, YOU DON'T KNOW FOR WHOM THAT CLOTHING WAS  
22 PURCHASED, DO YOU?

23 A NO, SIR.

24 Q YOU DON'T KNOW IF IT WAS GIFTS? YOU DON'T KNOW  
25 WHAT IT WAS?

26 A NO.

27 Q IT DOESN'T SAY ON THERE WHAT SIZE THE CLOTHES  
28 ARE, DOES IT?

1 A NO, IT DOES NOT.

2 Q NOW, THERE IS A CHARGE IN THERE ON MAY THE 9TH  
3 OF 1984 FOR HANDBAGS FOR \$127.79?

4 THE COURT: HE ALREADY TESTIFIED TO THAT.

5 MR. WAPNER: RATHER THAN MAKE HIM LOOK FOR IT AGAIN,  
6 I WILL WITHDRAW THAT, YOUR HONOR.

7 THE COURT: ALL RIGHT.

8 Q BY MR. WAPNER: MR. REEVES, LET ME ASK YOU  
9 ANOTHER QUESTION. YOU HAVE REFERRED TO AN FSA ACCOUNT. WOULD  
10 YOU TELL US WHAT THAT IS?

11 A IT IS A FINANCIAL SERVICES ACCOUNT.

12 Q WHAT IS THAT?

13 A IT IS AN ACCOUNT SET UP TO MANAGE INDIVIDUAL  
14 ASSETS THROUGH OTHER COMPANIES, SUCH AS IN THIS CASE,  
15 SHEARSON.

16 Q WHAT IS SHEARSON?

17 A SHEARSON LEHMAN BROTHERS IS AN AMERICAN EXPRESS  
18 COMPANY INVOLVED IN MARKETING AND STOCKS.

19 Q CAN YOU EXPLAIN WHAT THAT ACCOUNT IS, WHAT AN  
20 FSA ACCOUNT DOES, ACTUALLY?

21 A I DON'T KNOW THE TOTAL LIMITS OR ENCOMPASSING  
22 FACTS OF THE ACCOUNTS.

23 BUT GENERALLY, AN INDIVIDUAL CAN OPEN AN ACCOUNT  
24 SUCH AS HE COULD WITH A BUSINESS MANAGER AND HIS FUNDS WOULD  
25 WORK FOR HIM WHILE ON DEPOSIT, AS WELL AS CHARGES WOULD GO  
26 FROM OUR COMPANY THERE, TO BE DEBITED AGAINST CHARGES HE MADE  
27 WITH HIS CREDIT CARD OR CHARGE CARD.

28 Q AS A PART OF HAVING THIS FINANCIAL SERVICES

1 ACCOUNT WITH THEM, DOES THE CUSTOMER HAVE THE PRIVILEGE OF  
2 GETTING A CREDIT CARD?

3 A YES.

4 Q SO WHAT THIS CREDIT CARD OR THIS SERIES OF CARDS  
5 ISSUED -- IT WAS A PART OF THAT ACCOUNT?

6 A YES, IT WAS. THEY WERE.

7 Q AND HOW WAS THE BILLING TO TAKE PLACE?

8 A IN GENERAL TERMS, THE BILLING IS AN AUTOMATIC  
9 DEBIT TO THE ACCOUNT WHICH EXISTS IN THIS CASE, AT SHEARSON.

10 Q IN OTHER WORDS, INSTEAD OF SENDING A STATEMENT  
11 TO THE CUSTOMER AT THE END OF THE MONTH AND SAYING, "SEND  
12 US A CHECK," WHEN THE CHARGES ARE MADE AGAINST THE CREDIT  
13 CARD, HIS ACCOUNT AT SHEARSON IS AUTOMATICALLY DEBITED. IS  
14 THAT RIGHT?

15 A YES, SIR.

16 Q AND IT STATES, WHAT YOU HAVE IN FRONT OF YOU --  
17 DOES THAT INDICATE THAT THE ACCOUNT WAS IN FACT, BEING  
18 DEBITED FOR THE CHARGES MADE DURING A PORTION OF 1984, SAY,  
19 STARTING AT THE BEGINNING OF THE YEAR?

20 A YES. THERE ARE STATEMENTS ON THE FACE OF THE  
21 BILLINGS THAT INDICATE THE DEBITS WILL OCCUR ON CERTAIN DATES,  
22 PURSUANT TO THE CHARGES THAT HAVE BEEN MADE.

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1 Q ALL RIGHT. WHAT ARE THE DATES OF THOSE BILLINGS  
2 THAT YOU ARE REFERRING TO?

3 A I AM LOOKING AT THE TOP ONE, THAT IS MAY 8TH,  
4 '84 BILLING AND IT SAYS "DO NOT PAY BALANCE. YOUR SHEARSON  
5 FMA ACCOUNT WILL BE DELETED ON 5-24 FOR THIS AMOUNT."

6 AND AT THAT POINT IN TIME, IT WAS IN THE AMOUNT  
7 OF \$20,159.

8 Q AND PRIOR TO -- DO YOU HAVE ANY STATEMENTS THERE  
9 PRIOR TO MAY OF 1984?

10 A YES.

11 APRIL OF -- APRIL 10TH OF '84, THE SAME STATEMENT  
12 WITH THE EXCEPTION OF "YOUR SHEARSON FMA ACCOUNT WILL BE  
13 DEBITED ON 4-26 FOR THIS AMOUNT."

14 AND AT THAT TIME, IT WAS \$1,898.03.

15 Q LOOKING AT THE MAY STATEMENT, DOES IT APPEAR THAT  
16 THAT \$1800 WAS IN FACT DEBITED OUT OF THE ACCOUNT SO THAT  
17 HE HAD ESSENTIALLY A ZERO BALANCE STARTING IN MAY?

18 A STARTING, YES, SIR, EIGHTEEN NINETY-EIGHT POINT 0  
19 THREE WAS CREDITED DURING THAT CYCLE.

20 Q WAS THERE SOME -- DID YOU BRING WITH YOU YESTERDAY  
21 SOME COMPUTER RECORDS INDICATING THAT THERE WAS A PROBLEM  
22 WITH THE ACCOUNT SUCH THAT YOUR COMPANY, AMERICAN EXPRESS,  
23 TOOK SOME ACTION ON THE CARD?

24 A YES.

25 Q WHAT WAS THAT?

26 A IN MAY OF 1984, THE FINANCIAL SERVICES ACCOUNT  
27 AT SHEARSON WAS DEPLETED AND THE CHARGE PRIVILEGES WERE  
28 CANCELED ON ALL OF THE CARDS THAT WE HAVE DISCUSSED HERE.

1 Q WHAT DATE DID THAT HAPPEN?

2 A THE COMPUTER PRINTOUT IS DATED ON 5-11 OF '84,  
3 THE AVAILABLE ASSETS WERE ZERO.

4 Q AVAILABLE ASSETS IN THE SHEARSON ACCOUNT?

5 A YES, SIR, WHICH WOULD CARRY AN IMMEDIATE NEXT  
6 BILLING NOTICE OF CANCELLATION.

7 Q WHAT IS THAT COMPUTER PRINTOUT THAT YOU ARE  
8 LOOKING AT, WHAT KIND OF RECORD IS THAT?

9 A THIS IS A RECORD WHICH I QUERY, IDENTIFYING  
10 SPECIFIC ACCOUNTS, ALL OF THE CARD MEMBERS ON THOSE ACCOUNTS  
11 AND IN SOME CASES, DESCRIPTIONS OF CARD ISSUANCE AND IN SOME  
12 CASES PROBLEM ACCOUNTS --

13 MR. BARENS: COULD WE HAVE THAT MARKED FOR  
14 IDENTIFICATION? I DO NOT BELIEVE IT HAS BEEN MARKED,  
15 YOUR HONOR.

16 THE COURT: ALL RIGHT. DO YOU WANT IT MARKED AS  
17 DEFENDANT'S EXHIBIT G?

18 MR. BARENS: WE WILL TAKE IT AS DEFENDANT'S G, YOUR  
19 HONOR.

20 THE COURT: ALL RIGHT.

21 Q BY MR. WAPNER: AND HOW DOES THE INFORMATION THAT  
22 YOU GET OUT OF THE COMPUTER GET ACTUALLY PUT INTO THE COMPUTER?

23 A WELL, OF COURSE, WE HAVE VARIOUS INPUT CHANNELS,  
24 ALL OF WHICH I CAN'T DESCRIBE RIGHT NOW, BUT IT IS DONE BY  
25 EMPLOYEES OF AMERICAN EXPRESS WHO ARE SPECIFICALLY CHARGED  
26 WITH INPUTTING DATA RELATING TO INDIVIDUAL ACCOUNTS.

27 Q IT IS DONE IN THE ORDINARY COURSE OF BUSINESS?

28 A YES, SIR.

1 Q AND ON MAY THE 11TH, HOW DID AMERICAN EXPRESS  
2 FIND OUT THERE WAS NO MONEY IN THE ACCOUNT AND AUTOMATICALLY  
3 CANCEL THE CARD?

4 A I CAN ADVISE YOU AS TO THE NORMAL PROCEDURE AND  
5 THAT WOULD BE WHEN THE ACCOUNT AT SHEARSON WAS DEBITED BY  
6 OUR BILLING UNIT AND IT WAS FOUND INSUFFICIENT TO COVER THE  
7 CHARGES, WHICH IN THAT CASE WAS APPROXIMATELY \$20,000, WE  
8 IMMEDIATELY MOVED TO HAVE CHARGES RESTRICTED ON THAT ACCOUNT  
9 FROM THAT POINT FORWARD.

10 WE DO THAT IN VARIOUS WAYS. WE CAN BLOCK THE  
11 ACCOUNT. WE PUT A WARNING ON THE SYSTEM.

12 Q WHEN YOU PUT A WARNING ON THE SYSTEM, WHAT  
13 HAPPENS?

14 A WHEN THAT PARTICULAR CHARGE CARD IS USED AT A  
15 DATE AFTER THAT AND AN AUTHORIZATION IS SOUGHT BY INDIVIDUAL  
16 MERCHANTS, WE WOULD ASK THAT THAT CARD BE PICKED UP OR AT  
17 LEAST GET A CLARIFICATION AS TO USE OF THE CARD, WHETHER OR  
18 NOT THERE WAS ASSETS AVAILABLE TO COVER THE CHARGES.

19 Q AND DOES IT INDICATE ON YOUR RECORDS WHETHER OR  
20 NOT THIS CARD WAS MARKED FOR BEING PICKED UP OR WHETHER IT  
21 WAS JUST MARKED TO HAVE AN INQUIRY MADE.

22 A IT IS NOT INCLUDED ON THIS ACCOUNT.

23 Q IT IS NOT INCLUDED ON THE INFORMATION YOU HAVE  
24 IN FRONT OF YOU?

25 A NOT ON THE INFORMATION I HAVE IN FRONT OF ME.

26 Q AND IS THERE SOME INDICATION ON THE JUNE  
27 STATEMENT THAT WAS SENT TO THE CUSTOMER ABOUT WHETHER THE  
28 ACCOUNT WOULD BE DEBITED OR WHAT WOULD HAPPEN?

1           A       YES, THERE IS.

2           Q       AND WHAT IS THAT?

3           A       THERE IS A STATEMENT ON THE FACE OF THE BILLING  
4           DATED 6-12 OF '84 THAT STATES "ACCOUNT PAST DUE. YOUR  
5           SHEARSON FMA ACCOUNT IS CANCELED. PAY BALANCE BY 7-4 OF '84  
6           TO AVOID DELINQUENT CHARGES."

7           Q       AND THAT IS IN CONTRAST TO THE OTHER STATEMENT  
8           WHERE THE ACCOUNT WOULD AUTOMATICALLY BE -- THE SHEARSON  
9           ACCOUNT WOULD BE AUTOMATICALLY DEBITED BECAUSE IN THIS CASE,  
10          THERE WAS NO MONEY IN THE SHEARSON ACCOUNT, SO THEY WERE  
11          ASKING THE CUSTOMER TO PAY THE BALANCE DIRECTLY; IS THAT  
12          CORRECT?

13          A       YES, SIR.

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1 MR. WAPNER: THANK YOU. I HAVE NOTHING FURTHER.

2 THE COURT: ANY FURTHER QUESTIONS?

3 MR. BARENS: YES INDEED, YOUR HONOR.

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5

REXCROSS-EXAMINATION

6 BY MR. BARENS:

7 Q NOW MR. REEVES, YOU SAY THE CUSTOMER'S CARD WAS  
8 CANCELED ON 5/11/84?

9 A NO. I DID NOT SAY THAT. I SAID THAT THE SYSTEMS  
10 ARE TELLING ME THAT THAT IS THE DATE THAT THE ZERO BALANCE  
11 WAS ESTABLISHED.

12 Q DOES YOUR ORGANIZATION HAVE SOME WAY OF  
13 NOTIFYING A CUSTOMER WHEN THAT OCCURS?

14 A YES.

15 Q HOW DO YOU DO THAT?

16 A THROUGH THE FOLLOWING CYCLED BILLING.

17 Q IN OTHER WORDS, IF THERE IS A ZERO BALANCE ON  
18 5/11, YOU DON'T SEND A NOTICE TO THE CARDHOLDER OR ANY SORT  
19 OF CORRESPONDENCE OF ANY DESCRIPTION AT THAT POINT IN TIME?

20 A I DON'T KNOW FOR SURE WHETHER THE BILLING UNIT  
21 WAS SENT A SPECIFIC NOTIFICATION. I DON'T KNOW.

22 Q DO YOU DO ANYTHING AT THAT POINT WHEN YOU GET  
23 TO A ZERO BALANCE? YOU DON'T DO ANYTHING AT THAT POINT TO  
24 STOP THE CUSTOMER FROM INCURRING FURTHER CREDIT ON A CARD,  
25 DO YOU? OR, DO YOU?

26 A YES.

27 Q YOU DO?

28 A YES.



1 Q YOU DO?

2 A YES.

3 Q WHAT DO YOU DO IN THAT REGARD, SIR?

4 A BASICALLY AS I INDICATED, A WARNING IS ON THE  
5 ACCOUNT THAT IT IS A HIGH BALANCE AND THAT THERE IS, GENERALLY  
6 SPEAKING, NO ASSETS AVAILABLE.

7 AND AT THAT POINT, WHEN AUTHORIZATION IS REQUESTED  
8 FOR ADDITIONAL CHARGES, A DETERMINATION WILL BE MADE AT THAT  
9 TIME WHETHER TO PICK THE CARD UP OR WHETHER TO ALLOW THE  
10 CUSTOMER TO MAKE PAYMENT.

11 Q ALL RIGHT. WOULD THAT HAVE OCCURRED AROUND  
12 5/11, SIR?

13 A I DON'T KNOW THE EXACT DATE THAT THAT WARNING  
14 WOULD HAVE BEEN PLACED ON THE SYSTEMS.

15 Q ALL RIGHT. ON THE 5/11 DATE SIR, I WOULD LIKE  
16 YOU TO FIND FOR ME, WHAT CHARGES WERE MADE BY THE CARDHOLDER.  
17 ON 5/11, IF YOU WOULD JUST FIND THEM AND --

18 THE COURT: HAVE WE NOT GONE THROUGH ALL OF THOSE  
19 CHARGES?

20 MR. BARENS: NO SIR. I DIDN'T GO THROUGH THOSE.

21 THE COURT: ALL RIGHT. GO AHEAD.

22 (PAUSE.)

23 Q BY MR. BARENS: HAVE YOU NOW SEPARATED MR. REEVES,  
24 THE 5/11 CHARGES?

25 A I HAVE CHARGES ON 5/11.

26 Q WHAT CHARGES DO YOU HAVE, SIR?

27 A I HAVE WHAT APPEARS TO BE TWO AIRLINE CHARGES,  
28 BOTH OF PAN AMERICAN AIRLINES. THE CHARGE DATE IS 5/11/84

1 FIRST FOR \$828.24. AND THE SECOND IS FOR THE SAME DATE,  
2 \$1378.

3 Q SO YOU FIND TWO AIRLINE CHARGES ON 5/11. SIR?

4 A YES.

5 Q WHAT ELSE DO YOU FIND? DO YOU FIND ANY OTHER  
6 BILLINGS FOR THAT DATE, SIR?

7 A NO, SIR.

8 Q ALL RIGHT. NOW SIR, THE BILLING THAT YOU FOUND  
9 FOR LOUIS VUITTON LUGGAGE STORE, YOU TESTIFIED EARLIER --  
10 WHAT DATE WAS THAT ON? WAS THAT AFTER 5/11, SIR?

11 A YES.

12 Q AND WHAT DATE WAS THAT ON?

13 A IT WAS INVOICED ON 5/12/84.

14 Q NOW, YOU TESTIFIED YESTERDAY SIR, THAT YOUR AREA  
15 OF ACTIVITY WITH AMERICAN EXPRESS IS CREDIT CARD FRAUD OR  
16 POLICING?

17 A IN PART, YES.

18 Q AND HOW LONG HAVE YOU DONE THAT, SIR?

19 A ABOUT SIX AND A HALF YEARS.

20 Q AND DURING THE COURSE OF THOSE ACTIVITIES, YOU  
21 ARE CALLED UPON TO INVESTIGATE THE CONDUCT OF CERTAIN CARD-  
22 HOLDERS THAT END UP OWING YOU A LOT OF MONEY?

23 A IN SOME CASES.

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1 Q AND DO THOSE INCLUDE CARDHOLDERS THAT SUBSEQUENTLY  
2 FILE BANKRUPTCIES?

3 A NOT GENERALLY.

4 THAT IS USUALLY HANDLED BY THE CREDIT DEPARTMENT.

5 Q DO YOU KNOW IN FACT WHAT HAPPENS TO THE CARD-  
6 HOLDERS OR WHAT ACTIONS THEY TAKE ONCE YOU HAVE DEALT WITH  
7 THEM, DO YOU FOLLOW IT THROUGH TO SOME SORT OF CONCLUSION?

8 A ONLY IF IT IS INVOLVING A CRIMINAL ACT AND WE  
9 SUBSEQUENTLY FILE CRIMINAL CHARGES.

10 IF IT IS DETERMINED TO BE STRICTLY OF A CREDIT  
11 NATURE, MY OFFICE DOES NOT HANDLE THAT.

12 Q DO YOU OFTEN COME INTO CONTACT WITH CARDHOLDERS  
13 THAT HAVE HAD A CERTAIN CHARGE PROFILE AND THEN SOMEWHAT  
14 INEXPLICABLY INCUR A TIME FRAME OF CHARGES THAT ARE NOT  
15 CONSISTENT WITH THEIR PRIOR PROFILE?

16 A IN SOME CASES.

17 Q AND IN THOSE CASES THAT YOU ARE REFERRING TO,  
18 SIR, HAVE YOU FOUND THOSE TO BE FOLLOWED BY BANKRUPTCY  
19 PROCEEDINGS IN SOME INSTANCES?

20 MR. WAPNER: OBJECTION. IRELEVANCE.

21 THE COURT: SUSTAINED.

22 MR. BARENS: THANK YOU, MR. REEVES.

23  
24 FURTHER REDIRECT EXAMINATION

25 BY MR. WAPNER:

26 Q THE RECORD YOU HAVE IN FRONT OF YOU THAT  
27 INDICATES THERE WERE NO ASSETS IN THE FSA ACCOUNT ON 5-11,  
28 HOW WAS THAT RECORD PREPARED AND WHAT IS IT EXACTLY?

1           A        AGAIN, IT IS A COMPUTER PRINTOUT OF CERTAIN  
2 RECORDS BY CLASSIFICATION AND THE FIRST CLASSIFICATION WOULD  
3 BE THE ACCOUNT STATUS, THE CARD MEMBER IDENTIFICATION,  
4 SUPPLEMENTAL ACCOUNTS ON THAT AND THEN DOWN TO PERSONAL DATA,  
5 INVOLVING ACTION ON THE ACCOUNT.

6           Q        THE PRINTOUT THAT YOU HAVE IN FRONT OF YOU THAT  
7 HAS BEEN MARKED AS A DEFENSE EXHIBIT WAS RETRIEVED BY YOU  
8 IN PREPARATION FOR YOUR COMING TO COURT TO TESTIFY; IS THAT  
9 RIGHT, SIR?

10          A        YES, SIR.

11          Q        THE INFORMATION THAT GETS PUT IN THERE REGARDING  
12 THE 5-11 ENTRY, HOW IS THAT ACTUALLY ENTERED INTO THE SYSTEM,  
13 WHO DOES THAT?

14          A        AGAIN, COMPUTER STAFF, VARIOUS OFFICES, WHETHER  
15 IT BE CREDIT BILLING, NEW ACCOUNTS, IT IS AN ACCUMULATIVE  
16 SET OF CIRCUMSTANCES WHICH RELATE BACK TO THIS PARTICULAR  
17 ACCOUNT.

18          Q        WHEN THE CHARGES COME IN ON AN ACCOUNT, ARE THEY  
19 AUTOMATICALLY -- LET ME START AGAIN WITH THIS QUESTION.

20                    THIS PARTICULAR ACCOUNT, THE CREDIT CHARGES WERE  
21 DEBITED FROM A BALANCE THE CUSTOMER HAD IN A SHEARSON ACCOUNT,  
22 CORRECT?

23          A        UP TO THE POINT OF NO ASSETS, YES SIR.

24          Q        WAS THAT DEBIT OF THE SHEARSON ACCOUNT DONE AS  
25 THE CHARGES WERE INCURRED OR WAS IT DONE AT THE END OF EACH  
26 BILLING CYCLE?

27          A        NO. IT IS DONE ON A SPECIFIC DATE FOR ALL OF  
28 THE CHARGES WHICH WERE INCURRED DURING A GENERAL 30-DAY CYCLE.

1 Q AND THE BILLINGS IN THIS PARTICULAR CASE APPEAR  
2 TO OCCUR AROUND THE 7TH OR 8TH OF THE MONTH.

3 A THE BILLING WENT OUT ON MAY THE 8TH OF 1984 WITH  
4 THE DESIGNATION STATEMENT THAT THAT ACCOUNT WOULD NOT BE  
5 DEBITED UNTIL MAY THE 24TH, AND THAT WOULD BE THE EARLIEST  
6 DATE WE WOULD BE ABLE TO DETERMINE THE ZERO ASSET --

7 Q OKAY.

8 A -- WHEN THE DEBIT OCCURRED AT SHEARSON.

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1 Q AND SO IT IS ON MAY THE 24TH THAT YOU FIGURED  
2 OUT THAT THERE WERE NO ASSETS, CORRECT?

3 A OR SUBSEQUENT TO THAT DATE.

4 Q WHERE DOES THE MAY 11 DATE COME IN?

5 A I HAVE NO IDEA, OTHER THAN WHEN THE TRACING BACK  
6 OF ASSETS, ONCE WE FIND AN INABILITY TO PAY, THEN WE GO BACK  
7 TO THE DATE WHEN THAT ACCOUNT WAS VOIDED AND IN THIS CASE  
8 IT WAS ESTABLISHED MAY THE 11TH.

9 Q SO IF THE CUSTOMER READS HIS STATEMENT AND KNOWS  
10 THAT HE IS NOT -- THE ACCOUNT IS NOT GOING TO BE DEBITED UNTIL  
11 MAY THE 24TH, AND IF HE ALSO KNOWS THAT HE HAS RUN OUT OF  
12 MONEY IN HIS ACCOUNT, HE STILL HAS GOT USE OF HIS CARD BETWEEN  
13 THE 8TH AND THE 24TH, RIGHT?

14 A YES, UNDER NORMAL CIRCUMSTANCES, YES.

15 Q THANK YOU.

16 AND WHEN A STOP IS PUT ON THE ACCOUNT, HOW IS  
17 THAT DONE?

18 A WELL, THERE ARE MANY DIFFERENT WAYS.

19 WE CAN FLAG THE ACCOUNT FOR IMMEDIATE PICKUP  
20 OF THE CARD OR WE CAN FLAG THE ACCOUNT FOR NO FURTHER  
21 CHARGES UNTIL ASSETS ARE DETERMINED.

22 NOW, THERE ARE MANY DIFFERENT AREAS THAT CAN  
23 BE PLACED INTO A WARNING SYSTEM AND THE WARNING SYSTEM IS  
24 GENERALLY CONTROLLED THROUGH AUTHORIZATIONS SO IF A CARD IS  
25 PRESENTED AT A DATE AFTER WE HAVE DETERMINED THERE IS A  
26 PROBLEM AND THAT MERCHANT CALLS IN TO GET APPROVAL ON CHARGES,  
27 THEN AT THAT TIME AUTHORIZATION WOULD ADVISE THAT MERCHANT  
28 TO ACT ON WHATEVER WARNING IS ON OUR SYSTEM, WHETHER IT BE

1 TO PICK UP THE CARD, WHETHER IT BE NOT TO HONOR THE CHARGES,  
2 WHETHER WE HAVE TO CONTACT THE CARD MEMBER OR MANY OTHER  
3 DESCRIPTIVES.

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1 Q CAN YOU TELL FROM YOUR RECORDS WHAT WAS DONE IN  
2 THIS CASE?

3 A NO.

4 Q HOW LONG DOES IT TAKE TO PUT THOSE VARIOUS WARNINGS  
5 IN THE SYSTEM, ONCE YOU DETERMINE THERE IS NO MONEY IN THE  
6 ACCOUNT?

7 A WELL, IT DEPENDS AGAIN, ON HOW RAPID THE EMPLOYEES  
8 MOVE ON IT. IN SOME CASES, IT CAN BE DONE ALMOST  
9 INSTANTEOUSLY. I DON'T KNOW WHEN IT WAS DONE IN THIS  
10 PARTICULAR CASE.

11 MR. WAPNER: THANK YOU. NOTHING FURTHER.

12 THE COURT: AGAIN?

13 MR. BARENS: YES.

14

15 FURTHER RE-CROSS-EXAMINATION

16 BY MR. BARENS:

17 Q YOU HAVE IN FRONT OF YOU PEOPLE'S 51, MR. REEVES,  
18 WHICH I BELIEVE IF I AM RIGHTLY RECALLING, HAS RIGHT ON THE  
19 TOP OF IT, A STATEMENT FOR JULY, A BALANCE. DO YOU SEE THAT  
20 THERE, JULY, 1984?

21 A YES.

22 Q AND WHAT DOES THAT SHOW THAT AMERICAN EXPRESS  
23 IS OUT ON THAT DATE?

24 A AM I REFERRING TO THE COURT DOCUMENT THAT YOU  
25 ARE INDICATING? I DON'T KNOW WHAT PEOPLE'S 12 IS.

26 Q LET ME APPROACH AND SEE. I DON'T THINK IT IS  
27 12. I THINK IT IS 51, ACTUALLY.

28 YES, SIR, WHAT DOES IT SHOW THE BALANCE IS



1 THAT AMERICAN EXPRESS IS OWED ON THAT DAY? SIR?

2 A \$49,626.98.

3 Q NOW SIR, THERE IS NO FSA MONEY TO COVER THAT AT  
4 THAT POINT, IS THERE? DO YOU HAVE ANY EVIDENCE THAT THERE  
5 IS?

6 A NO.

7 Q OKAY. EARLIER ON, MR. WAPNER ASKED YOU THAT IF  
8 THE CUSTOMER KNOWS THAT THE ACCOUNT IS EXHAUSTED OF THE FSA  
9 MONEY ON MAY 11, BUT HE CAN USE THE CARD UNTIL MAY 28, UNTIL  
10 THERE IS A BILLING CYCLE, ISN'T THAT STATEMENT SAYING THAT  
11 AT THAT POINT, THE CUSTOMER IS ON YOUR MONEY, NOT HIS, USING  
12 YOUR CREDIT RATHER THAN ANY MORE BACKED FUNDS?

13 A I DON'T THINK I UNDERSTAND EXACTLY WHAT YOU ARE  
14 ASKING ME.

15 Q IF THERE IS NO FSA MONEY AFTER MAY 11, AREN'T  
16 WE JUST ON CREDIT AT THAT POINT? ANY CHARGES THAT COME BETWEEN  
17 THAT DATE AND ANY FUTURE DATES, WE ARE JUST ON CREDIT, AREN'T  
18 WE? ARE THERE ANY FUNDS TO BACK IT THAT YOU GUYS ARE HOLDING  
19 AFTER THAT POINT IN TIME?

20 A WE ARE SPEAKING OF JULY THE 11TH BILLING?

21 Q LET'S SAY BETWEEN MAY 11 AND JULY 11, THE BILLING  
22 THAT YOU HAVE GOT THERE. DO YOU HAVE ANY FUNDS TO BACK THAT  
23 BILLING IN ANY FSA ACCOUNTS THAT YOU ARE FAMILIAR WITH?

24 A NO, SIR.

25 MR. BARENS: THANK YOU, SIR.

26 THE COURT: THANK YOU VERY MUCH.

27 MAY THIS WITNESS BE EXCUSED?

28 MR. WAPNER: I HAVE NO OBJECTION. I WOULD JUST ASK

1 HIM TO ASSEMBLE THE EXHIBITS.

2 THE COURT: YES.

3 CALL YOUR NEXT WITNESS, PLEASE.

4 MR. WAPNER: YES. WE CALL DR. PRESLEY REED.

5  
6 PRESLEY REED, JR.,

7 CALLED AS A WITNESS BY THE PEOPLE, WAS SWORN AND TESTIFIED  
8 AS FOLLOWS:

9 THE CLERK: RAISE YOUR RIGHT HAND TO BE SWORN.

10 DO YOU SOLEMNLY SWEAR THAT THE TESTIMONY YOU MAY  
11 GIVE IN THE CAUSE NOW PENDING BEFORE THIS COURT SHALL BE THE  
12 TRUTH, THE WHOLE TRUTH AND NOTHING BUT THE TRUTH, SO HELP  
13 YOU GOD.

14 THE WITNESS: YES I DO.

15 THE CLERK: BE SEATED THERE ON THE WITNESS STAND.

16 STATE AND SPELL YOUR NAME FOR THE RECORD, PLEASE.

17 THE WITNESS: PRESLEY, P-R-E-S-L-E-Y, REED, R-E-E-D,  
18 JR.

19  
20 DIRECT EXAMINATION

21 BY MR. WAPNER:

22 Q DR. REED, ARE YOU A MEDICAL DOCTOR?

23 A YES.

24 Q AND ARE YOU LICENSED TO PRACTICE MEDICINE IN THE  
25 STATE OF COLORADO?

26 A YES.

27 Q WHERE DO YOU PRESENTLY RESIDE?

28 A IN BOULDER, COLORADO.

1 Q DO YOU KNOW THE MAN DEPICTED IN THE PHOTOGRAPH,  
2 PEOPLE'S 6 FOR IDENTIFICATION?

3 A YES.

4 Q WHO IS THAT PERSON?

5 A RON LEVIN.

6 Q WHEN DID YOU FIRST MEET RON LEVIN?

7 A THE EARLY SEVENTIES, AROUND 1974 OR 1973.

8 Q HOW DID YOU MEET HIM?

9 A HE WAS A FRIEND OF A BEVERLY HILLS PHYSICIAN,  
10 DR. KROGER, WHO I STUDIED UNDER.

11 Q WHERE DID YOU MEET HIM?

12 A I THINK I FIRST MET HIM AT DR. KROGER'S HOUSE.

13 Q WHEN YOU MET HIM AT DR. KROGER'S HOUSE, WERE THERE  
14 OTHER PEOPLE AROUND?

15 A USUALLY.

16 Q DID YOU BECOME FRIENDLY WITH HIM?

17 A I KNEW HIM. WE WERE ACQUAINTANCES, YES.

18 Q AND DID YOU EVER ENTER INTO ANY BUSINESS DEALS  
19 WITH MR. LEVIN?

20 A YES.

21 Q ON HOW MANY OCCASIONS?

22 A THREE.

23 Q AND THE FIRST ONE OF THOSE WAS WHAT?

24 A BACK SOMETIME AROUND THE TIME WHEN I HAD FIRST  
25 MET HIM AND WAS STAYING WITH DR. KROGER. HE ASKED ME TO PUT  
26 SOME MONEY INTO A COMMODITIES -- I THINK HE HAD A COMPUTER  
27 PROGRAM OF SOME KIND THAT WAS SUPPOSED TO MAKE MONEY WITH  
28 COMMODITIES. AND I GAVE HIM SOME MONEY.

2  
1 Q AND WHAT HAPPENED TO THAT MONEY?

2 A HE RETURNED IT TO ME.

3 Q AND DID HE EVER HAVE ANY KIND OF A MAIL ORDER  
4 BUSINESS THAT HE ASKED YOU TO ASSIST HIM WITH?

5 A YES.

6 Q WHAT WAS THAT?

7 A DMSO.

8 Q WHAT IS DMSO?

9 A IT IS A CHEMICAL THAT IS USED FOR VARIOUS KINDS  
10 OF INFLAMMATORY PROBLEMS, ARTHRITIS IN PARTICULAR. IT IS  
11 APPLIED TOPICALLY AND IT SOAKS INTO THE SKIN.

12 Q WHEN WAS MR. LEVIN INVOLVED IN DOING SOMETHING  
13 REGARDING DMSO?

14 A I DON'T RECALL EXACTLY. IT WOULD BE THE EARLY  
15 EIGHTIES OR THE LATE SEVENTIES, PERHAPS.

16 Q WHAT WAS IT THAT HE WANTED TO DO?

17 A HE WANTED TO SELL IT BY MAIL ORDER AND RUN ADS  
18 IN PAPERS AROUND THE COUNTRY AND TRY TO SELL IT BY MAIL ORDER.

19 Q AND IN ORDER TO DO THAT, DID HE WANT TO BE ABLE  
20 TO ACCEPT THE AMERICAN EXPRESS CARDS BY USE OF THIS MAIL ORDER  
21 BUSINESS?

22 A YES HE DID.

23

24

25

26

27

28

1 Q DID HE SAY ANYTHING TO YOU IN THAT REGARD?

2 A YES.

3 Q WHAT DID HE SAY?

4 A JUST THAT BASICALLY HE COULDN'T -- THAT AMERICAN  
5 EXPRESS WOULDN'T GIVE HIM THE PERMISSION TO USE THEIR CARD,  
6 TO ACCEPT THEIR CARD FOR PURCHASE WITHOUT SOME SORT OF  
7 GUARANTOR OR SOMEONE THAT THEY HAD DONE BUSINESS WITH AND  
8 KNEW, SORT OF SPEAKING TO IT OR SAYING IT IS OKAY.

9 Q IN THAT CONNECTION, DID MR. LEVIN APPROACH YOU?

10 A YES, HE DID.

11 Q WHAT DID HE SAY?

12 A HE ASKED ME TO ASSIST HIM IN BEING ABLE TO  
13 ACCEPT BY AMERICAN EXPRESS.

14 Q IN THAT REGARD, WHAT DID YOU DO?

15 A I PROVIDED HIM WITH FINANCIAL STATEMENTS, TAX  
16 RETURNS OF MY OWN.

17 Q DID THE FINANCIAL STATEMENT INCLUDE BANKS WHERE  
18 YOU HAD ACCOUNTS AT THAT TIME?

19 A YES.

20 Q DO YOU REMEMBER WHETHER INCLUDED ON THAT FINANCIAL  
21 STATEMENT WERE BANKS IN COLORADO?

22 A I BELIEVE SO.

23 Q AND AT THAT TIME, DID YOU HAVE AN ACCOUNT AT  
24 THE SOUTH DENVER NATIONAL BANK?

25 A I BELIEVE SO.

26 Q DID YOU HAVE AN ACCOUNT AT THE NATIONAL BANK  
27 OF THE ROCKIES?

28 A YES.

1 Q AND DID YOU EVER DEAL DIRECTLY WITH AMERICAN  
2 EXPRESS AT THAT TIME OR DID YOU GIVE THE INFORMATION TO MR.  
3 LEVIN FOR THE PURPOSE OF HIM DOING IT?

4 A I GAVE THE INFORMATION TO MR. LEVIN.

5 Q DID YOU INVEST ANY MONEY IN THAT DMSO BUSINESS?

6 A YES.

7 Q ABOUT HOW MUCH?

8 A THREE OR FOUR THOUSAND.

9 Q DID YOU GET THAT BACK?

10 A YES, THE MAJORITY OF IT, I BELIEVE.

11 Q DO YOU RECALL -- WELL, WHEN YOU FIRST MET RON  
12 LEVIN, WERE YOU LIVING IN LOS ANGELES?

13 A YES -- WELL, WHEN I FIRST MET MR. LEVIN, I WAS  
14 NOT LIVING IN LOS ANGELES.

15 BUT I LATER CAME TO STAY IN LOS ANGELES ON A  
16 SEMI-PERMANENT BASIS.

17 Q DURING WHAT PERIOD OF TIME?

18 A DURING THE SUMMER OF 1976, I WAS LIVING HERE  
19 IN LOS ANGELES.

20 Q AND WHAT WAS THE NATURE OF YOUR FRIENDSHIP OR  
21 RELATIONSHIP WITH MR. LEVIN AT THAT TIME?

22 A WELL, I WAS WORKING WITH DR. KROGER IN HIS OFFICE  
23 AND RON WOULD -- AND I WAS LIKEWISE STAYING AT DR. KROGER'S  
24 HOME, HE HAD A BIG HOME WITH A SEPARATE APARTMENT, AND MR.  
25 LEVIN WOULD COME OVER. HE WOULD COME OVER TO HANG OUT BY  
26 THE POOL, COME OVER TO VISIT.

27 Q AND WOULD THAT GENERALLY BE WITH GROUPS OF  
28 PEOPLE?

1 A YES.

2 Q AND AFTER THAT TIME, DID YOU LEAVE LOS ANGELES  
3 AND MOVE SOMEWHERE ELSE?

4 A YES.

5 Q WHERE WAS THAT?

6 A BOULDER, COLORADO.

7 Q IN 1984, WERE YOU LIVING AT 999 EIGHTH STREET  
8 IN BOULDER, COLORADO?

9 A YES, I WAS.

10 Q AND WHEN WAS THE LAST TIME THAT YOU SAW OR TALKED  
11 TO RON LEVIN?

12 A I DON'T RECALL THE EXACT DATE.

13 Q APPROXIMATELY?

14 A DECEMBER, NOVEMBER OF '83 OR PERHAPS JANUARY  
15 OF '84.

16 Q AND AT THAT TIME, WAS THAT IN PERSON OR ON THE  
17 TELEPHONE, IF YOU REMEMBER?

18 A I WAS THROUGH CALIFORNIA SOMETIME DURING THAT  
19 TIME FRAME AND STOPPED BY AND SAW HIM IN HIS HOME.

20 Q AND YOU HAVEN'T SEEN OR TALKED TO HIM SINCE THAT  
21 DATE?

22 A I TALKED TO HIM ON THE PHONE SINCE THAT DAY,  
23 PERHAPS IN JANUARY OR FEBRUARY OF '84.

24 Q WAS THAT THE LAST TIME THAT YOU SPOKE WITH HIM?

25 A YES.

26 Q DID YOU GIVE HIM PERMISSION TO USE YOUR NAME  
27 FOR THE PURPOSE OF SECURING A LEASE FOR SOME AUTOMOBILES AT  
28 TOPAZ AUTO LEASING?

-4

1           A       NO.

2           Q       AT SOME POINT, DID YOU EVER GIVE HIM PERMISSION  
3 TO APPLY FOR AN AMERICAN EXPRESS CARD IN YOUR NAME?

4           A       NO.

5           Q       AT SOME POINT, DID YOU HAVE SOME DIFFICULTY WITH  
6 CREDITORS COMING AFTER YOU FOR MONEY THAT THEY BELIEVED YOU  
7 OWED THEM?

8           A       YES.

9           Q       AND YOU DETERMINED THAT THAT WAS MONEY, DEBTS  
10 ACTUALLY INCURRED BY MR. LEVIN?

11          A       YES.

12          Q       AND HAVE YOU HAD ANY PROBLEM WITH ANY CREDITORS  
13 COMING AFTER YOU FOR DEBTS THAT WERE INCURRED BY MR. LEVIN  
14 AFTER JUNE THE 6TH, 1984?

15          A       I DON'T UNDERSTAND WHAT YOU ARE ASKING ME.

16          Q       HAVE ANY CREDITORS COME TO YOU SEEKING MONEY  
17 FOR DEBTS THAT YOU DETERMINED THAT MR. LEVIN INCURRED AFTER  
18 THE DATE -- FOR DEBTS THAT WERE INCURRED AFTER JUNE OF 1984?

19          A       NO.

20          Q       AND NO DEBTS, NO CREDITORS HAVE COME TO YOU  
21 SEEKING PAYMENT FOR DEBTS THAT WERE INCURRED ANY TIME AFTER  
22 JUNE THE 6TH OF 1984?

23          A       THAT'S CORRECT.

24          Q       DURING THE TIME THAT YOU KNEW MR. LEVIN, FROM  
25 THE TIME YOU FIRST MET HIM UNTIL THE TIME THAT YOU LAST  
26 SPOKE TO HIM ON THE PHONE, HOW MANY TIMES WOULD YOU SAY THAT  
27 YOU SAW HIM IN PERSON?

28          A       PERHAPS A DOZEN.



1 Q HOW MANY TIMES WOULD YOU SAY YOU SPOKE WITH HIM  
2 ON THE PHONE?

3 A .PERHAPS THAT MANY TIMES OR LESS.  
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1 Q IN THE DOZEN OR SO TIMES THAT YOU SAW HIM, DID  
2 YOU EVER OBSERVE HIM TALKING TO HIS MOTHER ON THE TELEPHONE?

3 A YES.

4 Q AND IN THE MAYBE TWO DOZEN TIMES THAT YOU SAW  
5 HIM AND SPOKE TO HIM ON THE PHONE, DID HE EVER SPEAK TO YOU  
6 ABOUT HIS MOTHER? OR DID HE EVER SPEAK TO YOU ABOUT HIS  
7 FEELINGS FOR HIS MOTHER?

8 A YES. HE HAD INDICATED HE WAS VERY CLOSE TO HER.

9 MR. WAPNER: THANK YOU. NOTHING FURTHER.

10 THE COURT: YOU WILL BE SOME TIME, WILL YOU?

11 MR. BARENS: QUITE SO, YOUR HONOR.

12 THE COURT: ALL RIGHT. LADIES AND GENTLEMEN OF THE  
13 JURY, WE WILL TAKE OUR RECESS AT THIS TIME UNTIL 1:30 THIS  
14 AFTERNOON. THE SAME ADMONITION I HAVE BEEN GIVING YOU WILL  
15 STILL APPLY.

16 (AT 12 NOON A RECESS WAS TAKEN UNTIL  
17 1:30 P.M. OF THE SAME DAY.)

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1 SANTA MONICA, CALIFORNIA; WEDNESDAY, FEBRUARY 18, 1987; 1:40 P.M.  
2 DEPARTMENT WEST C HON. LAURENCE J. RITTENBAND, JUDGE  
3 (APPEARANCES AS NOTED ON TITLE PAGE.)  
4

5 THE COURT: ALL RIGHT, YOU MAY CROSS-EXAMINE.

6 MR. BARENS: THANK YOU, YOUR HONOR.  
7

8 PRESLEY REED, JR.

9 PRODUCED AS A WITNESS BY THE PEOPLE, HAVING BEEN PREVIOUSLY  
10 SWORN, TESTIFIED AS FOLLOWS:  
11

12 CROSS-EXAMINATION

13 BY MR. BARENS:

14 Q GOOD AFTERNOON, DR. REED.

15 A GOOD AFTERNOON.

16 Q DR. REED, I BELIEVE YOU TESTIFIED THAT YOU FIRST  
17 MET RON LEVIN IN CONJUNCTION WITH A GENTLEMAN YOU KNEW BY  
18 THE NAME OF DR. KROGER? SIR?

19 A YES.

20 Q IS THAT TRUE?

21 A YES, IT IS.

22 Q AND DR. KROGER IS WHAT TYPE OF A DOCTOR, SIR?

23 A BY SPECIALTY?

24 Q YES, SIR.

25 A I BELIEVE HIS SPECIALTY WAS OBSTETRICS AND  
26 GYNECOLOGY.

27 Q HAS HE OBTAINED, TO YOUR KNOWLEDGE, SOME RENOWN  
28 AS A HYPNOTIST?

1           A       YES, SIR.

2           Q       AND HE HAS PUBLISHED, TO YOUR KNOWLEDGE, SEVERAL  
3 BOOKS REGARDING THAT DISCIPLINE?

4           A       YES, SIR.

5           Q       WHAT SORT OF A DOCTOR ARE YOU, SIR?

6           A       I AM A PHYSICIAN FIRST AND THEN I AM A BOARD  
7 CERTIFIED SPECIALIST IN PSYCHIATRY.

8           Q       IN PSYCHIATRY, SIR?

9           A       YES, SIR.

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1 Q AND YOU SAID THAT YOU WERE -- WERE YOU TUTORING  
2 AFTER A FASHION, WITH DR. KROGER?

3 A YES, SIR.

4 Q AND IN WHAT AREA OF SPECIALIZATION, SIR?

5 A HYPNOSIS.

6 Q AND HOW LONG HAVE YOU KNOWN DR. KROGER OR HAD  
7 YOU BEFORE YOU MET RON LEVIN?

8 A PROBABLY ONE OR TWO YEARS.

9 Q AND WHEN YOU MET MR. LEVIN, IT WAS AT DR. KROGER'S  
10 HOUSE?

11 A YES, SIR.

12 Q AND HE LIVED IN BEVERLY HILLS, DID HE NOT?

13 A YES, SIR.

14 Q HE HAD SOMEWHAT OF A LARGE, KIND OF IMPRESSIVE  
15 HOME AND ESTATE GROUNDS, ET CETERA?

16 A YES, SIR.

17 Q COULD YOU TELL ME AS BEST YOU COULD OBSERVE IT,  
18 WHAT WAS THE RELATIONSHIP BETWEEN DR. KROGER AND RON LEVIN?

19 A THEY WERE FRIENDS, TO THE BEST OF MY KNOWLEDGE.

20 Q DID IT SEEM TO BE A RELATIONSHIP OF LONG-STANDING?

21 A I DON'T KNOW HOW LONG-STANDING IT WAS.

22 Q DO YOU KNOW HOW FREQUENTLY RON LEVIN WAS AT THAT  
23 HOME WHEN YOU WERE THERE?

24 A FREQUENTLY.

25 Q ONCE OR TWICE A WEEK HE WOULD COME BY?

26 A ONCE OR TWICE A WEEK, I WOULD SAY.

27 Q AT LEAST TO YOUR DIRECT KNOWLEDGE, MR. LEVIN  
28 SHOWED AN INTEREST IN THE HYPNOSIS WORK THAT DR. KROGER WAS

1 WRITING ABOUT?

2 A HE HAD ATTENDED -- I KNOW HE ATTENDED A SEMINAR  
3 THAT DR. KROGER GAVE HERE IN SOUTHERN CALIFORNIA. I SAW HIM  
4 AT THAT MEETING. BEYOND THAT, I DON'T KNOW.

5 Q WERE YOU PRESENT ON OCCASIONS WHEN DR. KROGER  
6 AND MR. LEVIN WOULD BE DISCUSSING THINGS?

7 A YES.

8 Q WHAT SORT OF THINGS DID THEY APPEAR TO BE  
9 DISCUSSING?

10 A NUMEROUS THINGS.

11 Q DID THAT INCLUDE BUSINESS TRANSACTIONS?

12 A NOT THAT I RECALL.

13 Q WOULD THEY BE MORE OF A MEDICAL THAN FINANCIAL  
14 NATURE?

15 A MORE ACADEMIC, I WOULD SAY THAN FINANCIAL.

16 Q CERTAINLY MORE ACADEMIC IS A BETTER WORD. CAN  
17 YOU REMEMBER ANY ACADEMIC TOPICS THAT THEY SEEMED TO BE  
18 INTERESTED IN, THE TWO OF THEM?

19 A RON WAS INTERESTED IN THE LAW. AND I KNOW THAT  
20 THEY TALKED ABOUT -- I REMEMBER DISCUSSIONS AROUND RON'S  
21 INTEREST IN THE LAW. AND I KNOW RON WAS INTERESTED IN  
22 MEDICINE.

23 THERE WERE DISCUSSIONS AROUND MEDICINE AND  
24 HYPNOSIS. BUT, A BROAD RANGE OF -- THAT IS THE PARTICULAR  
25 THEME THAT I RECALL.

26

27

28

1 Q NOW, WHEN YOU FIRST MET RON LEVIN, DID DR. KROGER  
2 INTRODUCE HIM TO YOU OR DID HE INTRODUCE HIMSELF TO YOU?

3 A DR. KROGER INTRODUCED HIM.

4 Q AND HE WAS INTRODUCED BY THE NAME OF RON LEVIN?

5 A AS I RECALL.

6 I CAN'T BE FOR SURE, BUT I DON'T EVER REMEMBER  
7 HIM BEING CALLED ANY OTHER NAME.

8 THE COURT: YOU DON'T REMEMBER HIM BEING CALLED BY  
9 ANY OTHER NAME?

10 THE WITNESS: NO, SIR.

11 Q BY MR. BARENS: DID MR. LEVIN AT THAT POINT IN  
12 TIME TELL YOU WHAT HE DID FOR A LIVING?

13 A I DON'T RECALL.

14 Q DID HE AT A LATER TIME TELL YOU WHAT HIS BUSINESS  
15 OR PROFESSION WAS, SIR?

16 A YES.

17 Q AND WHAT DID HE TELL YOU?

18 A HE TOLD ME AT ONE TIME, HE TOLD ME HE WAS A LAWYER  
19 AND THAT HE HAD KIND OF A GROUP LAW PRACTICE THAT HE CALLED  
20 LAW CARE, I BELIEVE.

21 Q DID HE TELL YOU WHERE HE HAD GONE TO LAW SCHOOL?

22 A NO.

23 Q DID HE EVER TELL YOU WHETHER HE WAS SINGLE OR  
24 MARRIED, SIR?

25 A I DON'T RECALL ASKING OR BEING TOLD SPECIFICALLY,  
26 NO.

27 Q DID HE EVER TELL YOU HE WAS DIVORCED?

28 A NO.

1 Q NOW, YOU MET HIM IN 1973 OR '74, BETWEEN THEN, AND  
2 SAY, 1984, HOW OFTEN HAD YOU SEEN HIM?

3 A RARELY.

4 Q RARELY?

5 IT HAD ONLY BEEN OCCASIONS WHEN YOU WERE IN  
6 SOUTHERN CALIFORNIA?

7 A YES.

8 I RAN INTO HIM IN OTHER LOCATIONS.

9 Q WHERE WAS THAT, SIR?

10 A I RAN INTO HIM AT A BOXING MATCH IN LAS VEGAS.

11 Q YES, SIR?

12 A AND I SAW HIM AT A BOXING MATCH IN THE BAHAMAS.

13 Q IN THE BAHAMAS, SIR?

14 (WITNESS NODS HIS HEAD UP AND DOWN.)

15 THE COURT: WHEN WAS THAT?

16 THE WITNESS: AROUND '81.

17 Q BY MR. BARENS: ALL RIGHT, DURING THAT MEETING,  
18 DID YOU AND MR. LEVIN DISCUSS OFFSHORE BANK ACCOUNTS?

19 A WHICH MEETING?

20 Q IN THE BAHAMAS, SIR?

21 A NO, SIR.

22 Q DID YOU EVER DISCUSS OFFSHORE FINANCE OR BUSINESS  
23 TRANSACTIONS WITH HIM?

24 A NO, SIR.

25 Q NOW YOU MENTIONED THAT THERE WERE THREE BUSINESS  
26 DEALS IN WHICH YOU WERE INVOLVED WITH MR. LEVIN, I BELIEVE,  
27 ON DIRECT EXAMINATION AND ONE WAS A COMMODITIES INVESTMENT  
28 AND NUMBER TWO WAS A DMSO MAIL ORDER MATTER.



1 (WITNESS NODS HIS HEAD UP AND DOWN.)

2 Q BY MR. BARENS: BY THE WAY, WHEN YOU WERE --

3 MR. WAPNER: EXCUSE ME. IS THAT A YES?

4 THERE WAS A NOD OF THE HEAD.

5 Q BY MR. BARENS: I AM SORRY, DOCTOR. WOULD YOU  
6 PLEASE RESPOND AUDIBLY AS WE CAN'T TAKE IT DOWN IF YOU NOD,  
7 SIR?

8 A YES, SIR.

9 Q THANK YOU.

10 DOCTOR, ON THAT DMSO MATTER, YOU HAVE PRIOR  
11 TO COMING HERE TODAY, SPOKEN WITH LES ZOELLER OF THE BEVERLY  
12 HILLS POLICE DEPARTMENT?

13 A YES.

14 Q DID YOU EVER, DURING A CONVERSATION WITH HIM,  
15 DESCRIBE THAT TRANSACTION AS BEING A MAIL ORDER FRAUD?

16 A PROBABLY.

17 Q YOU USED THAT EXPRESSION?

18 A PROBABLY.

19 Q AND WHY DID YOU USE -- WHY WOULD YOU, IN  
20 SUBSTANCE, DESCRIBE THAT AS A MAIL ORDER FRAUD, SIR?

21 A I THINK THAT WAS A WRONG CHOICE OF WORDS.

22 Q AT THAT TIME IT WAS A WRONG CHOICE OF WORDS?

23 A YES, SIR.

24 Q WHAT WOULD BE A RIGHT CHOICE OF WORDS?

25 A IT WAS A MAIL ORDER BUSINESS THAT DIDN'T MAKE  
26 ANY MONEY.

27 Q SIR, IF THERE WAS A FRAUD, IT WOULD BE ON YOU  
28 THAT WOULD BE THE VICTIM OF THAT?

1           A       YES, SIR, THAT WAS THE IMPLICATION OF THE  
2 STATEMENT.

3           Q       I DID NOT UNDERSTAND THE IMPLICATION IN THAT  
4 CONTEXT.

5                    WHEN YOU WOULD SEE MR. LEVIN BETWEEN '73 AND  
6 '84 IN LOS ANGELES, WHERE WOULD YOU SEE HIM?

7           A       AT HIS HOME.

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1 Q YOU WOULD GO BY MR. LEVIN'S HOME?

2 A YES.

3 Q WAS THAT OF A BUSINESS OR SOCIAL NATURE OR BOTH  
4 THAT YOU WOULD GO BY THERE?

5 A IT WAS MAINLY SOCIAL, JUST TO DROP BY AND SAY  
6 HELLO.

7 Q WHAT WAS THE THIRD BUSINESS TRANSACTION THAT YOU  
8 WERE INVOLVED IN?

9 A HE HAD ASKED ME TO LOAN HIM SOME MONEY FOR SOME  
10 SORT OF A CAR INVESTMENT DEAL, TO BE AN INVESTOR.

11 Q COULD YOU TELL ME WHAT SORT OF A CAR INVESTMENT  
12 DEAL, SIR?

13 A I KNEW VERY LITTLE ABOUT IT, JUST THAT HE ASKED  
14 ME TO LOAN HIM SOME MONEY. I DID SO.

15 Q HOW MUCH MONEY WAS THAT, SIR?

16 A IT WAS IN TWO SEPARATE SEGMENTS, AS I RECALL.  
17 INITIALLY -- WELL, THE TOTAL SHOULD BE AROUND \$4,000.

18 Q YOU LOANED HIM A PART OF \$4,000 ON ONE OCCASION  
19 AND A PART OF \$4,000 ON ANOTHER OCCASION?

20 A AS I RECALL.

21 Q WHEN WAS THAT IN POINT OF TIME, SIR?

22 A I DON'T RECALL.

23 Q ALL RIGHT. DID YOU RECEIVE THAT MONEY BACK, SIR?

24 A NO, SIR.

25 Q DID YOU MAKE ANY EFFORTS TO COLLECT THAT MONEY  
26 FROM THAT THIRD TRANSACTION?

27 A FROM RON?

28 Q FROM ANYONE, SIR.

3-2

1 A YES.

2 Q WHAT EFFORTS DID YOU UNDERTAKE?

3 A I CALLED RON AND ASKED HIM FOR MY MONEY.

4 Q WHAT HAPPENED, SIR?

5 A I DIDN'T GET IT.

6 Q WERE YOU TOLD A STORY OF SOME SORT?

7 A UNDOUBTEDLY.

8 Q ALL RIGHT, SIR. I PRESUME THAT YOU CALLED MORE  
9 THAN ONCE?

10 A YES, SIR.

11 Q AND YOU WERE UNSUCCESSFUL ON EACH OCCASION?

12 A YES, SIR.

13 Q NOW, WITH REFERENCE TO THE DMSO TRANSACTION, WHEN  
14 YOU WERE TESTIFYING EARLIER, WAS THE SUM AND SUBSTANCE OF  
15 WHAT YOU WERE SAYING, THAT OSTENSIBLY, AMERICAN EXPRESS WOULD  
16 NOT GIVE LEVIN THE CREDIT HE WAS SEEKING AND THEREFORE, HE  
17 NEEDED TO USE -- UTILIZE YOUR CREDIT FOR THE TRANSACTION?

18 A I WAS NOT UNDER THE IMPRESSION THAT I WAS SO MUCH  
19 AS GIVING CREDIT, BUT GIVING -- MAYBE IT WAS A CREDIT OF A  
20 KIND. BUT I WAS DOING SOMETHING SO THAT AMERICAN EXPRESS  
21 WOULD ACCEPT CHARGES ON THAT MAIL ORDER PRODUCT.

22 Q COULD YOU EXPLAIN TO ME WHY LEVIN'S CREDIT OR  
23 STANDING COULDN'T BE USED FOR THAT PURPOSE? WHAT WAS YOUR  
24 UNDERSTANDING, SIR?

25 A MY UNDERSTANDING WAS THAT HE DIDN'T HAVE AMERICAN  
26 EXPRESS CREDIT AND I DID.

27 Q AND AS A RESULT OF THAT, YOU EXPOSED TO MR. LEVIN,  
28 YOUR TAX RETURNS?

3-3

- 1           A       YES, SIR.
- 2           Q       AND YOUR BANK ACCOUNT NUMBERS?
- 3           A       YES, SIR.
- 4           Q       AND ALL OF YOUR FINANCIAL DATA, SO TO SPEAK?
- 5           A       YES, SIR.
- 6           Q       NOW, DO YOU KNOW IF IN FACT, AMERICAN EXPRESS  
7 RELIED ON ALL THAT DATA FOR THE DMSO TRANSACTION?
- 8           A       NO, SIR.
- 9           Q       YOU DON'T KNOW THAT THEY EVER GOT ANY OF THAT,  
10 DO YOU?
- 11          A       NO, SIR.
- 12          Q       BUT WE KNOW THAT MR. LEVIN DID, RIGHT? YOU GAVE  
13 IT TO MR. LEVIN?
- 14          A       YES, SIR.
- 15          Q       NOW, DID YOU EVER AUTHORIZE HIM TO OBTAIN AN  
16 AMERICAN EXPRESS CREDIT CARD, USING YOUR NAME?
- 17          A       NO, SIR.
- 18          Q       DID YOU EVER AUTHORIZE HIM TO OBTAIN ANY CREDIT  
19 USING YOUR NAME?
- 20          A       EXCEPT AS IT RELATES TO THE DMSO TRANSACTION,  
21 NOT TO MY KNOWLEDGE.
- 22          Q       THAT WOULD BE THE ONLY LIMITED PURPOSE FOR WHICH  
23 YOU EXTENDED YOUR FINANCIAL SITUATION?
- 24          A       TO MY RECOLLECTION, YES, SIR.
- 25          Q       DID YOU HAVE A STOCK ACCOUNT WITH THE SHEARSON  
26 AMERICAN EXPRESS?
- 27          A       NO, SIR.
- 28          Q       NOT AT ANY TIME, SIR?

-4  
1 A NOT TO MY KNOWLEDGE.

2 Q DID YOU HAVE AN ASSETS MANAGEMENT ACCOUNT WITH  
3 SHEARSON?

4 A NO, SIR.

5 Q DID YOU EVER SPEAK TO SHEARSON TO AUTHORIZE OR  
6 CONFIRM ANY CREDIT FOR MR. LEVIN?

7 A NOT THAT I RECALL.

8 Q DID YOU EVER SPEAK TO A GENTLEMAN NAMED PACILLO  
9 AT SHEARSON AMERICAN EXPRESS?

10 A NOT THAT I RECALL.

11 Q NOW, DID IT EVER COME TO YOUR ATTENTION THAT  
12 MR. LEVIN HAD ASSUMED YOUR IDENTITY?

13 A NO, SIR.

14 Q YOU NEVER BECAME AWARE OF THAT?

15 A WELL, I BECAME AWARE THAT --

16 MR. WAPNER: OBJECTION, ASSUMING A FACT NOT IN EVIDENCE,  
17 YOUR HONOR, THAT MR. LEVIN DID IN FACT, ASSUME HIS IDENTITY.  
18 I DON'T KNOW WHAT HE MEANS BY THAT.

19 MR. BARENS: THE WITNESS IS SAYING TO ME THAT HE BECAME  
20 AWARE OF THAT --

21 THE COURT: I WILL STRIKE THE TESTIMONY. REPHRASE YOUR  
22 QUESTION.

23 WERE YOU AWARE OF THE FACT THAT HE USED YOUR NAME  
24 FOR HIMSELF AS AN IMPOSTER FOR YOU?

25 THE WITNESS: I BECAME AWARE OF THAT WHEN CREDITORS  
26 STARTED COMING AFTER ME.

27 THE COURT: ALL RIGHT.

28 MR. BARENS: THANK YOU.

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THE COURT: THAT HE WOULD USE YOUR NAME AS A CREDIT  
REFERENCE?

THE WITNESS: YES.

1 Q DID YOU BECOME AWARE THAT RON LEVIN, USING YOUR  
2 NAME, HAD OBTAINED CREDIT?

3 A YES, SIR.

4 Q AND DID YOU BECOME AWARE THAT DURING THOSE TRANS-  
5 ACTIONS HE REPRESENTED THAT HIS NAME WAS DR. PRESLEY REED?

6 A I DON'T THINK I EVER KNEW THAT.

7 Q ALL RIGHT, SIR, DID YOU EVER BECOME AWARE THAT  
8 HE HAD INTRODUCED HIMSELF TO ANYONE AS DR. PRESLEY REED?

9 A NO, SIR.

10 Q YOU ARE NOT AWARE OF THAT?

11 A NO, SIR.

12 Q SIR, YOU SAY SOME CREDITORS MADE APPROACHES OR  
13 CLAIMS TO YOU; COULD YOU TELL ME WHICH CREDITORS THOSE WERE?

14 A I BELIEVE -- I BELIEVE IT WAS THE BANK OF  
15 AMERICA AND AMERICAN EXPRESS.

16 Q NOW, THOSE WERE CONTACTS THAT YOU RECEIVED AFTER  
17 JUNE OF 1984, SIR?

18 A YES.

19 Q AND THEY WERE MAKING CLAIMS FOR CERTAIN DEBTS  
20 AND OBLIGATIONS INCURRED IN YOUR NAME PRIOR TO JUNE OF 1984?

21 A YES, SIR.

22 Q FOR WHAT AMOUNT WERE THEY SEEKING PAYMENT, SIR?

23 A I DON'T RECALL.

24 Q WERE YOU ENGAGED, AS A RESULT OF ANY OF THAT,  
25 IN LITIGATION?

26 A NOT THAT I KNOW OF.

27 Q DID ANYONE MAKE A LEGAL DEMAND ON YOU BY WAY  
28 OF A LAWSUIT?



1           A        I DON'T KNOW.

2                    WHEN I GOT THE DOCUMENTS, I TURNED THEM OVER  
3 TO MY ATTORNEY.

4           Q        OKAY. WHEN YOU GOT THE DOCUMENTS, HOW DID YOU  
5 GET THEM, SIR?

6           A        I THINK I GOT MAILED THINGS TO ME.

7           Q        DID ANYONE EVER HAND YOU A DOCUMENT?

8           A        NO, SIR.

9           Q        AND YOU TURNED THAT OVER TO YOUR LAWYER AND IT  
10 IS YOUR TESTIMONY THAT SINCE THEN, YOU DON'T KNOW WHAT HAPPENED?

11          A        I -- I CAN TELL YOU I THINK IT WAS TAKEN CARE  
12 OF, IT WAS HANDLED APPROPRIATELY. I DON'T KNOW --

13                   THE COURT: YOU DIDN'T HAVE TO PAY ANY MONEY, DID YOU?

14                   THE WITNESS: NO, SIR, I DIDN'T PAY ANY ADDITIONAL  
15 MONEY.

16                   MR. BARENS: THAT WAS MY NEXT QUESTION.

17          Q        YOU NEVER ENDED UP HAVING TO PAY THE MONEY  
18 PERSONALLY FOR WHAT HAD HAPPENED?

19          A        THAT IS CORRECT.

20          Q        AND YOUR LAWYER ADVISED YOU THAT HE HAD PROPERLY  
21 EXPLAINED THE SITUATION TO THEM?

22          A        YES, SIR.

23          Q        DO YOU HAVE ANY GENERAL IDEA AS TO THE DOLLAR  
24 AMOUNT THAT THE CREDITORS WERE SEEKING?

25          A        NO, SIR, I DON'T.

26          Q        YOU ARE AWARE OF TWO DIFFERENT SETTINGS, ONE  
27 BEING AMERICAN EXPRESS AND ONE BEING BANK OF AMERICA?

28          A        AS I INDICATED, I AM NOT ENTIRELY CLEAR WHO THE

1 CREDITORS WERE.

2 I GOT THOSE DOCUMENTS IN THE MAIL TO ME.

3 FIRST OF ALL, I GOT PHONE CALLS AND THEN I GOT  
4 DOCUMENTS IN THE MAIL AND I TURNED THEM OVER TO MY ATTORNEY.

5 Q OKAY. DID YOU EVER SPEAK TO RON LEVIN ABOUT  
6 THE USE OF YOUR NAME OR YOUR CREDIT PRIOR TO JUNE OF 1984?

7 A NOT THAT I RECALL.

8 Q WERE YOU AWARE OF ANY CREDITORS' CLAIMS AS AGAINST  
9 YOURSELF AS A RESULT OF ANY OF HIS ACTIONS AT A TIME PRIOR  
10 TO JUNE OF 1984?

11 A NO, SIR.

12 Q PRIOR TO THAT DATE, DID YOU EVER RECEIVE ANY  
13 MAIL OR INQUIRIES CONCERNING ANY CREDIT APPLICATIONS OR  
14 ACTIVITIES THAT YOU WERE NOT FAMILIAR WITH?

15 A I DON'T RECALL.

16 Q YOU DON'T RECALL?

17 A NO, SIR.

18 Q YOU NEVER RECEIVED ANY INQUIRIES FOR CREDIT  
19 BALANCES OR ACCOUNT BALANCES AT YOUR VARIOUS INSTITUTIONS  
20 IN COLORADO PRIOR TO JUNE OF '84?

21 A NOT THROUGH ME.

22 Q NOT THROUGH YOU?

23 DID YOU HAVE ANY BROUGHT TO YOUR ATTENTION FROM  
24 ANY OTHER SOURCE?

25 A NOT THAT I RECALL.

26 MR. BARENS: THANK YOU VERY MUCH, DR. REED.

27 THE COURT: ANY REDIRECT?

28 MR. WAPNER: JUST A FEW QUESTIONS, YOUR HONOR.

## REDIRECT EXAMINATION .

1  
2 BY MR. WAPNER:

3 Q THE TWO BOXING MATCHES THAT YOU WENT TO, ONE  
4 IN LAS VEGAS AND ONE IN THE BAHAMAS, WERE THOSE BOTH  
5 MOHAMMED ALI FIGHTS?

6 A YES.

7 Q IN EITHER OF THOSE INSTANCES WAS RON LEVIN A  
8 PART OF MOHAMMED ALI'S ENTOURAGE?

9 A YES.

10 Q WHICH ONE WAS THAT, IN LAS VEGAS OR IN THE  
11 BAHAMAS?

12 A BOTH, AS I RECALL IT.

13 Q DID YOU EVER HAVE IN EXCESS OF A MILLION DOLLARS  
14 IN THE COMMODITIES OR SECURITY ACCOUNT AT SHEARSON AMERICAN  
15 EXPRESS IN BEVERLY HILLS?

16 A NO, SIR.

17 Q AND IN 1984, WAS THERE A MR. G. THOMAS WHO WAS  
18 PRESIDENT OF THE SOUTH DENVER BANK OR WORKED AT THE SOUTH  
19 DENVER BANK?

20 A GARTH THOMAS WAS THE PRESIDENT OF THE BANK.

21 MR. WAPNER: THANK YOU. I HAVE NOTHING FURTHER.

22 MR. BARENS: ONE QUESTION.

23 THE COURT: GO AHEAD.  
24

## RECROSS-EXAMINATION

25  
26 BY MR. BARENS:

27 Q ARE YOU A BOARD CERTIFIED PSYCHIATRIST?

28 A YES, SIR.

1 MR. BARENS: MAY WE APPROACH, YOUR HONOR, FOR A MOMENT?  
2 I HAVE A QUESTION.

3 (THE FOLLOWING PROCEEDINGS WERE HELD  
4 AT THE BENCH OUTSIDE THE HEARING OF  
5 THE JURY:)

6 THE COURT: YES?

7 MR. BARENS: YOUR HONOR, BEFORE I WOULD ASK THE NEXT  
8 QUESTION I WOULD SEEK YOUR PERMISSION TO OR KNOWLEDGE, AS  
9 A BOARD CERTIFIED PSYCHIATRIST, I WAS GOING TO INQUIRE INTO  
10 HIS OPINION OF RON LEVIN AS A PERSON.

11 THE COURT: I DON'T THINK IT IS MATERIAL. I WON'T  
12 ALLOW IT.

13 MR. BARENS: THAT IS WHY I CAME UP AND ASKED YOUR  
14 HONOR.

15 THE COURT: ALL RIGHT. IF HE HAD EVER CONSULTED HIM,  
16 THAT IS A PROFESSIONAL CONFIDENTIAL THING AND YOU CAN'T ASK  
17 HIM THAT.

18 MR. BARENS: SIR, THE EXCEPTION I WAS GOING TO MAKE  
19 DOESN'T APPLY.

20 THANK YOU VERY MUCH, YOUR HONOR.

21 THE COURT: ALL RIGHT.  
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(THE FOLLOWING PROCEEDINGS WERE HELD  
IN OPEN COURT:)

THE COURT: ALL RIGHT. THANK YOU VERY MUCH. ANYTHING  
FURTHER?

MR. WAPNER: NO.

THE COURT: YOU WILL BE EXCUSED.

THE WITNESS: THANK YOU.

MR. WAPNER: WE CALL MARTIN LEVIN.

MARTIN LEVIN,

CALLED AS A WITNESS BY THE PEOPLE, WAS SWORN AND TESTIFIED  
AS FOLLOWS:

THE CLERK: YOU DO SOLEMNLY SWEAR THAT THE TESTIMONY  
YOU MAY GIVE IN THE CAUSE NOW PENDING BEFORE THIS COURT SHALL  
BE THE TRUTH, THE WHOLE TRUTH AND NOTHING BUT THE TRUTH, SO  
HELP YOU GOD.

THE WITNESS: I DO.

THE CLERK: PLEASE BE SEATED. STATE AND SPELL YOUR  
NAME FOR THE RECORD.

THE WITNESS: MARTIN LEVIN, L-E-V-I-N.

DIRECT EXAMINATION

BY MR. WAPNER:

Q MR. LEVIN, YOU ARE RELATED TO RON LEVIN?

A YES.

Q HOW WERE YOU RELATED TO HIM?

A HE WAS MY SON.

Q WAS HE YOUR NATURAL SON OR ADOPTED?

0-2  
1 A HE WAS ADOPTED.

2 Q WERE YOU MARRIED TO HIS MOTHER?

3 A YES, SIR.

4 Q WHEN DID YOU GET MARRIED TO HER?

5 A 1951.

6 Q AND AFTER YOU WERE MARRIED TO CAROL, DID HER SON  
7 LIVE WITH YOU AT THAT TIME?

8 A YES HE DID.

9 Q WHEN DID YOU ADOPT HIM?

10 A ABOUT A YEAR OR TWO AFTERWARDS.

11 Q AT THE TIME THAT YOU MARRIED YOUR WIFE, HOW OLD  
12 WAS RONNIE?

13 A HE WAS NINE YEARS OLD.

14 Q AT THAT TIME, WAS HE IN SCHOOL?

15 A HE WAS LIVING IN CLEVELAND WITH MY WIFE'S SISTER.

16 Q AND DID HE COME OUT AFTER YOU GOT MARRIED?

17 DID HE COME OUT TO LIVE WITH YOU?

18 A AFTER WE WERE MARRIED, YES.

19 Q AND WHEN HE CAME OUT TO LIVE WITH YOU, DID HE  
20 GO TO VARIOUS SCHOOLS?

21 A YES.

22 Q DID HE EVER GRADUATE FROM ANY OF THEM?

23 A NO.

24 Q AND DID HE LIVE IN THE HOUSE UP UNTIL HE WAS A  
25 CERTAIN AGE WITH YOU AND YOUR WIFE?

26 A WELL, IN BETWEEN, HE DID. HE DID IN BETWEEN GOING  
27 AWAY TO DIFFERENT SCHOOLS.

28 Q AND AT WHAT POINT DID HE LEAVE THE HOUSE TO LIVE

0-2  
1 ON HIS OWN?

2 A I DON'T RECALL EXACTLY, 17, 18, 19 YEARS OF AGE.

3 Q DURING WHEN HE FIRST LEFT THE HOUSE TO LIVE ON  
4 HIS OWN -- WHO WAS PAYING FOR HIS RENT?

5 A I DID.

6 Q HOW LONG DID YOU CONTINUE TO DO THAT?

7 A FOR QUITE A LONG TIME. I DON'T RECALL EXACTLY.

8 Q AND AFTER HE HAD MOVED OUT OF THE HOUSE, WOULD  
9 YOU TALK TO HIM PERIODICALLY?

10 A PERIODICALLY.

11 Q HOW OFTEN?

12 A NOT TOO OFTEN. ONCE A MONTH, ONCE EVERY TWO WEEKS  
13 OR WHENEVER THE OCCASION CAME UP.

14 Q WOULD YOU SAY THAT HE HAD A CLOSER RELATIONSHIP  
15 WITH YOUR WIFE THAN HE DID WITH YOU?

16 A YES.

17 Q AND DURING THE TIME THAT HE WAS GROWING UP AND  
18 LIVING IN THE HOME, WERE YOU THE ONE WHO WAS BASICALLY DOING  
19 THE DISCIPLING OF HIM IF THERE WAS ANY TO BE DONE?

20 A I WOULD SAY I TOOK PART IN IT, YES.

21 Q AND WERE YOU LIVING WITH YOUR WIFE IN WEST  
22 LOS ANGELES IN 1984?

23 A YES.

24 Q AND ON THE MORNING OF JUNE THE 7TH OF 1984, DID  
25 YOU RECEIVE A TELEPHONE CALL?

26 A YES.

27 Q WHO DID YOU GET THE CALL FROM?

28 A MY WIFE.

1 Q AND DID SHE SEEM UPSET TO YOU AT THAT TIME?

2 A YES.

3 Q WHERE WERE YOU WHEN YOU GOT THE PHONE CALL?

4 A AT HOME.

5 Q WHAT DID YOU DO AFTER YOU GOT THE PHONE CALL?

6 A I CAME TO RON'S HOME.

7 Q IT WAS ON PECK ROAD IN BEVERLY HILLS?

8 A YES.

9 Q WHAT DID YOU DO WHEN YOU GOT THERE?

10 A WELL, JUST LISTENED TO WHAT THEY HAD TO SAY, WHAT  
11 MY WIFE SAID AND WHAT BLANCHE SAID AND JUST LOOKED AROUND  
12 THE PLACE IN GENERAL, NOT DOING ANYTHING IN PARTICULAR.

13 Q DID YOU AT THAT TIME, HAVE A KEY TO THE PLACE?

14 A NO.

15 Q IMMEDIATELY AFTER THE JUNE -- IN THE DAYS AFTER  
16 JUNE THE 7TH, DID YOU DO ANYTHING WITH RESPECT TO THAT  
17 APARTMENT?

18 A YES.

19 Q IN THE NEXT FEW DAYS?

20 A NOT IN THE NEXT FEW DAYS.

21 Q WHO TOOK CARE OF THE APARTMENT IMMEDIATELY AFTER  
22 JUNE 7?

23 A I THINK BLANCHE AND HER HUSBAND STILL HAD THE  
24 KEYS TO THE PLACE.

25

26

27

28



1 Q AT THE TIME ON JUNE THE 7TH, DID YOU HAVE THE  
2 CODE TO THE ALARM?

3 A NO.

4 Q AT SOME POINT AFTER BLANCHE AND HER HUSBAND WERE  
5 TAKING CARE OF THE PLACE, DID YOU GET THE KEYS FROM THEM?

6 A YES, I DID.

7 Q AND DID YOU MAKE SOME ARRANGEMENTS WITH BLANCHE  
8 STURKEY WITH REGARD TO WHO WAS GOING TO THEN -- FROM THEN  
9 ON TAKE CARE OF THE APARTMENT?

10 A YES, I DID.

11 Q WHAT WERE THOSE ARRANGEMENTS?

12 A I WOULD TAKE CARE OF EVERYTHING.

13 Q AND DID YOU IN THAT CONNECTION DO SOMETHING WITH  
14 REGARD TO THE LOCKS ON THERE?

15 A I HAD ALL OF THE LOCKS CHANGED.

16 Q DO YOU REMEMBER WHERE YOU WENT TO HAVE THOSE  
17 LOCKS CHANGED?

18 A FAIRFAX LOCK COMPANY.

19 Q SHOWING YOU THE EXHIBIT WE HAVE MARKED AS PEOPLE'S  
20 170 FOR IDENTIFICATION, DO YOU RECOGNIZE THIS?

21 A YES.

22 Q WHAT IS IT?

23 A THAT IS THE BILL FOR THE LOCKS BEING CHANGED.

24 Q AND WHAT IS THE DATE ON THAT?

25 A JUNE THE 18TH, 1984.

26 Q IS THAT THE DATE THAT THE LOCKS WERE CHANGED?

27 A THAT'S CORRECT.

28 Q DID RON LEVIN HAVE AN ALARM SYSTEM ON HIS

1 APARTMENT?

2 A YES.

3 Q WHEN YOU MADE ARRANGEMENTS WITH BLANCHE TO TAKE  
4 OVER THE CARE OF THE APARTMENT, DID SHE GIVE YOU THE COMBINATION  
5 TO THE ALARM?

6 A YES.

7 Q AND FROM THE TIME THAT YOU HAD THE LOCKS CHANGED,  
8 DID YOU UTILIZE THAT ALARM?

9 A YES.

10 Q SO DID YOU PUT THAT ALARM ON WHEN YOU WERE NOT  
11 AT THE HOUSE?

12 A YES.

13 Q SO FROM JUNE, DO YOU REMEMBER -- I TAKE IT WAS  
14 SEVERAL MONTHS LATER BEFORE YOU ACTUALLY GAVE UP THE APARTMENT?

15 A I BEG YOUR PARDON?

16 Q AT SOME POINT -- LET ME GO BACK --  
17 DID YOU CONTINUE TO PAY THE RENT ON THE APARTMENT?

18 A YES, I DID.

19 Q AND AT SOME POINT, DID YOU STOP PAYING THE RENT  
20 ON THE APARTMENT?

21 A YES.

22 Q AND IT WAS THEN YOU GAVE UP THE APARTMENT AND  
23 IT WAS RENTED TO SOMEONE ELSE?

24 A I STOPPED PAYING RENT WHEN THE CONSERVATOR TOOK  
25 OVER AND HE PAID THE RENT FROM THAT TIME ON.

26 Q AND FOR A WHILE, EVEN AFTER THE CONSERVATOR WAS  
27 PAYING THE RENT, WERE YOU CONTINUING TO COME THERE AND TO  
28 PICK UP THE MAIL AND THINGS LIKE THAT?

1 A YES.

2 Q AND DURING ALL OF THE TIME THAT YOU HAD CUSTODY  
3 AND CARE OF THE APARTMENT, DID YOU LEAVE THE ALARM ON WHEN  
4 YOU WEREN'T THERE?

5 A YES.

6 Q WHEN YOU MADE THIS ARRANGEMENT WITH BLANCHE  
7 STURKEY AND YOU CHANGED THE LOCKS AND GOT THE COMBINATION  
8 TO THE ALARM, DID SHE TAKE YOU TO PLACES WHERE RONNIE GOT  
9 HIS MAIL?

10 A YES.

11 Q WERE THERE TWO PLACES?

12 A TWO PLACES.

13 Q WHERE WERE THEY?

14 A ONE WAS ON WILSHIRE BOULEVARD, NINETY, I BELIEVE  
15 IT WAS 9701 OR 9601, I DON'T RECALL. AND THE OTHER WAS THE  
16 BEVERLY HILLS POST OFFICE WHERE HE HAD A BOX.

17 Q AND DID YOU HAVE A KEY TO THAT BOX THAT BLANCHE  
18 GAVE YOU?

19 A I HAD THE KEY TO THE BOX.

20 Q HOW OFTEN WOULD YOU GO TO THE MAILBOX AT BEVERLY  
21 HILLS TO PICK UP THE MAIL?

22 A TWO, THREE TIMES A WEEK.

23 Q AND HOW OFTEN WOULD YOU GO OVER TO 9701 WILSHIRE  
24 TO PICK UP THE MAIL?

25 A TWO, THREE TIMES A WEEK.

26 Q WHAT DID YOU DO WITH THE MAIL THAT YOU PICKED  
27 UP?

28 A JUST STACKED THEM ON THE DESK IN RON'S OFFICE.

1 Q AND WITH RESPECT TO THE ITEMS THAT WERE IN THE  
2 APARTMENT, WHEN YOU STARTED TAKING CARE OF IT DID YOU REMOVE  
3 ANYTHING FROM THE APARTMENT?

4 A NOT AT THE BEGINNING, NO.

5 Q DID YOU MAKE AN ATTEMPT TO KEEP IT THE WAY IT  
6 WAS?

7 A YES.

8 Q SHORTLY -- WHEN YOU WENT INTO THE APARTMENT,  
9 DID YOU EVER MAKE ANY -- LOOK AT ANY DOCUMENTS AND MAKE ANY  
10 PHONE CALLS?

11 A YES.

12 Q WHEN WAS THAT?

13 A I DON'T RECALL THE EXACT TIME.

14 Q DO YOU KNOW HOW LONG --  
15 WAS THAT AFTER YOU HAD HAD THE LOCKS CHANGED  
16 OR BEFORE?

17 A I JUST CAN'T RECALL. IT MIGHT HAVE BEEN A LITTLE  
18 BIT BEFORE OR IT MIGHT HAVE BEEN A LITTLE BIT AFTER, I JUST  
19 CAN'T RECALL.

20 Q WHAT WAS THE PURPOSE IN YOUR MAKING THE PHONE  
21 CALLS?

22 A I THOUGHT I MIGHT TRY TO CALL TO SEE IF PEOPLE  
23 THAT I KNEW AND RON KNEW, IF THEY HAD SEEN RON OR HEARD FROM  
24 HIM OR MIGHT GIVE ME SOME INSIGHT AS TO WHAT MIGHT HAVE  
25 HAPPENED TO RON.

26 Q WHO DID YOU CALL?

27 A I CALLED SEVERAL PEOPLE LIKE LEN MARMOR AND I  
28 CALLED A COUPLE OF HIS CLOSEST FRIENDS. I JUST CAN'T RECALL  
29 THEIR NAMES RIGHT NOW.

1 Q AND WHERE DID YOU GET THE NUMBERS FROM?

2 A OUT OF A PHONE BOOK I FOUND THERE.

3 Q AND DID YOU GET ANY NUMBERS FROM ANY OTHER SOURCE?

4 A (NO AFFIRMATIVE RESPONSE.)

5 Q DID YOU FIND ANYTHING IN THE DESK IN YOUR SON'S  
6 OFFICE?

7 A YES.

8 Q WHAT DID YOU FIND?

9 A I FOUND A CONTRACT BETWEEN MY SON AND JOE HUNT.

10 Q AND WHERE WAS THAT FOUND?

11 A IT WAS ON THE DESK.

12 Q AND IS THAT THE LARGE DESK IN THE MAIN OFFICE?

13 A YES.

14 Q ON WHAT PART OF THE DESK WAS IT?

15 A THE LEFT-HAND SIDE OF THE DESK.

16 Q SHOWING YOU A PICTURE WE HAVE MARKED AS PEOPLE'S  
17 10 FOR IDENTIFICATION, DO YOU RECOGNIZE THAT?

18 A YES.

19 Q WHAT IS THAT?

20 A THAT IS THE DESK IN RON'S OFFICE.

21 Q WOULD YOU HOLD THAT UP SO THE JURY CAN SEE IT?

22 ON WHAT PART OF THE DESK DID YOU FIND THE CONTRACT?

23 A ON THE LEFT-HAND SIDE OF THE DESK FACING THE WALL  
24 (INDICATING).

25 Q IF YOU WERE SITTING BEHIND IT --

26 A IF I WERE SITTING BEHIND IT, IT WOULD BE ON MY  
27 LEFT-HAND SIDE.

28 MR. WAPNER: YOUR HONOR, I HAVE ANOTHER DOCUMENT WHICH

2-2  
1 I WOULD LIKE TO HAVE MARKED AS PEOPLE'S 95 FOR IDENTIFICATION.  
2 THAT APPEARS TO BE A -- THE TOP OF IT SAYS, "MICROGENSIS OF  
3 NORTH AMERICA," AND THEN IT SAYS "OPTION AGREEMENT." MAY  
4 IT BE PEOPLE'S 95?

5 THE COURT: SO MARKED.

5  
6 Q BY MR. WAPNER: SHOWING YOU PEOPLE'S 95 FOR  
7 IDENTIFICATION, DO YOU RECOGNIZE THAT?

8 A YES I DO.

9 Q WHAT IS THAT?

10 A IT IS A CONTRACT THAT I SAW THAT SEEMED SO  
11 ABSURD TO ME.

12 Q THAT IS THE ONE YOU SAW ON THE LEFT-HAND SIDE  
13 OF THE DESK?

14 A YES.

15 Q AND WHY DID IT SEEM ABSURD TO YOU?

16 A WELL, I SEE THERE IS A CONTRACT FOR \$7 MILLION  
17 AND RON IS GOING TO GIVE HIM A MILLION AND A HALF DEPOSIT.  
18 AND I KNEW IT WAS JUST RIDICULOUS. HE DIDN'T HAVE THAT KIND  
19 OF MONEY.

20 Q NOW, IS THERE SOMEWHERE ON THAT DOCUMENT, A PHONE  
21 NUMBER?

22 A I BELIEVE THERE WAS, YES.

23 Q ALL RIGHT. WHERE IS THAT?

24 A ON THE BOTTOM OF THE SHEET.

25 Q AND DID YOU CALL THE NUMBER THAT YOU FOUND ON  
26 THERE?

27 A YES I DID.

28 Q AND WHO DID YOU SPEAK TO?

1 A JOE HUNT.

2 Q AND WHY DID YOU ASK TO SPEAK TO HIM?

3 A THE CONTRACT WAS BETWEEN HIM AND RON LEVIN. AND  
4 ALSO, THERE WAS A NOTATION MADE ON THERE WHERE RON GAVE HIM  
5 A WATCH AS A GIFT AND --

6 Q IS THAT ON THE CONTRACT OR IS THAT ON SOME OTHER  
7 DOCUMENT?

8 A MIGHT HAVE BEEN ON SOME OTHER -- A LETTER THAT  
9 I SAW THERE.

10 Q INCIDENTALLY, THAT CONTRACT THAT YOU HAVE IN FRONT  
11 OF YOU, PEOPLE'S 95, WAS THAT SITTING ALONE OR WAS IT A PART  
12 OF SOMETHING ELSE?

13 A IT WAS A PART OF SOMETHING ELSE.

14 Q WHAT WAS IT A PART OF?

15 A IT WAS A PART OF A BOOK THAT WAS DESCRIBING A  
16 ROCK-CRUSHING MACHINE.

17 Q WAS IT A BOOK OR A FILE?

18 A A FILE.

19 Q WAS THIS THE TOP DOCUMENT ON THE FILE?

20 A YES.

21 Q AND JOE HUNT'S NAME IS ALSO ON THE CONTRACT, IS  
22 THAT RIGHT?

23 A YES.

24 Q WHEN YOU CALLED AND ASKED TO SPEAK TO JOE HUNT,  
25 DID YOU SPEAK TO HIM RIGHT THEN?

26 A NO.

27 Q WHAT HAPPENED?

28 A I TALKED TO A YOUNG LADY, A GIRL, A WOMAN. AND

2-4  
1 SHE SAID HE WAS NOT IN.

2 AND SHE WANTED TO KNOW IF I WOULD LEAVE MY PHONE  
3 NUMBER AND HE WOULD GET BACK TO ME.

4 Q DID YOU LEAVE YOUR PHONE NUMBER?

5 A YES.

6 Q DID HE CALL YOU BACK?

7 A HE CALLED ME BACK A COUPLE OF DAYS LATER.

8 Q AND WHAT DID HE SAY? WHAT HAPPENED WHEN HE CALLED  
9 YOU BACK?

10 A WELL, HE SAID THAT HE WANTED TO KNOW WHO I WAS.

11 Q WHAT DID YOU TELL HIM?

12 A I TOLD HIM THAT I WAS RON LEVIN'S FATHER.

13 Q WHAT HAPPENED THEN?

14 A HE WAS KIND OF SURPRISED. HE WAS SURPRISED TO  
15 HEAR FROM ME, I GUESS.

16 Q THEN WHAT HAPPENED?

17 A AT THAT POINT I ASKED HIM IF HE HAD SEEN OR HEARD  
18 FROM RON.

19 Q WHAT DID HE SAY?

20 A HE SAID NO.

21 Q ALL RIGHT. AND WHAT HAPPENED AFTER THAT?

22 A THEN HE STARTED ASKING ME QUESTIONS.

23 Q WHAT DID HE ASK YOU?

24 A HE WANTED TO KNOW HOW OUR \$20 MILLION REAL ESTATE  
25 DEAL WAS COMING ALONG IN SAN FRANCISCO.

26 Q WHEN HE SAID "OURS", MEANING --

27 A RON AND MYSELF.

28 Q WHAT DID YOU TELL HIM?



1 A I SAID THERE WAS NO SUCH DEAL THAT I KNEW OF.

2 Q WHAT ELSE DID HE ASK YOU?

3 A THEN HE ASKED ME IF I KNEW THAT RON HAD A LARGE  
4 BANK ACCOUNT IN SAN FRANCISCO.

5 Q WHAT DID YOU SAY?

6 A AND I SAID NO, THAT I DIDN'T KNOW.

7 Q AND THEN HE ASKED YOU IF YOU KNEW OF IT?

8 A YES. I ASKED, "WHAT BANK IS IT WITH?"

9 AND HE SAID THAT HE DIDN'T RECALL THE EXACT  
10 BANK AT THE TIME BUT HE WOULD GET THE INFORMATION AND CALL  
11 ME BACK ON IT.

12 Q ALL RIGHT. DID HE ASK YOU ABOUT ANYTHING? DID  
13 HE ASK YOU WHETHER YOU HAD THE KEYS TO RON LEVIN'S PLACE?

14 A YES HE DID.

15 Q WHAT DID YOU SAY?

16 A I SAID I DID.

17 Q WHAT DID HE SAY THEN?

18 A HE SAID THAT HE HAD LEFT SOME -- I AM NOT SURE  
19 THAT HE ASKED ME THIS PARTICULAR ANSWER AT THAT TIME BECAUSE  
20 HE CALLED ME TWICE.

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1 Q AT ONE POINT ONE OF THOSE CALLS --

2 A AT ONE POINT HE ASKED ME IF HE COULD COME IN  
3 THE HOUSE BECAUSE HE HAD LEFT SOME IMPORTANT PAPERS THERE  
4 THAT BELONGED TO HIM.

5 Q WHAT DID YOU SAY?

6 A I TOLD HIM NO.

7 Q DID YOU EVER LET HIM IN THE HOUSE?

8 A NO.

9 Q DID YOU EVER SEE HIM AT THE HOUSE?

10 A NO.

11 Q NOW, AFTER -- AND YOU CALLED OTHER PEOPLE TO  
12 SEE IF THEY HAD HEARD FROM RON ALSO; IS THAT RIGHT?

13 A YES, SIR.

14 Q WHEN WAS THE LAST TIME THAT YOU SAW OR SPOKE  
15 TO YOUR SON?

16 A I THINK I SPOKE TO HIM ON THE 4TH OR THE 5TH,  
17 I AM NOT QUITE SURE.

18 Q OF JUNE OF 1984?

19 A OF JUNE, RIGHT.

20 Q AND --

21 A I DON'T REMEMBER WHEN I SAW HIM LAST. IT MIGHT  
22 HAVE BEEN A WEEK, IT MIGHT HAVE BEEN TWO WEEKS. I DON'T  
23 RECALL WHEN I SAW HIM LAST.

24 Q SINCE THAT CONVERSATION ON THE 4TH OR 5TH OF  
25 JUNE, HAVE YOU SEEN OR HEARD FROM HIM SINCE THEN?

26 A NO.

27 Q HAVE YOU HAD ANY CONTACT FROM HIM WHATSOEVER?

28 A NO.

1 MR. WAPNER: YOUR HONOR, I HAVE HERE A GROUP OF  
2 DOCUMENTS --

3 THE COURT: BY THE WAY, DID HE TELL YOU WHAT THESE  
4 IMPORTANT DOCUMENTS OR PAPERS WERE?

5 THE WITNESS: I BEG YOUR PARDON?

6 THE COURT: DID HE TELL YOU WHAT THOSE IMPORTANT  
7 DOCUMENTS OR PAPERS WERE THAT HE LEFT THERE?

8 THE WITNESS: NO, HE DID NOT.

9 THE COURT: ALL RIGHT.

10 MR. WAPNER: THANK YOU, YOUR HONOR.

11 I HAVE A GROUP OF DOCUMENTS THAT I WOULD LIKE  
12 TO HAVE MARKED COLLECTIVELY AS PEOPLE'S 94 FOR IDENTIFICATION.

13 AND ON TOP OF THEM, THE HEADING ON THE TOP  
14 DOCUMENT SAYS "MINUTES OF MEETINGS OF BOARD OF DIRECTORS OF  
15 MICROGENESIS OF NORTH AMERICA, INCORPORATED." MAY THAT BE  
16 COLLECTIVELY MARKED AS 94?

17 THE COURT: YES.

18 Q BY MR. WAPNER: SHOWING YOU DOCUMENTS WE HAVE  
19 MARKED AS 94 FOR IDENTIFICATION, DO YOU RECOGNIZE THOSE?

20 A YES. .

21 Q WHAT ARE THEY?

22 A THAT IS PART OF THE PAPERS I FOUND ON THE LEFT-  
23 HAND SIDE OF THE DESK, RIGHT BELOW THE CONTRACT.

24 Q AND WAS THE CONTRACT THAT IS MARKED 95 ACTUALLY  
25 ATTACHED TO THAT GROUP OF DOCUMENTS THAT IS 94?

26 A I THINK IT WAS. I AM NOT SURE BUT I THINK IT  
27 WAS.

28 Q AND AT SOME POINT AFTER YOU CHANGED THE LOCKS,

1 DID YOU GO TO THE BEVERLY HILLS POLICE DEPARTMENT?

2 A YES.

3 Q DID YOU GO BY YOURSELF OR GO WITH SOMEONE?

4 A I WENT WITH RON'S ATTORNEY.

5 Q AND THAT WAS SCOTT FURSTMAN?

6 A SCOTT FURSTMAN.

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1 Q WHAT WAS YOUR PURPOSE OF YOUR GOING THERE?

2 A TO REPORT HIM MISSING, MAKE A VALID MISSING  
3 PERSON'S REPORT.

4 Q WAS THAT DONE ON JUNE 21ST --

5 A YES.

6 Q -- OF 1984?

7 AND THE DATE THAT YOU FIRST DISCOVERED HIM MISSING  
8 WAS JUNE 7; IS THAT RIGHT?

9 A YES.

10 Q WHY DID YOU WAIT FROM JUNE THE 7TH UNTIL JUNE  
11 THE 21ST TO REPORT THAT HE WAS MISSING?

12 A ON ADVICE OF HIS ATTORNEY.

13 Q AND WHAT WAS THAT ADVICE?

14 A THE ADVICE WAS TO WAIT AND TO SEE IF SOMETHING  
15 MATERIALIZES.

16 Q AND NOTHING DID MATERIALIZE BETWEEN THE 7TH AND  
17 THE 21ST?

18 A THAT'S CORRECT.

19 Q DURING THE TIME THAT -- AFTER THE 21ST OF JUNE,  
20 YOU CONTINUED TO PICK UP THE MAIL AT THE VARIOUS LOCATIONS?

21 A YES.

22 Q AND DURING THAT TIME, DID YOU GATHER VARIOUS  
23 THINGS FROM HIS APARTMENT?

24 A YES.

25 Q THE DOCUMENTS THAT YOU HAVE IN FRONT OF YOU,  
26 94 AND 95, WERE THEY CONTAINED IN SOME KIND OF A FILE?

27 A THEY WERE IN THE FILE, YES.

28 MR. WAPNER: YOUR HONOR, I HAVE ANOTHER EXHIBIT I WOULD

1 LIKE TO HAVE MARKED PEOPLE'S 100 FOR IDENTIFICATION. IT APPEARS  
2 TO BE TWO PIECES OF GREENISH COLORED CARDBOARD. ONE OF THEM  
3 WITH SOME WRITING ON THE OUTSIDE THAT IS NOT REAL LEGIBLE.  
4 MAY THAT BE 100 FOR IDENTIFICATION?

5 THE COURT: IT WILL BE SO MARKED.

6 Q BY MR. WAPNER: SHOWING YOU PEOPLE'S 100 FOR  
7 IDENTIFICATION, DO YOU RECOGNIZE THAT?

8 WOULD YOU TAKE IT OUT OF THE FOLDER AND HANDLE  
9 IT BY THE TOP?

10 A YES, I THINK THE PAPERS WERE IN THIS PILE HERE  
11 (INDICATING).

12 Q DID YOU, IN COLLECTING THE MAIL, COME ACROSS  
13 A CHECK FROM SECURITY PACIFIC?

14 A YES, I DID.

15 Q WHEN YOU FIRST PICKED UP THE MAIL, WERE YOU  
16 OPENING IT?

17 A NO.

18 Q WHY NOT?

19 A I DIDN'T WANT TO DO ANYTHING UNTIL -- AT THE  
20 BEGINNING.

21 Q AT WHAT POINT DID YOU START OPENING THE MAIL?

22 A AFTER I WENT TO THE POLICE AND HE WAS MISSING.

23 Q AND SHOWING YOU AN EXHIBIT THAT WE HAVE MARKED  
24 AS PEOPLE'S 130 FOR IDENTIFICATION, DO YOU RECOGNIZE THIS?

25 A YES.

26 Q WHAT IS IT?

27 A A CASHIER'S CHECK MADE OUT TO GENERAL NEWS  
28 CORPORATION.

1 Q WHO IS IT FROM?

2 A SECURITY PACIFIC NATIONAL BANK.

3 Q AND WHERE HAVE YOU SEEN THAT BEFORE?

4 A IT WAS ON THE DESK.

5 Q WHAT IS THE AMOUNT OF IT?

6 A \$10,022.50.

7 Q AND IT WAS ON RON'S DESK IN HIS OFFICE?

8 A YES.

9 Q DID YOU EVENTUALLY DO SOMETHING WITH THAT?

10 A I TURNED IT OVER TO THE CONSERVATOR OF THE ESTATE.

11 Q INCIDENTALLY, AS FAR AS THE CONSERVATOR OF THE  
12 ESTATE GOES, DID YOU MAKE A DECISION AT SOME POINT TO ATTEMPT  
13 TO GET A CONSERVATOR APPOINTED?

14 A YES, I DID.  
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1 Q WHEN WAS THAT DONE?

2 A I DON'T RECALL THE EXACT DATE, AUGUST, SEPTEMBER,  
3 SOMEWHERE AROUND THERE.

4 Q EVENTUALLY, DID YOU RETAIN MR. OSTROVE FOR THAT  
5 PURPOSE?

6 A YES I DID.

7 Q AND DID YOU EVENTUALLY GIVE THAT CASHIER'S CHECK  
8 FROM SECURITY BANK TO MR. OSTROVE?

9 A YES I DID.

10 Q DID CHECKING ACCOUNT STATEMENTS FROM RON LEVIN'S  
11 CHECKING ACCOUNTS COME TO THE HOUSE?

12 A YES.

13 Q AND DID YOU AT SOME POINT LATER, GO THROUGH SOME  
14 OF THOSE STATEMENTS TO PULL CERTAIN CHECKS OUT?

15 A YES.

16 Q SHOWING YOU A GROUP OF EXHIBITS THAT WE HAVE  
17 MARKED AS 155 THROUGH 158, DO YOU RECOGNIZE THE CHECKS ON  
18 THOSE EXHIBITS?

19 A YES I DO.

20 Q WHAT ARE THEY?

21 A THE FIRST THREE WERE CHECKS FOR THE LEASING OF  
22 HIS AUTOMOBILES. AND THE OTHER ONE WAS THE LEASE THAT HE  
23 PAID ON A PHONE FOR HIS CAR.

24 Q AND DID YOU PULL THOSE CHECKS AT SOME POINT, OUT  
25 OF HIS CHECKING ACCOUNT STATEMENTS AND PROVIDE THEM TO THE  
26 POLICE DEPARTMENT FOR USE IN THIS CASE?

27 A YES I DID.

28 Q WHAT DID RON LEVIN -- DID HE HAVE A CAR AT HIS



1 PLACE WHEN YOU WERE THERE JUNE 7TH?

2 A YES.

3 Q THEN AFTER YOU TOOK CHARGE OF THE APARTMENT, WHAT  
4 DID YOU DO WITH THE CAR?

5 A THE LEASING COMPANY PICKED IT UP.

6 Q WHEN WAS THAT?

7 A MAYBE A MONTH LATER. I DON'T RECALL.

8 Q DID YOU CALL THEM TO HAVE THEM COME PICK IT UP?

9 A I CALLED THEM AND TOLD THEM THAT IT WAS THERE,  
10 IF THEY WANTED TO PICK IT UP.

11 Q AND SOMEONE DID COME AND PICK IT UP?

12 A YES.

13 Q AND IN GOING THROUGH -- DID YOU GO THROUGH SOME  
14 OF YOUR SON'S PAPERS, ALSO TRYING TO DETERMINE WHAT HAPPENED  
15 TO HIM?

16 A YES I DID.

17 MR. WAPNER: YOUR HONOR, I HAVE HERE TWO DOCUMENTS.  
18 ONE IS A CHECK MADE OUT TO A PERSON NAMED WALTER DRAKE AND  
19 MAY THAT BE MARKED AS 53 FOR IDENTIFICATION?

20 THE COURT: SO MARKED.

21 MR. WAPNER: AND ONE IS A LETTER ON THE LETTERHEAD OF  
22 GENERAL NEWS CORPORATION DATED JUNE 4TH, TO WALTER DRAKE.  
23 MAY THAT BE 54 FOR IDENTIFICATION?

24 THE COURT: SO MARKED.

25 Q BY MR. WAPNER: SHOWING YOU PEOPLE'S 53 AND 54,  
26 CAN YOU TELL ME WHAT 53 IS? THAT IS THE CHECK.

27 A YES, IT WAS A CHECK FOR SOME WHITE GLOSS LABELS  
28 THAT HE HAD ORDERED.

+--3  
1 Q WHAT IS THE AMOUNT OF THE CHECK?

2 A IT WAS \$2.98.

3 Q AND DID YOU FIND THAT CHECK IN HIS CHECKING  
4 ACCOUNT STATEMENT?

5 A YES. AND THE DATE ON THE CHECK WAS JUNE THE 4TH.  
6 I NOTICED THAT, TOO.

7 Q AND THE PAPER THAT IS 54 FOR IDENTIFICATION, DO  
8 YOU RECOGNIZE THAT?

9 A YES. IT IS A COPY OF A LETTER ORDERING WHITE  
10 GLOSS LABELS.

11 Q AND WHAT IS THE DATE ON THE LETTER?

12 A JUNE 4TH.

13 Q ALL RIGHT. AND COULD YOU JUST READ THAT TO US  
14 BRIEFLY?

15 A "WALTER DRAKE COMPANY, COLORADO  
16 SPRINGS. RE 250 P6030 WHITE GLOSS LABELS.

17 "PLEASE SEND US ABOVE LABELS PRINTED  
18 AS FOLLOWS: 'RONALD LEVIN REPORTER, GENERAL NEWS  
19 CORPORATION, 9701 WILSHIRE BOULEVARD, 8TH FLOOR,  
20 BEVERLY HILLS, CALIFORNIA 90012, AREA CODE 213,  
21 274-5100.'

22 "WE HAVE ADDED AN EXTRA LINE OF TYPE.  
23 IF THIS CAN'T BE DONE OR COSTS MORE, PLEASE LET US  
24 KNOW.

25 "PLEASE RUSH THIS ORDER, SINCE WE MAY  
26 ORDER LABELS FOR OTHER REPORTERS IF THE ABOVE  
27 ORDER TURNS OUT ALL RIGHT. INCLUDED IS OUR  
28 CHECK IN PAYMENT.

1 "SIGNED RONALD LEVIN, REPORTER.

2 "ENCLOSURE, GNC CHECK NUMBER 10023

3 FOR \$2.98."

4 A COPY OF THE CHECK IS ON THERE, ALSO.

5 Q DOES IT SAY ON THE CHECK HOW MANY LABELS IT WAS  
6 THAT HE WAS ORDERING?

7 A 250.

8 Q AND IN GOING THROUGH HIS PAPERS, DID YOU ALSO  
9 FIND SOME PAPERS THAT HE HAD REGARDING HAVING A PHONE PUT  
10 INTO HIS CAR?

11 A YES I DID.

12 MR. WAPNER: YOUR HONOR, I HAVE SOME DOCUMENTS I WOULD  
13 LIKE TO HAVE MARKED COLLECTIVELY AS PEOPLE'S 50 FOR  
14 IDENTIFICATION. THEY APPEAR TO BE DOCUMENTS PERTAINING TO  
15 A LEASE ON A CAR.

16 THE COURT: WHAT NUMBER DO YOU WANT IT MARKED?

17 MR. WAPNER: 50. THAT IS, EXCUSE ME. IT IS THE CAR  
18 TELEPHONE.

19 THE COURT: YES.

20 Q BY MR. WAPNER: MR. LEVIN, SHOWING YOU DOCUMENTS  
21 THAT ARE PEOPLE'S 50 FOR IDENTIFICATION, THE BOTTOM TWO  
22 DOCUMENTS APPEAR TO HAVE HOLES IN THEM AT THE TOP, IS THAT  
23 RIGHT?

24 A YES.

25 Q ALL RIGHT. AND WHERE DID YOU FIND THOSE?

26 A I FOUND THEM IN A FILE IN RONNIE'S OFFICE.

27 Q AND THE TOP DOCUMENT IS DATED JUNE 19. DID YOU  
28 PUT THAT TOGETHER WITH THOSE OTHER DOCUMENTS?

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A YES I DID.

Q WAS THAT A DOCUMENT THAT CAME IN THE MAIL  
SUBSEQUENTLY?

A YES.

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1 Q AND THOSE ALL PERTAIN TO THE FACT THAT HE HAD  
2 A CAR, A TELEPHONE PUT IN HIS CAR ON JUNE 5TH?

3 A THAT'S CORRECT.

4 THE COURT: THAT HAD PREVIOUSLY BEEN MARKED FOR  
5 IDENTIFICATION, HADN'T IT?

6 MR. WAPNER: I BELIEVE THESE ARE --

7 THE COURT: YES.

8 MR. WAPNER: THESE ARE ACTUALLY THE CUSTOMER'S COPIES.  
9 THERE ARE OTHER DOCUMENTS THAT HAVE BEEN MARKED FROM THE  
10 LEASING COMPANY.

11 THE COURT: OH, YES, THEY HAD BEEN MARKED 50 FOR  
12 IDENTIFICATION BEFORE, WE HAVE IT IN EVIDENCE OR FOR  
13 IDENTIFICATION.

14 SO THIS IS A DUPLICATION, ISN'T IT?

15 MR. WAPNER: IT IS PROBABLY -- IT IS PROBABLY THE SAME  
16 DOCUMENT, YOUR HONOR.

17 MR. BARENS: IS THIS THE SAME LEASE DOCUMENT THAT WE  
18 HAVE FROM THAT WITNESS FROM THE PHONE PEOPLE, I PRESUME?

19 THE COURT: YES, WE HAVE ONE MARKED PEOPLE'S 50 FOR  
20 IDENTIFICATION. IT IS MARKED 50, THEN IT IS THE SAME ONE.

21 MR. WAPNER: CAN WE JUST PUT THAT ASIDE AND I WILL WORRY  
22 ABOUT THAT LATER?

23 THE COURT: SURE.

24 Q BY MR. WAPNER: AND SHOWING YOU A CHECK THAT WE  
25 HAVE PREVIOUSLY MARKED PEOPLE'S 52 FOR IDENTIFICATION, MADE  
26 OUT TO PRUDENTIAL-BACHE ON JUNE 6, IS THAT A CHECK THAT YOU  
27 RETRIEVED FROM A STATEMENT THAT WAS DELIVERED TO HIS HOUSE?

28 A YES.

1 THE COURT: WHAT IS THE DATE OF THAT CHECK?

2 THE WITNESS: JUNE THE 6TH, 1984.

3 Q BY MR. WAPNER: DID YOU ALSO RETRIEVE FROM HIS  
4 HOUSE SOME DOCUMENTS RELATING TO HIS OBTAINING HIS PRESS PASS  
5 BACK FROM THE LOS ANGELES POLICE DEPARTMENT?

6 A YES.

7 MR. WAPNER: YOUR HONOR, MAY THIS DOCUMENT DATED --  
8 WELL, THEY HAVE VARIOUS DATES -- MAY THEY COLLECTIVELY BE  
9 MARKED 178 FOR IDENTIFICATION?

10 THE COURT: THEY WILL BE SO MARKED.

11 Q BY MR. WAPNER: MR. LEVIN, SHOWING YOU PEOPLE'S  
12 178 FOR IDENTIFICATION, DO YOU RECOGNIZE THOSE?

13 A YES, I DO.

14 Q WHAT ARE THEY?

15 A THESE ARE -- HAVE TO DO WITH HIM SECURING A PRESS  
16 PASS, A POLICE PASS.

17 Q AND DO YOU SEE ON THE LEFT-HAND SIDE OF THOSE  
18 DOCUMENTS SOME HOLES?

19 A YES.

20 Q WHERE DO THOSE DOCUMENTS COME FROM?

21 A IN A FILE.

22 Q WERE THEY IN A THREE-RING BINDER?

23 A YES.

24 Q AND WHERE WERE THE BINDERS --

25 DID HE HAVE MANY THREE-RING BINDERS IN HIS  
26 APARTMENT?

27 A QUITE A FEW, YES.

28 Q IS THERE A LETTER ON THAT DOCUMENT THAT YOU HAVE

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1 IN FRONT OF YOU THAT IS 178, THE BOTTOM DOCUMENT IS DATED  
2 ON WHAT DATE?

3 A MAY 30, 1984.

4 Q AND IS THAT LETTER FROM YOUR SON TO SOMEONE IN  
5 THE POLICE DEPARTMENT?

6 A YES.

7 Q WHO IS IT ADDRESSED TO?

8 A COMMANDER WILLIAM BOOTH, B-O-O-T-H.

9 Q CAN YOU READ THAT TO THE JURY?

10 A "OFFICE OF THE CHIEF OF POLICE  
11 "150 NORTH LOS ANGELES STREET,  
12 "ROOM 626  
13 "LOS ANGELES, CALIFORNIA 90012  
14 "RE LAPD NEWS MEDIA IDENTIFICATION CARD.  
15 "COMMANDER BOOTH:

16 "THIS LETTER WILL CONFIRM THAT I WAS  
17 ISSUED AN LAPD NEWS MEDIA IDENTIFICATION CARD ON  
18 MAY THE 29TH, 1984. I NEED THIS CARD TO CARRY  
19 OUT MY REPORTING ASSIGNMENTS WHICH DEAL ALMOST  
20 EXCLUSIVELY IN POLICE BEAT NEWS.

21 "THANK YOU, RONALD LEVIN."

22 Q AND THE NOTEBOOKS THAT HE HAD WERE KEPT IN THE  
23 SMALL OFFICE?

24 A YES.

25 Q DID HE KEEP --  
26 WELL, DID YOU DO SOMETHING WITH THOSE NOTEBOOKS  
27 EVENTUALLY?

28 A I TURNED THEM OVER TO THE POLICE DEPARTMENT.

1 Q ALL OF THE NOTEBOOKS?

2 A ALL OF THEM, I GUESS.

3 Q THE BINDERS THEMSELVES, DID YOU KEEP THOSE  
4 BINDERS?

5 A I KEPT SOME OF THE BINDERS, YES.

6 Q WHAT DID YOU DO WITH -- I AM NOT TALKING ABOUT  
7 THE CONTENTS BUT I AM TALKING ABOUT THE PHYSICAL BINDERS;  
8 DID YOU GIVE THOSE TO YOUR SON?

9 A I GAVE THEM TO MY SON.

10 Q AND THE CONTENTS OF THE BINDERS, DID YOU KEEP  
11 SOME OF THOSE?

12 A I KEPT SOME OF THOSE.

13 Q AND THE REST OF THEM, WHAT DID YOU DO WITH THEM?

14 A I DISCARDED THEM.

15 MR. WAPNER: I AM GOING TO APOLOGIZE TO THE COURT AND  
16 THE JURY IF THIS IS GOING TO BE A DUPLICATION. I THOUGHT  
17 WE HAD A LARGER PICTURE OF THIS BUT FOR THE TIME BEING, MAY  
18 THIS BE MARKED 34?

19 THE COURT: WELL, WE HAVE ONE IN EVIDENCE.

20 MR. WAPNER: I DON'T KNOW IF WE HAVE THE ONE THAT SHOWS  
21 THE PARTICULAR ITEM THAT I AM CONCERNED ABOUT.

22 MR. BARENS: FRED, WE DO HAVE ONE.

23 THE COURT: IT IS ALL RIGHT, YOU CAN MARK IT IF YOU  
24 LIKE.

25 MR. WAPNER: WELL, IF IT IS A DUPLICATE, WE CAN WITHDRAW  
26 IT LATER.

27 THE COURT: ALL RIGHT.

28 Q BY MR. WAPNER: SHOWING YOU THIS PICTURE WHICH



1 IS 34 FOR IDENTIFICATION, DO YOU RECOGNIZE WHAT THAT IS?

2 A YES. THIS IS THE SMALL OFFICE ADJOINING HIS  
3 LARGE OFFICE AND THESE ARE SHELVES WITH DIFFERENT BINDERS  
4 IN THERE.

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1 Q AND WAS IT IN ONE OF THOSE BINDERS THAT YOU FOUND  
2 THE LETTERS ABOUT THE POLICE COMMISSION PRESS PASS?

3 A YES.

4 Q DID YOU IN GOING THROUGH THE ITEMS AT YOUR SON'S,  
5 COME ACROSS SOME PAPERS, A CHECK REGARDING THE FORMATION OF  
6 A NEW CORPORATION?

7 A YES.

8 (MR. CHIER ENTERS THE COURTROOM.)

9 MR. WAPNER: YOUR HONOR, I HAVE A CHECK THAT IS DATED  
10 MAY 23, 1984 FOR \$277 ALONG WITH SEVERAL DOCUMENTS THAT  
11 PERTAIN TO THE FORMATION OF A COMPANY CALLED INFORMATION  
12 RESEARCH CORPORATION. MAY THAT COLLECTIVELY BE MARKED 179  
13 FOR IDENTIFICATION?

14 THE COURT: SO MARKED.

15 Q BY MR. WAPNER: MR. LEVIN, SHOWING YOU THIS GROUP  
16 OF DOCUMENTS THAT WE HAVE MARKED AS 179, DO YOU RECOGNIZE  
17 THAT?

18 A YES, I DO.

19 Q ALL RIGHT. WHAT IS THAT?

20 A I BELIEVE HE WAS FORMING A NEW CORPORATION. AND  
21 HE WAS PAYING THE CHECK TO THE SECRETARY OF STATE FOR \$277.  
22 THE NAME OF THE CORPORATION WAS INFORMATION RESEARCH  
23 CORPORATION.

24 Q AND WHAT IS THE DATE ON THE CHECK?

25 A MAY 23RD, 1984.

26 Q AND IS THERE A STAMP ON THE DOCUMENTS AS FAR  
27 AS THE DATE OF INCORPORATION OF THE NEW CORPORATION? IT MIGHT  
28 BE ON THE VERY FIRST PAGE UNDER THE CHECK.

1 A THE DATE OF INCORPORATION?

2 Q YES.

3 A MAY 30, 1984.

4 Q AND DID YOU ALSO FIND A LETTER THAT YOUR SON  
5 WROTE REGARDING SOME INSURANCE, IN HIS APARTMENT?

6 A YES. I BELIEVE SO.

7 MR. WAPNER: YOUR HONOR, I HAVE A THREE-PAGE DOCUMENT  
8 DATED JUNE 5, 1984. IT IS ADDRESSED TO A WILLIAM F. DAVIS,  
9 ATTORNEY AT LAW, PACIFIC PALISADES.

10 AND IT IS ON THE STATIONERY OF RONALD LEVIN.  
11 MAY THAT BE 180 FOR IDENTIFICATION?

12 THE COURT: SO MARKED.

13 MR. WAPNER: MAY I APPROACH THE WITNESS?

14 MR. BARENS: MAY WE HAVE A MOMENT? WE HAVE NEVER SEEN  
15 THIS AT ALL, YOUR HONOR.

16 THE COURT: ALL RIGHT.

17 MR. WAPNER: AND I WOULD LIKE TO MARK AS 181 FOR  
18 IDENTIFICATION, A LETTER DATED JUNE 1ST, WHICH IS ADDRESSED  
19 TO ROBERT M. LATTA, CHIEF U.S. PROBATION OFFICER, CENTRAL  
20 DISTRICT OF CALIFORNIA AND IT IS REGARDING THE FREEDOM OF  
21 INFORMATION ACT. MAY THAT BE 181 FOR IDENTIFICATION?

22 THE COURT: SO MARKED.

23 Q BY MR. WAPNER: SHOWING YOU 180 FOR IDENTIFICATION,  
24 WHAT IS THAT?

25 A A LETTER TO WILLIAM F. DAVIS, ATTORNEY AT LAW,  
26 881 ALMA REAL DRIVE, PACIFIC PALISADES, CALIFORNIA, 90272.  
27 IT IS DATED JUNE 5, 1984.

28 Q DOES IT APPEAR TO BE A RESPONSE TO AN INQUIRY

1 ABOUT SOME INSURANCE?

2 A YES.

3 Q AND DID YOU FIND THAT IN YOUR SON'S APARTMENT?

4 A YES.

5 Q ALL RIGHT. DO YOU REMEMBER WHERE?

6 A I BELIEVE IT WAS IN THE SMALL OFFICE.

7 Q IT APPEARS TO ALSO HAVE HOLES ON THE LEFT-HAND  
8 MARGIN, IS THAT RIGHT?

9 A YES.

10 Q WAS IT PROBABLY IN THE BINDERS?

11 A YES.

12 Q AND SHOWING YOU THE LETTER THAT WE HAVE MARKED  
13 AS 181 FOR IDENTIFICATION, DO YOU RECOGNIZE THAT?

14 A YES.

15 Q WHAT IS IT?

16 A IT IS A REQUEST FOR INFORMATION THAT HE WANTED  
17 ON RECORDS OF HIMSELF.

18 Q THEN THAT WAS RECORDS REGARDING HIS OWN FILE,  
19 IS THAT RIGHT?

20 A RIGHT.

21 Q WHO IS IT ADDRESSED TO?

22 A IT IS ADDRESSED TO ROBERT M. LATTA, CHIEF U.S.  
23 PROBATION OFFICER, UNITED STATES DISTRICT COURT, CENTRAL  
24 DISTRICT OF CALIFORNIA, 600 U.S. COURTHOUSE, 312 NORTH SPRING  
25 STREET, LOS ANGELES, CALIFORNIA, 90012.

26 AND THE SUBJECT IS REQUESTOR'S NAME, DATE OF  
27 BIRTH, PLACE OF BIRTH, SOCIAL SECURITY AND DOCKET NUMBER.

28 Q AND WOULD YOU JUST READ TO US THE FIRST SENTENCE

1 OF THAT LETTER?

2 A (READING:)

3 "UNDER THE PROVISIONS OF THE  
4 FREEDOM OF INFORMATION ACT, PRIVACY ACT AS  
5 AMENDED 5 USC 522 AND 522A, I HEREBY REQUEST  
6 A COPY OF ALL IDENTIFICATION, RECORDS OR FILES  
7 INDEXED, MAINTAINED OR RETURNABLE BY SEARCH  
8 CONTAINING MY NAME.

9 "THESE RECORDS SHOULD INCLUDE ANY  
10 PRESENTENCE INVESTIGATION REPORTS, PROBATION  
11 REPORTS PURSUANT TO THE RECENT RULING OF  
12 9 U.S. CIRCUIT COURT OF APPEALS RULING IN  
13 BARRY V. DEPARTMENT OF JUSTICE, 83 -- 1854."  
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1 MR. WAPNER: ALL RIGHT, THAT IS FINE. THANK YOU.

2 THE COURT: WHEN IS THAT DATED?

3 THE WITNESS: JUNE THE 1ST, 1984.

4 THE COURT: ALL RIGHT.

5 Q BY MR. WAPNER: AND DID HE RECEIVE SOME RESPONSES  
6 TO THAT REQUEST THAT YOU PUT TOGETHER WITH THAT AFTER THAT?

7 A I DON'T --

8 Q LET ME REPHRASE THAT QUESTION.

9 DID SOME RESPONSE TO THAT REQUEST COME TO THE  
10 APARTMENT THAT YOU PICKED UP IN THE MAIL AFTER THAT?

11 A I THINK IT DID, YES.

12 MR. WAPNER: YOUR HONOR, MAY THESE DOCUMENTS ALSO BE  
13 MARKED AS PART OF THAT SAME EXHIBIT, WHICH I BELIEVE IS 181  
14 FOR IDENTIFICATION?

15 THE COURT: ALL RIGHT.

16 Q BY MR. WAPNER: MR. LEVIN, SHOWING YOU THOSE  
17 DOCUMENTS, ARE THOSE DOCUMENTS THAT YOU RECEIVED IN THE MAIL  
18 AFTER JUNE THE -- SOME TIME WHILE YOU WERE PICKING UP THE  
19 MAIL AFTER JUNE 7TH?

20 A YES, IT IS.

21 Q AND YOU PUT THOSE TOGETHER WITH THE LETTER, A  
22 PORTION OF WHICH YOU JUST READ TO US?

23 A YES.

24 Q NOW, AT SOME POINT -- EXCUSE ME -- LET ME TAKE  
25 THOSE FROM YOU --

26 AT SOME POINT AFTER YOU WENT TO THE POLICE ON  
27 JUNE THE 21ST, DID YOU FIND SOME OTHER PAPERS IN YOUR SON'S  
28 APARTMENT?

1 A YES, I DID.

2 Q AND WHERE DID YOU FIND THOSE PAPERS?

3 A I FOUND THEM IN THE SMALL OFFICE ADJOINING THE  
4 LARGE OFFICE.

5 Q AND WHERE IN THE SMALL OFFICE WERE THEY?

6 A THEY WERE ON THE FLOOR NEXT TO A WASTEPAPER BASKET,  
7 BETWEEN THE WASTEPAPER BASKET AND THE WALL.

8 Q WHAT KIND OF PAPERS WERE THEY THAT YOU FOUND THERE?

9 A THEY WERE SHEETS OF PAPER, SHEETS OF YELLOW PAPER.

10 THE COURT: DO YOU MEAN LIKE THAT?

11 (COURT INDICATING.)

12 THE WITNESS: YES, SIR, SIMILAR.

13 Q BY MR. WAPNER: WHEN YOU FOUND THEM THERE, DO  
14 YOU REMEMBER WHAT CONDITION THEY WERE IN? I MEAN WERE THEY  
15 FLAT OR WERE THEY --

16 WHAT DID THEY LOOK LIKE WHEN YOU SAW THEM?

17 A THEY WERE FLAT.

18 Q AND HOW DID YOU HAPPEN TO FIND THE PAPERS THERE?

19 A I STARTED TO PUT EVERYTHING IN ORDER. THE PLACE  
20 WAS QUITE MESSED UP. THE DESK WAS MESSED UP. THERE WERE  
21 PAPERS ON THE FLOOR. AND I JUST STARTED TO PICK THINGS UP  
22 AND PUT THINGS IN PLACE.

23 Q WHEN YOU SAY "MESSED UP," IS THIS AS THE MAIL  
24 COLLECTED OR WAS THIS THE WAY IT WAS WHEN YOU FOUND IT ON  
25 JUNE 7?

26 A IT WAS THE WAY I FOUND IT ON JUNE 7.

27 Q AND WHEN YOU BEGAN TO PICK THINGS UP, WHAT DID  
28 YOU --

1                   AND AS YOU SAW THESE PAPERS, WHAT DID YOU NOTICE?  
2 TELL ME WHAT HAPPENED.

3           A           I PICKED THEM UP AND LAYED THEM ON THE DESK IN  
4 THE SMALL ROOM AND AS I LAID THEM ON THE DESK, I NOTICED  
5 THE TOP PAPER AND --

6           Q           WHAT DID YOU NOTICE ABOUT IT?

7           A           I NOTICED THE FIRST THING IT SAID, "AT LEVIN'S  
8 TO DO."

9           Q           DID YOU LOOK AT IT AFTER THAT?

10          A           AND I LOOKED AT IT.

11          MR. BARENS: YOUR HONOR, MIGHT WE APPROACH THE BENCH  
12 AT THIS POINT?

13          THE COURT: YES.

14          MR. BARENS: THANK YOU, YOUR HONOR.

15                    (THE FOLLOWING PROCEEDINGS WERE HELD  
16 AT THE BENCH:)

17          THE COURT: YES?

18          MR. BARENS: YOUR HONOR, WE HAVE A LEGAL POINT TO CALL  
19 TO YOUR ATTENTION. I WOULD LIKE TO DEFER TO MR. CHIER ON  
20 THE LEGAL POINT ON THE MOTION I WOULD LIKE TO MAKE.

21          THE COURT: GO AHEAD.

22          MR. BARENS: THANK YOU, YOUR HONOR.

23          MR. CHIER: WE WOULD OBJECT TO THE INTRODUCTION OF THE  
24 SO-CALLED SEVEN-PAGE DOCUMENT WHICH CONSTITUTES A STATEMENT  
25 OF THE DEFENDANT, ON THE GROUND THAT THERE HAS BEEN NO  
26 CORPUS ESTABLISHED AND THAT IT IS INADMISSIBLE HEARSAY AND  
27 INADMISSIBLE AS A STATEMENT OF THE DEFENDANT.

28          MR. WAPNER: WELL, WE HAVE HAD THIS MOTION MADE AT THE



1 BEGINNING OF THE CASE, SUBJECT TO BEING RENEWED. I ASSUME  
2 THAT IT IS NOW BEING RENEWED.

3 AND I SUBMIT TO THE COURT THAT THE CORPUS OF THIS  
4 CRIME HAS BEEN PROVED CIRCUMSTANTIALLY: THAT AS FAR AS ANY  
5 CRIMINAL AGENCY IS CONCERNED, I CITE TO THE COURT THE  
6 EVIDENCE OF THE CONDITION OF THE APARTMENT ON JUNE 7. THE  
7 FACT THAT THE COMFORTER WAS MISSING, THE PILLOW WAS MISSING,  
8 THE REMOTE CONTROL DEVICE WAS MISSING.

9 I DON'T NEED TO REITERATE ALL OF IT BECAUSE THE  
10 COURT HAS HEARD ALL OF THE TESTIMONY.

11 AND AS FAR AS EVIDENCE THAT MR. LEVIN IS DEAD,  
12 WE HAVE HAD MORE THAN AMPLE EVIDENCE OF HOW HE CONDUCTED HIS  
13 LIFE: THAT HIS LIFE PATTERN WAS BASICALLY CUT SHORT ON  
14 JUNE THE 6TH OF 1984 AND HE HAS NEITHER BEEN SEEN NOR HEARD  
15 FROM SINCE THAT DATE AND THAT THE PEOPLE WHO WOULD ORDINARILY  
16 HEAR FROM HIM, ESPECIALLY HIS MOTHER WHO HEARD FROM HIM AT  
17 LEAST ONCE A WEEK FOR 23 OR 24 YEARS, HAS NOT HEARD ANYTHING  
18 FROM HIM SINCE THE DATE OF JUNE THE 6TH OF 1984.

19 ALSO, THE FACT THAT AS FAR AS THIS MOTION IS  
20 CONCERNED, YOU DON'T HAVE TO PROVE THE CORPUS BEYOND A  
21 REASONABLE DOUBT.

22 YOU ONLY HAVE TO HAVE SLIGHT EVIDENCE OF THE  
23 CORPUS DELICTI BEFORE STATEMENTS OF THE DEFENDANT ARE  
24 ADMISSIBLE AND I SUBMIT TO THE COURT THAT THAT HAS BEEN  
25 PROVED.

26 MR. CHIER: MAY I BE HEARD?

27 THE COURT: YES.

28 MR. CHIER: THE CORPUS REQUIREMENT IS A TWO PART

1 REQUIREMENT: THE FIRST REQUIREMENT IS THAT THERE BE A  
2 PRIMA FACIE SHOWING OF DEATH AND THE SECOND THAT THERE BE  
3 A SHOWING OF DEATH BY CRIMINAL AGENCY.

4 EVEN ASSUMING FOR THE SAKE OF THIS DISCUSSION  
5 THAT THE PEOPLE HAVE ESTABLISHED A PRIMA FACIE CASE OF DEATH,  
6 THEY HAVE FAILED AT THIS JUNCTURE IN TIME TO PROVE EVEN BY  
7 SLIGHT EVIDENCE THAT THE DEATH RESULTED FROM CRIMINAL AGENCY.

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1                   AND THEREFORE, AT THIS PARTICULAR JUNCTURE, THESE  
2 PAGES BEING STATEMENTS OF THE DEFENDANT, THEY ARE INADMISSIBLE,  
3 YOUR HONOR. WE OBVIOUSLY, OBJECT STRONGLY TO THEIR  
4 INTRODUCTION AT THIS TIME.

5                   THE COURT: THE MOTION WILL BE DENIED.

6                   MR. BARENS: YOUR HONOR, WHILE WE ARE HERE, COULD I  
7 MAKE ONE OTHER POINT?

8                   THE COURT: YES. IS IT A LEGAL POINT?

9                   MR. BARENS: IT IS A LEGAL POINT, ONE THAT I AM INVOLVED  
10 IN.

11                   THE COURT: ALL RIGHT.

12                   MR. BARENS: THANK YOU, YOUR HONOR. WOULD YOUR HONOR  
13 PLEASE DEEM IT THAT I HAD A CONTINUING HEARSAY OBJECTION?

14                   THE COURT: WHAT?

15                   MR. BARENS: A CONTINUING HEARSAY OBJECTION DURING  
16 THIS WITNESS' TESTIMONY. IT WAS ALL HEARSAY. BECAUSE OF  
17 THE SENSITIVE NATURE OF THE WITNESS, I DID NOT WANT TO DO  
18 IT IN FRONT OF THE JURY.

19                   THE COURT: I WILL DEEM YOUR OBJECTION HAVING BEEN  
20 MADE PRIOR TO WHEN HE TESTIFIED.

21                   MR. WAPNER: WELL, FOR THE RECORD, YOUR HONOR, I  
22 ASSUME THAT THE HEARSAY OBJECTION IS BEING MADE TO THESE  
23 DOCUMENTS THAT HAVE BEEN INTRODUCED WHICH ARE NOT INTRODUCED  
24 TO PROVE ANYTHING OTHER THAN THE WITNESS' -- EXCUSE ME, THE  
25 VICTIM'S STATE OF MIND WHICH IS HOW HE WAS LIVING HIS LIFE  
26 BEFORE THAT DAY, NOT FOR THE TRUTH OF THE CONTENTS OF THE  
27 DOCUMENTS.

28                   SO I DON'T CLASSIFY THEM AS BEING HEARSAY

1 DOCUMENTS.

2 MR. BARENS: YOUR HONOR, I MEANT TO MAKE THIS OBJECTION  
3 CLEAR AS TO SOME OF THE CONVERSATIONS THAT THE WITNESS  
4 TESTIFIED ABOUT THAT I DID NOT --

5 THE COURT: WELL, WE WILL DEEM THE OBJECTION HAVING  
6 BEEN MADE TO THE CONVERSATIONS AND OVERRULED.

7 MR. BARENS: THANK YOU.

8 (THE FOLLOWING PROCEEDINGS WERE HELD IN  
9 OPEN COURT IN THE HEARING AND PRESENCE  
10 OF THE JURY:)

11 MR. WAPNER: YOUR HONOR, I HAVE BEFORE ME A MANILA  
12 ENVELOPE THAT CONTAINS SEVERAL SHEETS OF YELLOW PAPER CURRENTLY  
13 IN PLASTIC SLEEVES. I WOULD LIKE TO HAVE THE ENVELOPE AND  
14 THE CONTENTS COLLECTIVELY MARKED AS PEOPLE'S 55 FOR IDENTIFI-  
15 CATION.

16 THE COURT: SO MARKED.

17 Q BY MR. WAPNER: MR. LEVIN, SHOWING YOU PEOPLE'S  
18 55 FOR IDENTIFICATION, WOULD YOU REMOVE THAT FROM THE  
19 ENVELOPE AND TELL ME IF YOU RECOGNIZE THOSE DOCUMENTS?

20 A YES, I DO.

21 Q WHERE HAVE YOU SEEN THOSE PARTICULAR DOCUMENTS  
22 BEFORE?

23 A IN THE OFFICE, SMALL OFFICE ADJOINING THE LARGE  
24 OFFICE IN RON'S APARTMENT.

25 THE COURT: THEY WEREN'T IN THOSE WRAPPERS, WERE THEY?

26 THE WITNESS: SIR?

27 THE COURT: THEY WEREN'T IN THE WRAPPERS THAT YOU HAVE  
28 THEM INSIDE OF?

1 THE WITNESS: NO, SIR, JUST --

2 THE COURT: THEY WERE JUST LOOSE, WEREN'T THEY?

3 THE WITNESS: JUST LOOSE SHEETS, YES, SIR.

4 THE COURT: ALL RIGHT.

5 Q BY MR. WAPNER: THE FIRST ONE OF THOSE PAGES  
6 THAT YOU SAW, IS THAT THE BOARD THAT I HAVE JUST PUT UP THERE,  
7 THAT BLOW-UP OF THE FIRST PAGE THAT YOU SAW?

8 A YES, IT IS.

9 THE COURT: I THINK THE CLERK MADE COPIES OF THEM FOR  
10 THE JURY, IF YOU WANT TO DISTRIBUTE THEM, SO THEY CAN LOOK  
11 AT THEM. SOME OF THEM MIGHT BE A LITTLE NEARSIGHTED AND  
12 CAN'T SEE IT FROM THAT DISTANCE.

13 MR. WAPNER: I MIGHT INQUIRE IF ANYONE IS HAVING TROUBLE  
14 SEEING IT.

15 THE COURT: IT WOULD BE AN AID TO THEM. YOU GOT THEM,  
16 HAVE YOU? WILL YOU DISTRIBUTE THEM THE COPIES OF WHAT APPEARS  
17 ON THE BOARD?

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1 MR. BARENS: COULD WE APPROACH, YOUR HONOR?

2 THE COURT: SURELY.

3 (THE FOLLOWING PROCEEDINGS WERE HELD AT  
4 THE BENCH:)

5 THE COURT: YES?

6 MR. BARENS: YOUR HONOR, JUST A POINT OF INQUIRY.  
7 THESE DOCUMENTS ARE NOT IN EVIDENCE YET, BUT AS I UNDERSTAND  
8 IT --

9 THE COURT: DO YOU WANT TO OFFER THEM?

10 MR. WAPNER: WELL, BEFORE THEY CAN ACTUALLY BE OFFERED  
11 INTO EVIDENCE, WE HAVE TO CONNECT THAT UP, THAT THEY WERE  
12 WRITTEN BY THE DEFENDANT AND --

13 THE COURT: WELL, IN SUBJECT TO CONNECTION, THEN, ALL  
14 RIGHT?

15 MR. WAPNER: WELL, THE IDEA THAT YOU CAN'T SHOW THESE  
16 DIAGRAMS TO THE JURY, COUNSEL HAS --

17 THE COURT: YOU ARE SHOWING IT ON THE BOARD, AREN'T  
18 YOU? YOU ARE SHOWING IT ON THE BOARD.

19 MR. WAPNER: YOUR HONOR, IF I MIGHT BE HEARD, OF COURSE --

20 THE COURT: YOU WANT TO SHOW --

21 MR. WAPNER: WE HAVE BEEN DOING IT THE WHOLE TRIAL  
22 WITH ALL KINDS OF OTHER DOCUMENTS, TO WHICH THERE HAS NOT  
23 BEEN ANY OBJECTION. IT IS A PROCEDURE THAT WE HAVE FOLLOWED  
24 THROUGHOUT THE WHOLE TRIAL. I DON'T SEE WHY ALL OF A SUDDEN --

25 THE COURT: HE IS OBJECTING TO IT? ALL RIGHT. I WILL  
26 OVERRULE THE OBJECTION.

27 MR. WAPNER: ALL RIGHT. THE COURT --

28 MR. BARENS: I JUST HAD A QUESTION THAT --

1 MR. WAPNER: ALSO, IT IS WITHIN THE COURT'S DISCRETION.  
2 THE COURT HAS THE DISCRETION TO ALLOW THE JURY TO SEE  
3 DOCUMENTS OR ANY OTHER DOCUMENT SUBJECT TO IT BEING RECEIVED.

4 THE COURT: THAT IS EXACTLY WHAT I SAID.

5 MR. WAPNER: I DON'T THINK THAT THERE IS ANY --

6 MR. BARENS: IT ISN'T MY INQUIRY.

7 THE COURT: WHY IS IT THAT YOU ARE OBJECTING TO THIS?  
8 YOU --

9 MR. BARENS: WELL OBVIOUSLY, I --

10 THE COURT: DON'T YOU REMEMBER YOU SHOWED A LOT OF  
11 PICTURES AND DOCUMENTS THAT WERE NOT OFFERED INTO EVIDENCE?  
12 YOU HAD NO OBJECTION TO THOSE BEING DEPICTED TO THE JURY  
13 AND --

14 MR. BARENS: I HAVE NOT MADE ANY OBJECTION. I AM NOT  
15 HERE TO MAKE OBJECTION. I AM HERE ASKING YOU A QUESTION.

16 THE COURT: WHAT IS THE QUESTION?

17 MR. BARENS: THE QUESTION IS, DOES YOUR HONOR INTEND  
18 TO HAVE THE JURORS RETAIN THIS COPY THAT YOU HAD JUST PASSED  
19 OUT TO THEM PRIOR TO THE TIME THEY GO IN TO DELIBERATE?

20 THE COURT: NO, I JUST WANT THEM TO LOOK AT IT NOW.  
21 WE'LL TAKE IT AWAY FROM THEM AFTER THEY HAVE JUST GONE THROUGH  
22 IT.

23 MR. BARENS: THAT IS ALL I WAS ASKING.

24 THE COURT: SURE.

25 MR. WAPNER: OBVIOUSLY, THEY WILL STAY IN THE COURTROOM.  
26 THEY WILL STAY IN THE COURTROOM WHEN THEY LEAVE FOR THE DAY.

27 MR. BARENS: THAT IS ALL I WAS ASKING AND --

28 THE COURT: THAT'S ALL?

1 MR. WAPNER: YOUR HONOR, I THINK IT MIGHT BE APPROPRIATE  
2 AT THIS TIME TO TAKE A RECESS.

3 THE COURT: ALL RIGHT.

4 MR. BARENS: DO YOU THINK IT WOULD BE IMPORTANT TO --

5 THE COURT: RIGHT AT THIS POINT TAKE A RECESS? ALL  
6 RIGHT.

7 (THE FOLLOWING PROCEEDINGS WERE HELD  
8 IN OPEN COURT IN THE PRESENCE AND  
9 HEARING OF THE JURY:)

10 THE COURT: LADIES AND GENTLEMEN OF THE JURY, WE'LL  
11 TAKE OUR CUSTOMARY 15-MINUTES RECESS AT THIS TIME. THE SAME  
12 ADMONITION STILL APPLIES.

13 MR. WAPNER: YOU MIGHT WANT TO INSTRUCT THE JURORS  
14 JUST TO LEAVE THE DOCUMENTS THAT HAVE BEEN PASSED OUT, IN  
15 THEIR SEATS.

16 THE COURT: LEAVE THE DOCUMENTS IN YOUR SEATS.

17 (RECESS.)  
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1 THE COURT: ALL RIGHT, YOU MAY CONTINUE.

2 MR. BARENS: COULD WE APPROACH VERY BRIEFLY, YOUR HONOR?

3 THE COURT: ALL RIGHT.

4 (THE FOLLOWING PROCEEDINGS WERE HELD  
5 AT THE BENCH:)

6 THE COURT: YES?

7 MR. BARENS: YOUR HONOR, I JUST WANTED TO NOTE FOR THE  
8 DEFENSE, AND I SAY THIS WITH ALL DIPLOMACY, I WANTED TO POINT  
9 OUT THAT THIS IS THE ONLY EXHIBIT OR DOCUMENT THAT HAS BEEN  
10 PASSED OUT TO THE JURY THROUGHOUT THIS TRIAL, WHICH I NOTICE  
11 THEY ARE SITTING THERE READING AT THIS VERY MOMENT, AND I  
12 FELT THAT THAT PROCEDURE AT THIS POINT IN TIME SERVED TO  
13 UNDERSCORE THE IMPORTANCE OF THIS DOCUMENT AND IT IS  
14 PREJUDICIAL TO THE DEFENSE TO THAT EXTENT.

15 AND I WANTED TO POINT OUT THAT THAT PROCEDURE  
16 WAS PREJUDICIAL TO THE DEFENSE IN THE SENSE THAT IT IS THE  
17 ONLY DOCUMENT AND IT KIND OF SERVES TO ENHANCE ITS IMPORTANCE  
18 TO THE JURY.

19 THE COURT: ALL RIGHT.

20 MR. BARENS: THANK YOU, YOUR HONOR.

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1 (THE FOLLOWING PROCEEDINGS WERE HELD IN  
2 OPEN COURT:)

3 Q BY MR. WAPNER: MR. LEVIN, THE FIRST ONE OF THE --  
4 WELL, FIRST OF ALL, HOW MANY PIECES OF PAPER WERE THERE THAT  
5 YOU PICKED UP?

6 A THERE WERE SEVEN.

7 Q AND THE FIRST PIECE OF THAT PAPER THAT YOU PICKED  
8 UP AND READ, IS THAT THE ONE THAT SAYS, "AT LEVIN'S TO DO,"  
9 AT THE TOP?

10 A YES.

11 Q WHAT IS IT THAT YOU RECALL? DID YOU READ THAT  
12 ENTIRE PIECE OF PAPER?

13 A YES.

14 Q AND DID YOU --

15 THE COURT: WHAT PAPER? YOU MEAN ALL SEVEN PAGES?

16 MR. WAPNER: NO. I AM TALKING ABOUT THE ENTIRE PIECE  
17 OF PAPER THAT IS THE FIRST PAGE, WHICH IS THE ONE THAT SAYS  
18 "AT LEVIN'S TO DO."

19 THE COURT: YES.

20 Q BY MR. WAPNER: AND AS THE JUDGE POINTED OUT,  
21 IT WAS NOT IN THAT PLASTIC SLEEVE WHEN YOU READ IT, WAS IT?

22 A YES, IT WAS NOT.

23 Q OKAY. AND DID IT HAVE ALL OF THE ENTRIES ON THERE  
24 AT THAT TIME THAT ARE PRESENT ON THERE RIGHT NOW?

25 A YES.

26 Q ALL RIGHT. IT SAYS, "CLOSE BLINDS ..."

27 MR. BARENS: WELL, YOUR HONOR, THE DOCUMENT RATHER  
28 OBVIOUSLY, SPEAKS FOR ITSELF, DOES IT NOT?

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1 THE COURT: YES. BUT IF HE WANTS TO CALL PARTICULAR  
2 ATTENTION TO SOME OF IT, HE HAS A RIGHT TO DO THAT.

3 Q BY MR. WAPNER: WERE THERE ANY OF THOSE ENTRIES  
4 THAT CAUGHT YOUR ATTENTION?

5 A YES.

6 Q WHICH ONES?

7 A "TAPE MOUTH, HANDCUFF, PUT GLOVES ON, GET ALARM  
8 CODE, KILL DOG, HAVE LEVIN SIGN AGREEMENTS AND FILL IN BLANKS,  
9 XEROX EVERYTHING SO HE HAS COPIES, INITIALED COPIES."

10 Q AND --

11 A "GET ALARM ACCESS CODE."

12 Q AND AS YOU READ THOSE THINGS, WHAT DID YOU THINK?

13 A IT WAS PUZZLING. I DIDN'T KNOW WHAT TO THINK.

14 Q AND DID YOU CONTINUE TO READ THE PIECES OF PAPER?

15 A DIFFERENT ONES, YES. I GLANCED AT THEM, YES.

16 Q WHAT WAS THE NEXT ONE THAT YOU NOTICED?

17 A WHERE "JIM DIGS PIT."

18 Q WHICH IS THAT? IS THAT THE SECOND PAGE IN THERE?

19 A THIS ONE OVER HERE.

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1 Q AND WHAT WAS IT -- IF I CAN GET THIS STRAIGHT  
2 UP HERE -- WHAT WAS IT ABOUT THAT PARTICULAR PIECE OF PAPER  
3 THAT YOU NOTICED?

4 A IT WAS PUZZLING. IT WAS UNUSUAL. I COULDN'T  
5 MAKE ANYTHING OUT OF IT.

6 Q DID YOU READ ALL OF THAT PIECE OF PAPER AT THAT  
7 TIME?

8 A I SORT OF GLANCED OVER IT.

9 Q AND OTHER THAN THE NOTATION "JIM DIGS PIT,"  
10 DO YOU REMEMBER ANY OF THE OTHER NOTATIONS ON THERE?

11 A NOT REALLY.

12 Q AND WHAT DID YOU DO AFTER YOU READ THAT PIECE  
13 OF PAPER?

14 A I WENT TO THE NEXT ONE.

15 Q ALL RIGHT. AND WHAT WAS THE NEXT ONE THAT YOU  
16 WENT TO?

17 A WHERE IT SAYS "GET ALARM CODE."

18 Q ON THE LIST, WHEN IT SAID "JIM DIGS PIT," DID  
19 THAT MEAN ANYTHING TO YOU?

20 A NO.

21 Q AND THE LIST THAT SAID "GET ALARM CODE," WHAT  
22 NOTATIONS DO YOU REMEMBER READING ON THERE?

23 A WELL, I REMEMBER THE SWISS CHECK, \$900,000.

24 Q AND THAT IS AT THE VERY BOTTOM?

25 A YES.

26 Q ALL RIGHT, AND UP UNTIL THAT POINT, DID YOU KNOW  
27 ANYTHING ABOUT ANY SWISS CHECKS?

28 A NO, NO, I DIDN'T.

1 Q WERE THERE ANY OTHER NOTATIONS ON THIS PARTICULAR  
2 PIECE OF PAPER THAT YOU NOTICED?

3 A I REALLY JUST GLANCED OVER IT. I WASN'T STUDYING  
4 IT AT THAT TIME.

5 Q AND YOU WERE AT THE DESK IN THE SMALL OFFICE,  
6 READING THESE?

7 A YES.

8 Q WHAT WAS THE NEXT --

9 INCIDENTALLY, THESE THREE BOARDS THAT WE HAVE  
10 UP HERE AS CHARTS, ARE THEY -- DO THEY APPEAR TO BE EXACT  
11 COPIES, ONLY ENLARGED, OF THE LISTS THAT YOU HAVE IN FRONT  
12 OF YOU?

13 A YES.

14 Q WHAT WAS THE NEXT PIECE OF PAPER OF THE SEVEN  
15 THAT YOU REMEMBER SEEING?

16 A I SAW A MAP OF SOME KIND.

17 Q AND DOES THAT CHART APPEAR TO BE A DUPLICATION  
18 OF THE MAP THAT YOU SAW?

19 A YES.

20 Q DID YOU SEE THE NOTATIONS ON THERE AT THE TIME  
21 WHERE IT SAID "ROAD"?

22 A I NEVER NOTICED IT AT THE TIME, NO.

23 Q DID THAT MAP MEAN ANYTHING TO YOU AT THE TIME?

24 A NOTHING.

25 Q WHAT WAS THE NEXT ONE THAT YOU REMEMBER SEEING?

26 A IT SAID "RESERVATION".

27 Q DO YOU REMEMBER THE WORD "RESERVATION"?

28 A I SAW THE WORD "RESERVATION".

1 Q DO YOU REMEMBER SEEING ANYTHING ELSE ABOUT THAT  
2 PIECE OF PAPER?

3 A NO, I DIDN'T LOOK INTO IT.

4 Q DID THAT MEAN ANYTHING TO YOU?

5 A NO.

6 Q AND IS THIS BOARD THAT WE HAVE HERE AS A CHART  
7 AN EXACT COPY OF THE LIST, ONLY BLOWN UP, THAT SAYS  
8 "RESERVATION" ON IT?

9 A YES.

10 Q AND WHAT WAS THE NEXT ITEM THAT YOU REMEMBER LOOKING  
11 AT?

12 A "MICROGENESIS."

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1 Q AND IS THAT ON THE NEXT PIECE OF PAPER?

2 A NEXT PIECE OF PAPER.

3 Q AND LET ME ASK YOU THIS A DIFFERENT WAY. WHEN  
4 YOU READ MICROGENESIS AT THAT TIME, IS THIS WHAT YOU ARE  
5 TALKING ABOUT JUST BELOW WHERE IT SAYS 4 ON THAT SHEET OF  
6 PAPER?

7 A YES.

8 Q AND DID THAT MEAN ANYTHING TO YOU AT THAT TIME?

9 A NO, IT DID NOT.

10 Q THE PIECE OF PAPER THAT YOU HAD PREVIOUSLY SEEN  
11 THAT SAID MICROGENESIS OF NORTH AMERICA AND WHICH CONTAINED  
12 THE OPTION CONTRACT FOR A MILLION FIVE AND THEN SEVEN MILLION,  
13 DID YOU AT THAT TIME -- WERE YOU LOOKING AT THIS LIST AND  
14 CONNECTING THAT PIECE OF PAPER UP TO THIS?

15 A I DIDN'T CONNECT THE TWO, NO.

16 Q AND WHAT IS THE NEXT ONE THAT YOU REMEMBER SEEING?

17 A IT SAYS "AUTHORIZATION" AND "CORPORATE SEAL."

18 Q DO YOU REMEMBER LOOKING AT ANY PORTION OF THAT  
19 LIST?

20 A I DON'T THINK SO.

21 Q YOU DON'T THINK YOU REMEMBER SEEING THAT ON THAT  
22 DATE?

23 A NO. I DON'T RECALL IT.

24 Q WHEN YOU SAW THE PIECES OF PAPER THERE, HOW LONG  
25 DID YOU TAKE TO LOOK THROUGH THEM?

26 A JUST A FEW MINUTES.

27 Q WHAT DID YOU DO WITH THEM?

28 A I JUST STACKED THEM UP AND PUT THEM ON THE DESK.

1 Q WHY?

2 A IT MEANT NOTHING TO ME.

3 Q AND AT SOME POINT, DID YOU LEAVE THEM ON THE  
4 DESK?

5 A YES. I LEFT THEM THERE.

6 Q IS THAT THE DESK IN THE HALL OFFICE?

7 A YES.

8 Q AND YOU CONTINUED TO COLLECT THE MAIL AND GO  
9 ABOUT YOUR BUSINESS?

10 A YES.

11 Q I HAVE HERE A PICTURE WHICH WE HAVE PREVIOUSLY  
12 MARKED AS PEOPLE'S 16 FOR IDENTIFICATION. DO YOU RECOGNIZE  
13 THAT?

14 A YES.

15 Q WHAT IS IT?

16 A THAT IS THE SMALL OFFICE.

17 Q DO YOU SEE IN THERE, THE LOCATION WHERE YOU FOUND  
18 THE PAPERS THAT ARE PEOPLE'S 55?

19 A YES.

20 Q AND WHERE IS THAT?

21 A THERE WAS A BLACK WASTEPAPER BASKET THERE AND  
22 IT WAS BETWEEN THE WASTEPAPER BASKET AND THE WALL.

23 Q AND DO YOU SEE -- IS THERE SOMETHING IN THAT  
24 PHOTOGRAPH TO DEPICT WHERE YOU FOUND THOSE PAPERS?

25 A THERE ARE SOME PAPERS ON THE FLOOR.

26 Q ARE THERE SOME YELLOW PAPERS ON THE FLOOR IN  
27 THAT PHOTOGRAPH?

28 A YES.



1 Q DID THEY APPEAR TO BE IN THE SAME PLACE IN THAT  
2 PHOTOGRAPH THAT THEY WERE WHEN YOU FOUND THEM?

3 A NOT ALL OF THEM. SOME WERE HERE AND SOME WERE  
4 FURTHER AGAINST THE WALL.

5 MR. WAPNER: I DON'T KNOW IF THE JURORS CAN EXACTLY  
6 SEE THIS.

7 Q BUT CAN YOU POINT OUT WITH THE POINTER FIRST  
8 OF ALL, WHERE IT WAS YOU FOUND THOSE PAPERS?

9 A BETWEEN THE WASTEPAPER BASKET AND THE DRAWER --  
10 THE WASTEPAPER BASKET AND THE WALL. THEY WERE ON THE FLOOR.

11 Q AND IS THAT IN THIS AREA?

12 A IN FACT, THEY MIGHT HAVE BEEN STANDING UP WHERE  
13 IT MIGHT HAVE BEEN LIKE THEY WERE ON EDGE. THEY MIGHT HAVE  
14 BEEN ON EDGE.

15 Q AT SOME POINT AFTER YOU FOUND THESE PAPERS, DID  
16 YOU GET A CALL FROM DETECTIVE LES ZOELLER FROM THE BEVERLY  
17 HILLS POLICE DEPARTMENT?

18 A YES.

19 Q DID HE ASK YOU IF HE COULD COME OVER AND LOOK  
20 THROUGH RONNIE'S APARTMENT?

21 A YES.

22 Q DID YOU MAKE AN APPOINTMENT TO MEET HIM AT  
23 RONNIE'S APARTMENT?

24 A YES.

25 Q AND DID YOU MEET HIM THERE ON AUGUST THE 16TH  
26 OF 1984?

27 A YES.

28 Q AND WHEN DETECTIVE ZOELLER CAME IN, WHAT HAPPENED?

1           A           HE SAID THAT HE WAS GOING TO LOOK AROUND THE  
2 APARTMENT. I SAID, "FINE, JUST GO RIGHT AHEAD." AND HE WAS  
3 THERE WITH OTHER DETECTIVES, I GUESS THEY WERE. AND WE WERE  
4 DISCUSSING SOMETHING, I DON'T REMEMBER EXACTLY WHAT IT WAS.

5                       AND I WAS IN THE OFFICE, IN THE MAIN ROOM, IN  
6 THE MAIN OFFICE BEHIND THE DESK. AND I SAID TO HIM THAT I  
7 HAVE A SHEET OF PAPER I WOULD LIKE TO HAVE HIM LOOK AT, IT  
8 IS PUZZLING TO ME AND I WANTED TO SHOW IT TO HIM.

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1 Q WHICH SHEET OF PAPER WAS THAT?

2 A IT WAS THE SHEET OF PAPER THAT SAYS "AT LEVINS  
3 TO DO."

4 Q AND DID YOU SHOW HIM THAT PIECE OF PAPER?

5 A I SHOWED HIM THAT PAPER.

6 Q AND WHAT HAPPENED WHEN YOU SHOWED HIM THAT PAPER?

7 A WELL, HE SEEMED GLAD TO SEE IT.

8 Q AFTER YOU SHOWED IT TO HIM, WHAT DID HE DO?

9 A AT THAT TIME HE ASKED ME HAD I BEEN LOOKING AROUND  
10 THE APARTMENT AND I SAID YES.

11 AND HE SAYS "I AM GOING TO GIVE YOU A LIST OF  
12 NAMES AND YOU TELL ME IF YOU HAVE FOUND ANYTHING WITH THEIR  
13 NAMES ON IT."

14 Q AND WAS ONE OF THE NAMES HE GAVE YOU, JOE HUNT?

15 A ONE OF THE NAMES WAS JOE HUNT.

16 Q AND WHAT DID YOU DO?

17 A AND I SAID "YES, I HAVE FOUND SOMETHING WITH JOE  
18 HUNT'S NAME ON IT."

19 Q WHAT DID YOU TELL HIM YOU FOUND?

20 A I TOLD HIM I HAD FOUND A FOLDER, A CONTRACT, AND  
21 BETWEEN HIM AND RON LEVIN AND --

22 Q "HIM" MEANING JOE HUNT?

23 A JOE HUNT AND RON LEVIN.

24 Q ALL RIGHT. WAS THAT THE CONTRACT THAT WE HAVE  
25 PREVIOUSLY MARKED AS 95 FOR IDENTIFICATION?

26 THE COURT: YES, THAT IS 95.

27 Q BY MR. WAPNER: IS THIS THE CONTRACT THAT WE HAVE  
28 PREVIOUSLY MARKED AS 95 FOR IDENTIFICATION?

1 A YES.

2 Q WHAT ELSE DID YOU TELL HIM YOU HAD FOUND?

3 A I TOLD HIM AT THE TIME, THAT IS -- THAT IS ALL  
4 I TOLD HIM AT THE TIME.

5 I WENT INTO THE OFFICE. HE SAID HE WOULD LIKE  
6 TO SEE IT AND I WENT INTO THE OFFICE, THE SMALL OFFICE AND  
7 PROCEEDED TO GET THAT BINDER AND WHILE I WAS THERE, I  
8 RECALLED I HAD SEEN JOE HUNT'S NAME ON ONE OF THE SEVEN SHEETS.

9 Q IS THAT THE ONE THAT SAYS "GET ALARM CODE" AT  
10 THE TOP?

11 A THAT IS CORRECT.

12 Q AND JOE HUNT'S NAME WAS ON THE LEFT-HAND MARGIN?

13 A RIGHT.

14 Q DID YOU TELL THAT TO DETECTIVE ZOELLER?

15 A YES, I TOLD THAT TO HIM AND I BROUGHT OUT THE  
16 OTHER SIX SHEETS AND HANDED THEM TO HIM AT THAT TIME AND I  
17 SAID, "THESE WERE ALL FOUND TOGETHER."

18 Q AND DID YOU SEE WHAT HE DID WITH THOSE?

19 A HE TOOK THEM.

20 THE COURT: INCIDENTALLY, THEY WEREN'T CLIPPED TOGETHER,  
21 WERE THEY?

22 THE WITNESS: NO, SIR.

23 THE COURT: THEY WERE ALL SEPARATE?

24 THE WITNESS: THEY WERE ALL SEPARATE.

25 Q BY MR. WAPNER: AND DID DETECTIVE ZOELLER AT THAT  
26 TIME GO THROUGH THE APARTMENT AND REMOVE SOME OTHER ITEMS?

27 A YES.

28 MR. WAPNER: MAY I HAVE A MOMENT, PLEASE, YOUR HONOR?

1 (PAUSE IN PROCEEDINGS.)

2 Q BY MR. WAPNER: WHEN YOU MADE THE MISSING PERSONS  
3 REPORT TO THE POLICE DEPARTMENT, DID YOU INDICATE THAT YOU  
4 HAD FOUND YOUR SON'S DRIVER'S LICENSE?

5 A YES.

6 Q AND WAS THAT A VALID LICENSE AT THE TIME?

7 A I DON'T THINK SO, NO.

8 Q IT WAS AN EXPIRED LICENSE?

9 A YES.

10 Q AT THE TIME THAT YOU TOOK OVER CARE OF THE  
11 APARTMENT, WAS THERE A MACINTOSH COMPUTER IN THE APARTMENT?

12 A YES.

13 Q WHAT HAPPENED TO IT?

14 A THE AUCTIONEERS TOOK IT WITH THEM.

15 Q MR. LEVIN, I WANT TO SHOW YOU A PHOTOGRAPH THAT  
16 WE HAVE MARKED AS PEOPLE'S 118 FOR IDENTIFICATION; IS THIS  
17 A PHOTOGRAPH OF YOUR SON'S, THE DESK IN YOUR SON'S LARGE  
18 OFFICE?

19 A YES.

20 Q LET ME SEE THAT FOR A MOMENT SO I CAN HOLD IT  
21 UP FOR THE JURY.

22 ON THE DESK IN THAT OFFICE, APPROXIMATELY IN THE  
23 CENTER IN THAT PHOTOGRAPH THERE ARE SOME GLASSES AND SOME  
24 KEYS; HAVE YOU SEEN THOSE IN THERE?

25 A YES.

26

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1 Q ALL RIGHT. WERE YOU IN THE APARTMENT WHEN THIS  
2 PICTURE WAS TAKEN?

3 A YES.

4 Q ALL RIGHT. WHOSE GLASSES AND KEYS WERE THOSE?

5 A THEY ARE MINE.

6 Q YOU JUST HAPPENED TO HAVE THEM ON THE DESK AT  
7 THE TIME THE PHOTOGRAPH WAS TAKEN?

8 A YES.

9 Q ONCE YOU HAD THE LOCKS CHANGED IN THE APARTMENT,  
10 WHO HAD THE KEYS TO GET IN?

11 A I DID AND MY WIFE.

12 Q THE TELEPHONE CALL THAT YOU PLACED TO JOE HUNT  
13 AND THEN GOT A RETURN CALL, WAS THAT DONE BEFORE OR AFTER  
14 YOU FOUND THE SEVEN PIECES OF YELLOW PAPER? DO YOU REMEMBER?

15 A I CAN'T RECALL.

16 Q DO YOU REMEMBER WHEN IT WAS APPROXIMATELY THAT  
17 YOU FOUND THOSE PIECES OF PAPER?

18 A IT WOULD BE AFTER I MADE THE POLICE REPORT AND  
19 BEFORE DETECTIVE ZOELLER CAME TO THE APARTMENT.

20 Q SOMETIME BETWEEN JUNE 21ST AND AUGUST 16?

21 A THAT'S CORRECT.

22 Q INCIDENTALLY, YOU SAID THAT WHEN DETECTIVE ZOELLER  
23 CAME, YOU WENT INTO THE SMALL OFFICE AND GOT HIM THE FILE  
24 WITH THE CONTRACT THAT IS PEOPLE'S 95 AND I BELIEVE, 96 FOR  
25 IDENTIFICATION?

26 A RIGHT, YES.

27 Q AND ORIGINALLY, YOU FOUND THAT ON YOUR SON'S  
28 DESK IN THE LARGE OFFICE, IS THAT RIGHT?

1 A YES.

2 Q DID YOU MOVE IT YOURSELF FROM THERE TO THE SMALL  
3 OFFICE?

4 A YES.

5 Q WHY DID YOU DO THAT?

6 A I WAS TRYING TO CLEAN THE DESK UP. IT WAS  
7 CLUTTERED.

8 Q IN THIS PICTURE THAT IS PEOPLE'S 15 FOR  
9 IDENTIFICATION, THERE ARE LOTS OF WHAT APPEAR TO BE NEWSPAPERS  
10 STACKED ON THE COUCH. CAN YOU SEE THAT IN THE CORNER THERE?

11 A YES.

12 Q WERE THOSE PAPERS THERE ON JUNE THE 7TH OR DID  
13 THEY GATHER AND COLLECT BETWEEN THE TIME OF JUNE 7 AND THE  
14 TIME THAT THIS PHOTOGRAPH WAS TAKEN?

15 A YES. THEY GATHERED AND COLLECTED.

16 Q AND AS FAR AS YOU KNOW, WAS THIS PHOTOGRAPH TAKEN  
17 AT THE TIME THAT DETECTIVE ZOELLER CAME IN AND LOOKED AROUND  
18 THE APARTMENT?

19 A AS FAR AS I KNOW, YES.

20 Q DOES THAT APPEAR TO BE THE BACK OF HIS HEAD IN  
21 THAT PHOTOGRAPH?

22 A YES. I KNOW IT IS NOT MINE.

23 (LAUGHTER FROM THE COURTROOM.)

24 MR. BARENS: I CAN STIPULATE TO THE BACK OF HIS HEAD  
25 FROM HERE.

26 MR. WAPNER: THANK YOU. NOTHING FURTHER.

27 MR. BARENS: I HAVE NO QUESTIONS OF THIS WITNESS, YOUR  
28 HONOR.

1 THE COURT: THANK YOU. ALL RIGHT.

2 MR. WAPNER: MAY WE HAVE A MOMENT? THE NEXT WITNESS  
3 IS NOT SITTING RIGHT OUTSIDE THE COURTROOM.

4 THE COURT: ALL RIGHT.

5 (PAUSE.)

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1 THE COURT: IT IS HERE.

2 MR. BARENS: WE ARE LOOKING AT IT.

3 THE COURT: THAT IS ALL RIGHT, I WILL SEE IT LATER.

4 MR. BARENS: MAY I JUST STEP OUT THE DOOR ONE MINUTE,  
5 YOUR HONOR?

6 THE COURT: YES.

7 (FURTHER PAUSE IN PROCEEDINGS.)

8 MR. WAPNER: JEFF RAYMOND.

9

10 JEFFREY DAVID RAYMOND,

11 CALLED AS A WITNESS BY THE PEOPLE, WAS SWORN AND TESTIFIED  
12 AS FOLLOWS:

13 THE CLERK: IF YOU WOULD RAISE YOUR RIGHT HAND TO BE  
14 SWORN, PLEASE.

15 YOU DO SOLEMNLY SWEAR THAT THE TESTIMONY YOU MAY  
16 GIVE IN THE CAUSE NOW PENDING BEFORE THIS COURT SHALL BE THE  
17 TRUTH, THE WHOLE TRUTH AND NOTHING BUT THE TRUTH, SO HELP  
18 YOU GOD.

19 THE WITNESS: I DO.

20 THE CLERK: IF YOU WOULD BE SEATED THERE AT THE WITNESS  
21 STAND. NOW IF YOU WOULD STATE YOUR NAME FOR THE RECORD,  
22 PLEASE.

23 THE WITNESS: THE FULL NAME?

24 THE CLERK: YES, PLEASE.

25 THE WITNESS: JEFFREY DAVID RAYMOND.

26 THE COURT: JEFFREY WHAT?

27 THE WITNESS: DAVID RAYMOND.

28 THE COURT: RAYMOND, ALL RIGHT.

## DIRECT EXAMINATION

1  
2 BY MR. WAPNER:

3 Q MR. RAYMOND, DO YOU KNOW SOMEBODY --  
4 FIRST OF ALL, DO YOU KNOW THE DEFENDANT IN THIS  
5 CASE?

6 A YES, I DO.

7 Q HOW DO YOU KNOW HIM?

8 A I HAVE KNOWN HIM FOR A COUPLE OF YEARS.

9 Q YOU HAVE TO KEEP YOUR VOICE UP SO THIS LADY IN  
10 THE WHITE SWEATER BACK HERE CAN HEAR YOU.

11 THE COURT: HE ASKED HOW YOU KNOW HIM.

12 THE WITNESS: THROUGH BUSINESS, SOCIALLY.

13 Q BY MR. WAPNER: HOW DID YOU FIRST MEET HIM?

14 A I MET HIM THROUGH DAVE MAY.

15 Q WHO IS DAVID MAY?

16 A A FRIEND OF MINE FROM ORANGE COAST COLLEGE.

17 Q WHEN DID YOU FIRST MEET DAVID MAY?

18 A I BELIEVE IT WAS IN '79 AT ORANGE COAST COLLEGE.  
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1 Q AND AT SOME TIME, DID DAVID MAY MENTION TO YOU  
2 SOMETHING ABOUT THE DEFENDANT IN THIS CASE?

3 A THAT WOULD HAVE BEEN IN THE SUMMER OF 1983 OR  
4 THE SPRING OF 1983.

5 Q SPRING AND SUMMER OF 1983?

6 A CORRECT.

7 Q WHAT DID HE TELL YOU?

8 MR. BARENS: OBJECTION, HEARSAY, YOUR HONOR.

9 THE COURT: OVERRULED.

10 MR. BARENS: THANK YOU, YOUR HONOR.

11 THE WITNESS: HE TOLD ME THAT HE WENT TO SCHOOL WITH  
12 JOE HUNT AND THAT HE WAS INVESTING MONEY WITH HIM AND WAS  
13 DOING QUITE WELL.

14 Q BY MR. WAPNER: WHEN YOU SAY DOING QUITE WELL,  
15 WHERE -- FIRST OF ALL, WHAT WAS THE NATURE OF YOUR FRIENDSHIP  
16 WITH DAVID MAY?

17 A SOCIALLY.

18 Q WERE YOU CLOSE FRIENDS?

19 A HE WAS MY BEST FRIEND AT THE TIME.

20 Q WHEN HE WOULD TELL YOU THESE THINGS, WAS THAT  
21 WHEN YOU GOT TOGETHER WITH HIM SOCIALLY?

22 A YES.

23 Q WHAT DID HE SAY?

24 A JUST KIND OF -- I WENT TO ARIZONA STATE AND WE  
25 WERE GOING OUR SEPARATE WAYS. IT WAS JUST KIND OF, WHAT ARE  
26 YOU DOING AND WHAT I AM DOING AND HE WOULD TALK ABOUT THESE  
27 MEETINGS WITH HIS NEW GROUP OF INVESTORS AND ALL THIS MONEY  
28 THAT HE WAS MAKING IN THE COMMODITIES MARKET.

1 Q WHEN YOU SAID HE WOULD TALK ABOUT THESE MEETINGS  
2 THAT HE HAD WITH HIS NEW GROUP OF INVESTORS, WHAT DID HE SAY  
3 TO YOU SPECIFICALLY, IF YOU CAN REMEMBER?

4 A WELL, HE TALKED ABOUT JOE HUNT A LOT.

5 Q WHAT DID HE SAY?

6 A THAT HE WENT TO HIGH SCHOOL WITH JOE AND THAT  
7 JOE JUST CAME BACK FROM CHICAGO WHERE HE WAS TRADING COMMODITIES  
8 AND WAS NOW STARTING AN INVESTMENT GROUP AND GETTING BACK  
9 INTO THE MARKET NOW IN L.A.

10 Q AND DID HE SAY WHAT KIND OF INVESTMENT GROUP  
11 HE WAS STARTING?

12 A FINANCIAL FUTURES, INVESTING IN COMMODITIES.

13 Q DID HE TELL YOU WHO WAS PART OF THIS GROUP?

14 A MOST OF THE PEOPLE WERE FRIENDS OF THEIRS FROM  
15 HIGH SCHOOL AND COLLEGE AND MOST OF THEM WERE AFFLUENT.

16 THEY BRAGGED ABOUT THE AFFLUENCE OF THE KIDS.  
17 MOST OF THEM WERE SUPPOSED TO BE VERY WELL OFF.

18 Q DID DAVID MAY BRAG TO YOU ABOUT THE AFFLUENCE  
19 OF THE KIDS?

20 A YES.

21 Q DID HE GIVE YOU ANY NAMES OF ANY PEOPLE?

22 A I REMEMBER -- LET'S SEE, WELL, CARY BREN OF  
23 BREN COMPANY. I DON'T KNOW --

24 Q HIS FATHER OWNS IRVINE COMPANY?

25 A YES.

26 THE COURT: PULL UP THE MICROPHONE.

27 THE WITNESS: AND SOMEONE WHO OWNED CHEMIN DE FER,  
28 ALEX GAON. THERE WERE SOME OTHER NAMES OF PEOPLE IN L.A.

1 THAT I NEVER HEARD OF BEFORE.

2 Q DID HE SAY WHAT THESE PEOPLE WERE DOING?

3 A THEY WERE ESSENTIALLY HAVING A CLUB. THEY WERE  
4 GETTING TOGETHER AND DISCUSSING INVESTMENTS. THEY WERE GOING  
5 TO START SOME NEW BUSINESSES.

6 JOE WAS BASICALLY THE PERSON THAT WAS ORGANIZING  
7 IT.

8 Q JOE, MEANING THE DEFENDANT IN THIS CASE, JOE  
9 HUNT?

10 A YES.

11 Q WHEN DAVE MAY TALKED TO YOU ABOUT THAT IN THE  
12 SPRING AND SUMMER OF 1983, DID HE APPEAR TO BE EXCITED ABOUT  
13 IT?

14 A YES.

15 Q DID HE TALK ABOUT IT A LOT?

16 A YES.

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1 Q DID HE EVER ASK YOU TO DO ANYTHING WITH RESPECT  
2 TO THE GROUP?

3 A HE THOUGHT IT WAS A GOOD OPPORTUNITY. HE THOUGHT  
4 I SHOULD GET INVOLVED WITH IT.

5 Q WHAT DID YOU DO IN THAT REGARD?

6 A WELL, I SAID I WOULD LIKE TO MEET THESE PEOPLE  
7 THAT HE WAS TALKING ABOUT, AND DAVE SET UP A MEETING WITH  
8 THEM.

9 Q WHEN YOU FIRST --

10 WHAT KIND OF A MEETING WAS IT THAT HE SET UP?

11 A IT WAS A SOCIAL MEETING AT A PARTY AT UCLA.

12 Q DO YOU REMEMBER WHEN THAT WAS?

13 A IT WAS AT THE END OF THE '83 SCHOOL YEAR AT UCLA.

14 Q SO IT WOULD BE AROUND THE BEGINNING OF JUNE?

15 A YES.

16 Q AND DID YOU MEET SOMEONE AT THAT PARTY?

17 A YES, I DID.

18 Q WHO DID YOU MEET?

19 A I MET JOE HUNT, BEN DOSTI AND DEAN KARNY.

20 Q WERE THEY TOGETHER AT THE TIME?

21 A YES.

22 Q AND DID YOU TALK TO JOE HUNT AT THAT TIME?

23 A YES, I DID.

24 Q WHAT DID YOU TALK ABOUT?

25 A JUST GENERAL BUSINESS AND JUST SOCIAL  
26 INTRODUCTIONS. NOTHING SPECIFIC.

27 Q AND DID HE TALK ABOUT THE BUSINESS THAT HE HAD?

28 MR. BARENS: JUST FOR THE RECORD, WE WOULD HAVE A )

1 CONTINUING HEARSAY OBJECTION.

2 THE COURT: YES.

3 MR. BARENS: THANK YOU, YOUR HONOR.

4 THE COURT: THESE ARE CONVERSATIONS WITH JOE HUNT.

5 MR. BARENS: I KNOW, BUT OUT OF AN ABUNDANCE OF CAUTION,  
6 I JUST WANTED TO MAKE A RECORD, YOUR HONOR.

7 THE COURT: VERY GOOD.

8 MR. BARENS: THANK YOU, YOUR HONOR.

9 MR. WAPNER: THIS OUT OF AN ABUNDANCE OF CAUTION STUFF  
10 IS CATCHING, JUDGE.

11 THE COURT: GO AHEAD.

12 Q BY MR. WAPNER: WHAT DID JOE HUNT TALK TO YOU  
13 ABOUT AT THE PARTY?

14 A I DON'T RECALL EXACTLY BUT IT WAS --  
15 I INQUIRED AS TO WHAT THEY WERE DOING. HE WAS  
16 JUST TALKING VAGUELY ABOUT HIS INVESTMENTS AND WHAT KIND OF  
17 IDEAS HE HAD AS FAR AS POOLING EVERYONE TOGETHER AND FORMING  
18 AN INVESTMENT GROUP.

19 Q WHEN YOU SAY "POOLING EVERYONE TOGETHER AND  
20 FORMING AN INVESTMENT GROUP" CAN YOU BE MORE SPECIFIC, IF  
21 YOU RECALL WHAT HE SAID IN THAT REGARD.

22 A I DON'T RECALL EXACTLY WHAT HE SAID. BUT THE  
23 IDEA WAS HIS RESOURCES, AS FAR AS HIS CONNECTIONS HE MADE  
24 THROUGH DAVE AND TOM AND OTHER KIDS THAT HE KNEW.

25 Q WHAT WAS HE GOING TO DO WITH THESE RESOURCES?

26 A INVEST IN COMPANIES, FORM NEW CORPORATIONS.

27 Q DID YOU TALK IN ANY SPECIFICS AT THAT TIME ABOUT  
28 ANYTHING?

1 A NO.

2 Q DID YOU SEE MR. HUNT AGAIN AFTER THAT?

3 A YES.

4 Q WHAT HAPPENED AFTER YOU FIRST MET HIM AT THE  
5 PARTY?

6 A I JUST WENT BACK. I LIVED IN NEWPORT, I JUST  
7 WENT BACK HOME.

8 Q THAT IS NEWPORT BEACH?

9 A NEWPORT BEACH, YES.

10 Q AND WHAT WAS YOUR NEXT CONNECTION WITH EITHER  
11 DAVE MAY OR MR. HUNT?

12 A I DON'T RECALL EXACTLY BUT OVER THE SUMMER, I  
13 MET THEM A FEW MORE TIMES AND I HAD SEEN --

14 Q MET WHO A FEW MORE TIMES?

15 A DAVE AND TOM AND THEN JOE ALSO, SOCIALLY, THOUGH.

16 Q SLOW DOWN A SECOND.

17 WHO IS TOM?

18 A TOM IS DAVE'S TWIN BROTHER, TOM MAY.

19 Q TOM AND DAVID ARE TWINS?

20 A YES.

21 Q AND WHERE WERE THEY LIVING AT THE TIME?

22 A THEY WERE LIVING IN L.A.

23 Q SO YOU SAW THEM A FEW MORE TIMES SOCIALLY OVER  
24 THE SUMMER?

25 A YES.

26 Q AND DID YOU SEE MR. HUNT AT THAT TIME?

27 A YES, I DID.

28 Q WHAT HAPPENED AS YOU CONTINUED TO SEE DAVE AND



1 TOM?

2 A WELL, THEY WOULD ALWAYS BE TALKING ABOUT BUSINESSES  
3 AND THE BBC IS WHAT THEY CALLED IT AT THAT TIME.

4 Q WHEN DID YOU FIRST HEAR THAT NAME?

5 A I BELIEVE TOM MAY TOLD IT TO ME.

6 Q AND OTHER THAN THE NAME BBC, DID YOU --  
7 WERE YOU TOLD WHAT THOSE INITIALS STOOD FOR?

8 A WHEN I ASKED, TOM SAID THEY HAD NO MEANING, THAT  
9 THAT WAS IT.

10 Q WHEN THEY TALKED ABOUT THE BUSINESSES, DID THEY  
11 TALK ABOUT THEM AS BEING PART OF THIS BBC?

12 A BBC WAS A MEANS TO FORM NEW BUSINESSES. IT WAS  
13 LIKE A CONGLOMERATE AND IT WOULD HAVE SPIN-OFF COMPANIES FROM  
14 IT.

15 Q WHO EXPLAINED THAT TO YOU?

16 A TOM.

17 Q TOM MAY?

18 A TOM MAY.

19 Q AND DID YOU AT SOME POINT GET INVOLVED WITH THE  
20 BBC?

21 A YES, I DID.

22 Q HOW DID THAT HAPPEN?

23 A WELL, I WOULD COME UP MORE FREQUENTLY AND I WOULD --  
24 TO L.A. -- AND THEY GOT OFFICES OVER ON 3RD STREET, THE  
25 BBC DID.

26 Q WHEN WAS THAT, THAT THE OFFICES WHEN YOU WERE --

27 A LATER IN THE SUMMER.

28 Q DID YOU GO OVER TO THE OFFICES?

1 A YES.

2 Q WERE YOU PART OF THE BBC AT THAT TIME?

3 A THERE WAS NOT AN OFFICIAL INITIATION.

4 IT WAS THAT I SPENT MORE TIME WITH THEM BUT I  
5 WAS CLOSE TO DAVE AND TOM, BUT I STILL DIDN'T FEEL COMFORTABLE  
6 AROUND OTHER MEMBERS OF THE BBC OR OTHER PARTICIPANTS.

7 Q DO YOU REMEMBER WHEN YOU WENT TO THE OFFICES FOR  
8 THE BBC?

9 A YES.

10 Q AND DO YOU REMEMBER WHAT YOU THOUGHT WHEN YOU  
11 WENT TO THE OFFICES FOR THE FIRST TIME?

12 A I WAS IMPRESSED. I MEAN THEY WERE REALLY NICE  
13 OFFICES THAT SUCH YOUNG KIDS COULD HAVE THOSE OFFICES, IT  
14 LOOKED LIKE THEY WERE DOING REALLY WELL.

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1 Q HOW OLD WERE DAVE AND TOM MAY AT THAT TIME?

2 A I BELIEVE 22 OR 23.

3 Q HOW OLD WERE YOU AT THAT TIME?

4 A 22.

5 Q AND THE OFFICE WAS ON THIRD STREET?

6 A YES.

7 Q AND THAT WAS THIRD STREET A LITTLE BIT EAST OF  
8 LA CIENEGA?

9 A CORRECT.

10 Q DID DAVE AND TOM EACH HAVE AN OFFICE?

11 A THEY SHARED ONE OFFICE.

12 Q DID YOU SEE JOE HUNT HAVE AN OFFICE THERE?

13 A YES.

14 Q WHAT DID THESE OFFICES -- WERE THEY NICELY  
15 FURNISHED WHEN YOU SAW THEM?

16 A WHEN I FIRST SAW THEM, THERE WAS NO FURNITURE  
17 IN THE BUILDING. THEY JUST ACQUIRED IT. BUT --

18 Q WHAT HAPPENED AFTER THAT?

19 A SOON AFTERWARDS, THEY ALL GOT REAL NICE FURNITURE  
20 IN THE OFFICES.

21 Q AND AT THAT TIME, DID YOU KNOW WHERE THE MONEY  
22 CAME FROM TO PURCHASE ALL THOSE THINGS?

23 A I WAS TOLD IT CAME FROM THE PROFITS FROM THE  
24 COMMODITIES MARKET.

25 Q WHO WAS DOING THE COMMODITIES TRADING, IF YOU  
26 KNOW?

27 A JOE HUNT AND BEN DOSTI.

28 Q WELL, WHEN YOU FIRST WENT TO THOSE OFFICES WERE

1 YOU VISITING AND SOCIALIZING OR DOING SOMETHING ELSE?

2 A VISITING AND SOCIALIZING AT FIRST.

3 Q WHAT HAPPENED AFTER THAT?

4 A THEY HAD A CONTRACT WITH GENE BROWNING FOR A  
5 MACHINE CALLED A CYCLATRON. I WANTED TO GET INVOLVED WITH  
6 THE DEVELOPMENT OF THAT.

7 Q WHO IS GENE BROWNING?

8 A HE IS AN INVENTOR OF THAT MACHINE.

9 Q GO AHEAD.

10 A WELL, JOE CONTRACTED TO BUILD THE MACHINE.

11 Q AND DID YOU AT SOME TIME LATER, FIND OUT WHAT  
12 A CYCLATRON WAS?

13 A YES.

14 Q WHEN YOU SAY YOU WANTED TO GET INVOLVED WITH  
15 THAT, HOW DID YOU FIRST FIND OUT ABOUT IT?

16 A THROUGH TOM MAY AGAIN.

17 Q AND WHEN WAS IT THAT YOU FOUND OUT ABOUT THAT?

18 A IN THE EARLY SUMMER.

19 Q AND TO WHOM DID YOU EXPRESS THIS INTEREST IN  
20 WANTING TO GET INVOLVED WITH THE CYCLATRON MACHINE?

21 A AT FIRST, TOM AND DAVE MAY.

22 Q WERE THEY PART OF THE BBC AT THAT TIME?

23 A YES.

24 Q AND AFTER YOU TOLD THEM THAT YOU WERE INTERESTED --  
25 WELL, DID YOU TELL THEM YOU WERE INTERESTED IN DOING --

26 A WELL, THEY WERE FORMING A NEW COMPANY. I DIDN'T  
27 KNOW EXACTLY WHAT I COULD DO BUT I WAS INTERESTED. I WANTED  
28 TO BE INVOLVED.

1 Q WHAT WAS IT THAT INTERESTED YOU ABOUT IT?

2 A JUST THE OPPORTUNITY TO START YOUR OWN BUSINESS,  
3 THE EXCITEMENT OF TRYING THAT.

4 Q AND WHAT PART DID YOU SEE YOURSELF PLAYING IN  
5 THE BUSINESS?

6 A I ENDED UP DOING THE PRODUCTION OF IT. WE BUILT  
7 A PROTOTYPE IN A WAREHOUSE. THAT IS WHAT I DID WITH THE  
8 MACHINE.

9 Q AND THAT IS HOW YOU ULTIMATELY GOT INVOLVED,  
10 RIGHT?

11 A YES.

12 Q AND IS THAT HOW YOU ENVISIONED IT WHEN YOU FIRST  
13 STARTED?

14 A I WAS NOT SURE AT THE TIME WHAT I WOULD BE DOING.

15 Q AFTER YOU FOUND OUT ABOUT THE CYCLATRON MACHINE,  
16 YOU TOLD DAVE AND TOM THAT YOU WERE INTERESTED IN THAT?

17 A YES.

18 Q WHAT HAPPENED AFTER THAT?

19 A WELL, THEY SAID THAT THEY WOULD DO THAT, THEY  
20 WOULD SEE IF I COULD GET INVOLVED.

21 THAT IS WHY I SPENT MORE TIME WITH JOE HUNT AND  
22 AFTER A WHILE, I STARTED WORKING WITH THIS MACHINE.

23 Q WHEN YOU SAY THAT YOU SPENT MORE TIME WITH JOE  
24 HUNT, CAN YOU ELABORATE ON THIS?

25 A WELL, I WOULD SPEND MORE TIME UP AT THE OFFICES.

26 Q WHAT WERE YOU DOING?

27 A AT FIRST, WE SPENT A LOT OF TIME ORGANIZING THINGS  
28 AND THEN I STARTED LOOKING FOR A PLANT SITE TO BUILD THE

1 MACHINE.

2 Q DID YOU MAKE SOME AGREEMENT WITH JOE HUNT ABOUT  
3 GETTING INVOLVED WITH THIS BUSINESS?

4 A THERE WAS ONE CONVERSATION WHERE WE HAD -- WE  
5 DIVIDED UP RESPONSIBILITIES AS FAR AS THIS COMPANY WOULD GO.

6 ONE PERSON WAS IN CHARGE OF THE MARKETING. ONE  
7 WAS IN FINANCE. DAVE AND MYSELF WERE IN CHARGE OF LOCATING  
8 THE SITE AND BUILDING THE PRODUCTION MODEL.

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1 Q THIS MEETING WHERE YOU DISCUSSED THAT, WAS THAT  
2 AT THE THIRD STREET OFFICE?

3 A YES.

4 Q WHO WAS AT THAT MEETING?

5 A I BELIEVE JOE HUNT, DAVE AND TOM MAY, MYSELF,  
6 DEAN KARNY AND MAYBE EVAN DICKER.

7 Q AND WHO CHAIRED -- WHO WAS RUNNING THAT MEETING?

8 A JOE HUNT.

9 Q ALL RIGHT. IN TERMS OF DIVIDING UP THE  
10 RESPONSIBILITY, WAS SOMEONE MAKING NOTES ABOUT HOW THAT WAS  
11 GOING TO BE DONE?

12 A I DON'T RECALL.

13 Q AND WHAT PART WERE YOU TO PLAY IN THIS, IN THE  
14 BUILDING AND DEVELOPMENT OF THE MACHINE?

15 A WE WERE IN CHARGE OF THE PRODUCTION. I DON'T  
16 KNOW WHAT ELSE YOU --

17 Q DID YOU HELP IN LOOKING FOR A PLACE TO BUILD  
18 THE MACHINE?

19 A YES.

20 Q WHAT DID YOU DO IN THAT REGARD?

21 A WE DROVE AROUND AND LOOKED AT REALTORS. WE WERE  
22 LOOKING FOR -- I TALKED TO GENE BROWNING FOR HIS REQUIREMENTS  
23 AND THEN WE TRIED TO FIND A BUILDING THAT COULD PROVIDE WHAT  
24 WE NEEDED.

25 Q AND DID YOU ULTIMATELY FIND ONE?

26 A I BELIEVE JOE HUNT'S FATHER WAS THE ONE THAT  
27 FOUND THE BUILDING THAT WE ENDED UP USING.

28 Q WHERE WAS THAT BUILDING?

1 A GARDENA.

2 Q AND DURING THE TIME THAT THIS WAS GOING ON, YOU  
3 WERE GETTING INVOLVED IN THIS BUSINESS, DID YOU SOCIALIZE  
4 WITH ANY OF THE PEOPLE IN THE BBC GROUP?

5 A YES.

6 Q DID YOU EVER BECOME A MEMBER OF THE BBC?

7 A NOT OFFICIALLY. BUT I WAS -- I DID HANG AROUND  
8 WITH THEM. I GUESS YOU COULD CALL ME THAT.

9 THERE WASN'T ANY CEREMONY OR ANYTHING LIKE THAT.

10 Q NO INITIATION OR ANYTHING LIKE THAT?

11 A CORRECT.

12 Q AND IS THERE ANY WAY THAT YOU CAN PUT ANY TIME  
13 FRAME ON WHEN YOU KIND OF BECAME A MEMBER OF THIS GROUP?

14 A IT WAS -- IT WAS KIND OF LIKE GETTING TO KNOW  
15 A PERSON. THE LONGER YOU ARE THERE, THE MORE YOU ARE INVOLVED  
16 WITH CERTAIN THINGS AND DECISION-MAKING. IT WAS NOT -- I  
17 DIDN'T FEEL COMFORTABLE WITH THEM UNTIL LATER, UNTIL THE  
18 BEGINNING OF THE NEW YEAR, PROBABLY JANUARY OR FEBRUARY.  
19 BUT I THINK I WAS INVOLVED PROBABLY BY SEPTEMBER AND SO FORTH.

20 Q DID YOU CONTINUE TO LIVE IN NEWPORT BEACH?

21 A I MOVED UP -- IN WITH DAVE AND TOM MAY LATER  
22 IN THE SUMMER.

23 Q OF '83?

24 A YES.

25 Q AND WHEN YOU MOVED IN WITH THEM, HOW FREQUENTLY  
26 WERE YOU GOING TO THE OFFICES ON THIRD STREET?

27 A ALMOST EVERY DAY.

28 Q DURING THE TIME THAT YOU WERE THERE, DID



1 JOE HUNT -- DID YOU EVER TALK WITH JOE HUNT ABOUT HIS  
2 PHILOSOPHY ABOUT HOW THE BUSINESS SHOULD BE ORGANIZED?

3 A VERY SELDOM. OCCASIONALLY.

4 Q AND DID HE EVER TALK ABOUT THE IDEA OF A BUNCH  
5 OF YOUNG MEN GETTING TOGETHER, ALL DOING THEIR INDIVIDUAL  
6 PART FOR THE BETTERMENT OF THE GROUP, SOMETHING LIKE THAT?

7 A YES. I THOUGHT THAT HE HAD A PAMPHLET. IT WAS  
8 A NOTEBOOK, A SEVEN-PAGE NOTEBOOK THAT OUTLINED THE  
9 ORGANIZATION THAT HE WAS TRYING TO ACHIEVE.

10 Q WHEN DID YOU SEE THAT?

11 A I THINK IT WAS LATER IN THE SUMMER.

12 Q AND WHO SHOWED THAT TO YOU?

13 A IT WAS FIRST SHOWN TO ME BY TOM MAY.

14 Q DID YOU EVER SEE THAT AGAIN? WERE YOU EVER SHOWN  
15 IT AGAIN BY ANYBODY ELSE?

16 A I SAW IT A COUPLE OF TIMES BUT I DON'T REMEMBER  
17 ANYTHING SPECIFIC ABOUT IT.

18 Q DID THAT PURPORT TO BE AN ORGANIZATIONAL CHART,  
19 SO TO SPEAK, OF HOW THE BBC WAS TO BE FORMED?

20 A THAT IS WHAT IT WAS SUPPOSED TO BE.

21 MR. BARENS: YOUR HONOR, COULD WE APPROACH THE BENCH  
22 AT THIS POINT?

23 THE COURT: YES.

24

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1 (THE FOLLOWING PROCEEDINGS WERE HELD  
2 AT THE BENCH:)

3 THE COURT: YES?

4 MR. BARENS: IF I MIGHT DEFER TO MR. CHIER ON THIS POINT,  
5 YOUR HONOR.

6 THE COURT: ALL RIGHT.

7 MR. BARENS: THANK YOU, YOUR HONOR.

8 MR. CHIER: AN OBJECTION IS MADE TO THE INTRODUCTION  
9 OF THIS EVIDENCE ON THE GROUND THAT IT IS IRRELEVANT. THAT  
10 IT IS NOT PROBATIVE OF ANY ISSUE MATERIAL TO THIS CASE. THAT  
11 IT DOES NOT PROVE EITHER THE DEFENDANT'S INTENT TO KILL OR  
12 ANY OTHER ISSUE IN THIS CASE.

13 IT IS THINLY DISGUISED CHARACTER EVIDENCE THAT  
14 IS BEING OFFERED IN VIOLATION OF SECTION 1100 OF THE EVIDENCE  
15 CODE.

16 THE COURT: ALL RIGHT. LET ME LOOK AT IT.

17 MR. BARENS: HERE IT IS, YOUR HONOR.

18 (DOCUMENT HANDED TO THE COURT BY  
19 MR. BARENS.)

20 (UNREPORTED COLLOQUY BETWEEN DEFENSE  
21 COUNSEL.)

22 MR. CHIER: YOUR HONOR, MAY I --

23 THE COURT: GO AHEAD.

24 MR. CHIER: THESE PAPERS IN THE AGGREGATE GO INTO  
25 MATTERS OF PERSONAL PHILOSOPHY AND OTHER MATTERS WHICH ARE  
26 NOT PROBATIVE OF THE DEFENDANT'S SPECIFIC INTENT TO KILL.  
27 UNDER SECTION 1100 OF THE EVIDENCE CODE AND THEN AGAIN UNDER  
28 SECTION 352 OF THE EVIDENCE CODE, WE WOULD OBJECT ON THE GROUND

1 IT IS, FIRST OF ALL, NOT RELEVANT. IT IS CHARACTER EVIDENCE  
2 ESSENTIALLY AND THAT ITS PROBATIVE VALUE IS OUTWEIGHED --  
3 ITS PROBATIVE VALUE, IF ANY, IS OUTWEIGHED BY ITS PREJUDICIAL  
4 AND TIME-CONSUMING EFFECT IN THIS CASE.

5 THE COURT: YES?

6 MR. WAPNER: YOUR HONOR, THERE IS GOING TO BE LOTS OF  
7 TESTIMONY IN THIS CASE AS TO HOW THE --

8 THE COURT: PARDON ME. ON THE VOIR DIRE OF THE JURY,  
9 WASN'T THERE A GREAT DEAL OF QUESTIONING THAT YOU DID ABOUT  
10 THE PARADOX PHILOSOPHY AND ASKED THE PROSPECTIVE JURORS WHETHER  
11 THEY KNOW ANYTHING ABOUT THE PARADOX PHILOSOPHY, AND THIS  
12 IS WHAT THIS IS.

13 MR. BARENS: YOUR HONOR, I CERTAINLY, BY ASKING QUESTIONS  
14 ON VOIR DIRE, WAS NOT STIPULATING AS TO THE RELEVANCY OR  
15 ADMISSIBILITY OF EVIDENCE.

16 MR. WAPNER: YOUR HONOR, I THINK THAT PROBABLY THIS  
17 CAN EVENTUALLY COME IN AS AN ADMISSION OF THE DEFENDANT BECAUSE  
18 IT WAS A STATEMENT BY HIM.

19 IT MAY NOT COME IN AS AN ADMISSION BY THE  
20 TESTIMONY OF THIS WITNESS AND I CAN PROBABLY HOLD OFF AND  
21 DO THAT LATER.

22 THE COURT: WELL, THE PURPOSE OF THE ORGANIZATION IS  
23 RELEVANT IN THIS CASE, ISN'T IT?

24 MR. WAPNER: WELL, THAT IS THE SECOND THING THAT I AM  
25 GETTING TO.

26 THE COURT: I WILL OVERRULE THE OBJECTION.

27 MR. BARENS: YOUR HONOR, WHILE WE ARE HERE ANYHOW, DID  
28 YOUR HONOR WANT TO CAUSE THOSE COPIES OF THE SEVEN PAGES TO

1 BE PICKED UP AFTER THE BREAK?

2 THE COURT: WELL, THEY HAVE ALL HAD IT, THEY HAVE BEEN  
3 LOOKING AT IT, WHAT DIFFERENCE DOES IT MAKE?

4 MR. BARENS: WELL, YOU ARE GOING TO PICK THEM UP  
5 SOMETIME BEFORE THE END OF THE DAY? YOU DON'T WANT THEM TO  
6 TAKE THEM HOME, DO YOU?

7 THE COURT: NO, THEY ARE TO BE LEFT HERE.

8 MR. BARENS: I DON'T KNOW HOW ELSE YOU WILL GET THEM  
9 UNLESS YOU TAKE THEM.

10 THE COURT: NO, NO, THEY ARE IN THE NOTEBOOKS AND THAT  
11 IS PART OF THE NOTEBOOKS AND THEY ARE NOT ALLOWED TO TAKE  
12 THEM HOME.

13 MR. BARENS: YOUR HONOR, WE HAVE ONE OTHER THING. WE  
14 HAVE A RATHER PREGNANT COPY OF ONE OF THE PAGES LEANING UP  
15 AGAINST THE NOTEBOARD AT THE END THERE.

16 THE COURT: WE WILL REMOVE THAT.

17 MR. BARENS: COULD YOU REMOVE THAT?

18 THE COURT: YES.

19 MR. WAPNER: THAT IS NOT A PROBLEM.

20 THE COURT: THE OBJECTION TO THIS DOCUMENT IS OVERRULED.

21 MR. BARENS: YOUR HONOR, I WOULD LIKE TO REQUEST TO  
22 THE COURT THAT I BE ABLE TO DO MY CROSS-EXAMINATION ON THIS  
23 WITNESS TOMORROW. I DON'T KNOW HOW LONG FRED IS GOING TO  
24 BE AT THIS POINT BUT I WOULD APPRECIATE THAT.

25 THE COURT: HOW LONG WILL YOU HAVE WITH THIS WITNESS?

26 MR. WAPNER: I DON'T -- I DON'T THINK THAT -- I DON'T  
27 KNOW FOR SURE, TO TELL YOU THE TRUTH.

28 THE COURT: UP TO THIS POINT, I DON'T KNOW THAT THERE

1 IS VERY MUCH HE HAS BEEN SAYING THAT HE KNEW THAT YOU NEED  
2 TO CROSS-EXAMINE HIM ABOUT.

3 MR. BARENS: HE WILL TALK ABOUT THE 6-24 MEETING.

4 THE COURT: WELL, IF HE IS GOING TO TALK ABOUT THAT  
5 MEETING THEN YOU CAN ASK HIM --

6 MR. BARENS: MAY WE DEFER THAT UNTIL TOMORROW?

7 THE COURT: OH, YES.

8 WAS HE PRESENT AT THAT MEETING?

9 MR. WAPNER: YES.

10 THE COURT: WELL, GO AS FAR AS YOU CAN BUT YOU WON'T  
11 HAVE ANY CROSS-EXAMINATION OF THIS WITNESS TODAY.

12 MR. BARENS: THANK YOU, YOUR HONOR.

13 THE COURT: ALL RIGHT, AND THAT WILL BE MARKED FOR  
14 IDENTIFICATION.

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9A-1

1 (THE FOLLOWING PROCEEDINGS WERE HELD  
2 IN OPEN COURT:)

3 MR. WAPNER: YOUR HONOR, I HAVE A DOCUMENT THAT IS  
4 ENTITLED "OBJECTIVES OF THE BBC"; MAY IT BE MARKED AS  
5 PEOPLE'S 182 FOR IDENTIFICATION?

6 THE COURT: IT WILL BE SO MARKED.

7 Q BY MR. WAPNER: MR. RAYMOND, SHOWING YOU 182 FOR  
8 IDENTIFICATION, DO YOU RECOGNIZE THAT?

9 A IT LOOKS FAMILIAR.

10 Q WHAT DOES IT APPEAR TO BE?

11 A THE DOCUMENT I WAS TALKING ABOUT EARLIER.

12 Q AND DOES THE FIRST PAGE OF THAT DOCUMENT SAY  
13 "OBJECTIVES OF THE BBC"?

14 A YES, IT DOES.

15 Q AND THAT WAS GIVEN TO YOU OR SHOWN TO YOU  
16 INITIALLY BY TOM MAY?

17 A YES.

18 Q AND WHERE DID HE SHOW THAT TO YOU?

19 A AT THE 3RD STREET OFFICES.

20 Q AT THE TIME WHEN YOU FIRST -- WHEN YOU KNEW DAVE  
21 AND TOM MAY, THAT WAS BEFORE YOU GOT INVOLVED IN THE BBC;  
22 IS THAT RIGHT?

23 A YES.

24 Q AND WERE THEY VERY CLOSE, THE TWO OF THEM?

25 A YES.

26 WELL, THEY HAD -- WELL, I MEAN SOMETIMES THEY  
27 WEREN'T, THEY GOT IN FIGHTS, THEY ARE BROTHERS AND THEY FOUGHT.  
28 BUT THEY ARE VERY CLOSE BASICALLY.

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1 THE COURT: THEY WERE TWINS, WEREN'T THEY?

2 THE WITNESS: YES.

3 THE COURT: BY THE WAY, DO YOU KNOW WHO THEIR FATHER  
4 WAS OR IS?

5 THE WITNESS: THEIR REAL FATHER?

6 THE COURT: TOM?

7 THE WITNESS: YOU MEAN --

8 THE COURT: THEY WERE ADOPTED, WEREN'T THEY?

9 THE WITNESS: YES.

10 THE COURT: BY WHOM?

11 THE WITNESS: DAVE MAY.

12 MR. WAPNER: I DON'T KNOW IF THE JURORS ALL COULD HEAR  
13 THAT, YOUR HONOR.

14 Q THEY WERE ADOPTED BY DAVE MAY?

15 A YES.

16 Q THAT IS SENIOR?

17 A YES.

18 Q AND WHO IS HE?

19 A WHO IS HE?

20 Q IS HE CONNECTED TO THE MAY COMPANY BUSINESS?

21 A YES, HE IS.

22 Q AND THIS DOCUMENT THAT YOU WERE SHOWN IN TERMS  
23 OF THE OBJECTIVES OF THE BBC, DOES IT TALK AT ALL IN THERE  
24 ABOUT THE GENERAL PHILOSOPHY OF THE GROUP?

25 WHAT DOES THE FIRST PAGE SAY?

26 A THE OBJECTIVES OF THE BBC AND IT GOES ON:  
27 "OVERALL OBJECTIVE OF THE BBC IS TO BROADEN THE EXTENT AND  
28 TYPE OF CHOICES AVAILABLE TO ITS MEMBERS."

1 Q OKAY. HOLD ON FOR ONE SECOND. YOU HAVE GOT  
2 TO SLOW DOWN. YOU HAVE GOT TO TALK LOUDER. OKAY.

3 A ALL RIGHT. SHALL I GO ON?

4 Q START AGAIN.

5 A START AGAIN?

6 "THE OVERALL OBJECTIVE OF THE BBC IS  
7 TO BROADEN THE EXTENT AND THE TYPE OF CHOICES  
8 AVAILABLE TO ITS MEMBERS. TO THIS END, THE BBC'S  
9 ANCILLARY OBJECTIVES ARE: ONE, TO PROVIDE A SOCIAL  
10 CONTEXT TO CREATE A NETWORK OF INDIVIDUALS BOUND  
11 TOGETHER BY A COMMON GOAL UNDER OUR PARADOX  
12 PHILOSOPHY.

13 "TWO, TO PROVIDE AN ENVIRONMENT AND  
14 MACHINERY NECESSARY TO TRANSLATE THE IDEAS OF  
15 ITS MEMBERS INTO REALITY SO THAT THE SUBSTANTIAL  
16 BARRIER TO ENTERPRISES OF GREAT PITCH AND MOMENT,  
17 IS THEIR CONCEPTION AND NOT THE ACQUISITION OF  
18 THE MEANS OF IMPLEMENTATION."

19 Q DO YOU KNOW WHO WROTE THAT?

20 A JOE HUNT.

21 Q AND DID HE EVER DISCUSS WITH YOU, MAYBE NOT IN  
22 THOSE EXACT WORDS, THE GENERAL PHILOSOPHY OF THE GROUP, THE  
23 BBC?

24 A MY UNDERSTANDING OF IT WAS THAT THE BBC WAS TO  
25 PUT TOGETHER RESOURCES SUCH AS --

26 MR. BARENS: WE HAVE AN OBJECTION AS TO OPINION  
27 EVIDENCE BEING IRRELEVANT AT THIS TIME.

28 THE COURT: THIS IS WHAT YOU WERE TOLD BY JOE HUNT?



1 THE WITNESS: YES.

2 THE COURT: ALL RIGHT. YOU GO AHEAD.

3 Q BY MR. WAPNER: WHAT WAS IT THAT YOU WERE TOLD?

4 A THAT THE BBC COULD PROVIDE LEGAL SERVICES,  
5 ACCOUNTING SERVICE AND FINANCES AND THAT WE WOULD JUST BRING  
6 OUR IDEAS THERE AND DEPENDING UPON THEIR MERIT, WE COULD  
7 START -- THEY WOULD FINANCE IT AND GIVE US THE LEGAL ADVICE  
8 AND WE COULD START A COMPANY AND PROCEED ALONG THOSE LINES.

9 Q AND WAS IT IN THAT CONTEXT THAT YOU GOT INVOLVED  
10 WITH THIS BUSINESS THAT WAS GOING TO DEVELOP GENE BROWNING'S  
11 INVENTION?

12 A YES, IT WAS.

13 Q AND DID JOE HUNT EVER TALK TO YOU -- IT MENTIONS  
14 IN THAT INTRODUCTORY PARAGRAPH, PEOPLE BOUND TOGETHER BY  
15 PARADOX PHILOSOPHY. IS THAT RIGHT?

16 A IT SAYS "OF AN UNDERSTANDING OF PARADOX  
17 PHILOSOPHY."

18 A AT THE TIME THAT YOU FIRST GOT INVOLVED IN THIS,  
19 DID YOU EVER TALK TO JOE HUNT ABOUT PARADOX PHILOSOPHY?

20 A NO.

21 Q DID THAT COME ABOUT AT SOME LATER POINT?

22 A THERE WAS NO CLEAR PARADOX PHILOSOPHY. HE WOULD  
23 BRING UP THE DIFFERENT POINTS OR ISSUES AS TIME PROGRESSED.

24 BUT THERE WAS NO COHESIVE PARADOX PHILOSOPHY  
25 EVER WRITTEN DOWN OR ANYTHING LIKE THAT.

26 Q ALL RIGHT. WELL, I WILL COME BACK TO THAT IN  
27 A LITTLE WHILE. WERE THERE LEADERS OF THE BBC GROUP?

28 A ARE YOU REFERRING TO THE SHADINGS?

1 Q WELL, DID THE BBC HAVE SOMEBODY CALLED -- PEOPLE  
2 CALLED SHADINGS?

3 A IN HERE, THEY TALKED ABOUT SHADINGS WHO WERE  
4 SUPPOSED TO KNOW PARADOX PHILOSOPHY.  
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1 Q WERE THERE PEOPLE IN THE GROUP WHO WERE REFERRED  
2 TO AS SHADINGS?

3 A YES.

4 Q WHO WERE THEY?

5 A JOE HUNT, BEN DOSTI AND DEAN KARNY.

6 Q WHAT WAS A SHADING?

7 A WELL ESSENTIALLY, IT WAS ONE WHO KNEW PARADOX  
8 PHILOSOPHY, WHICH NO ONE ELSE KNEW WHAT THAT WAS. BUT IT  
9 WAS THE ONES WHO OWNED THE COMPANY. THEY HAD LEGAL TITLE  
10 TO THE BBC.

11 Q DO YOU KNOW WHERE THAT TERM "SHADINGS" CAME FROM?

12 A JOE HUNT.

13 Q DO YOU KNOW WHAT IT REFERRED TO OR WHAT IT WAS  
14 DERIVED FROM?

15 A THERE WAS A QUOTE THAT HE USED FREQUENTLY WHICH  
16 WAS, "BLACK IS WHITE AND WHITE IS BLACK AND ALL THE SHADINGS  
17 IN BETWEEN."

18 THAT WAS SUPPOSED TO BE THE BASIS OF PARADOX  
19 PHILOSOPHY.

20 Q AND SO THE TERM "SHADING" WAS TAKEN FROM THAT  
21 QUOTATION?

22 A I BELIEVE SO.

23 Q AND IN PRACTICE, DID PEOPLE WHO WERE REFERRED  
24 TO AS SHADINGS TRANSLATE INTO THE PEOPLE WHO WERE IN A SENSE  
25 THE LEADERS OF THIS GROUP?

26 A YES.

27 Q WHEN YOU FIRST MET JOE HUNT AT THE PARTY, DEAN  
28 KARNY AND BEN DOSTI WERE THERE, IS THAT RIGHT?

1 A YES.

2 Q AND AS YOU CONTINUED TO KNOW AND SOCIALIZE WITH  
3 THIS GROUP OVER THE SUMMER OF 1983, DID YOU SEE DEAN KARNY  
4 AND BEN DOSTI?

5 A YES.

6 Q ALL RIGHT. WHAT WAS THEIR ROLE OR POSITION IN  
7 RELATION TO JOE HUNT?

8 A DEAN SEEMED TO BE VERY MUCH ATTACHED TO JOE  
9 EMOTIONALLY. EVERYTHING JOE WOULD SAY, DEAN WOULD REPEAT  
10 IT. HE SOUNDED LIKE A MINIATURE JOE HUNT.

11 AND BEN WAS MORE IN THE BUSINESS. BEN WOULD  
12 ALWAYS TALK ABOUT BUSINESS.

13 Q DID THE THREE OF THEM APPEAR TO BE IN CHARGE  
14 OF THE GROUP?

15 A YES.

16 Q BEFORE YOU GOT THE WAREHOUSE IN GARDENA, DID  
17 YOU WORK OUT OF THE OFFICES ON THIRD STREET?

18 A WE WEREN'T VERY PRODUCTIVE UNTIL THAT TIME.  
19 THERE WASN'T MUCH ACTUAL WORK GOING ON. AT LEAST I WAS NOT,  
20 OTHER PEOPLE WERE DOING OTHER THINGS.

21 Q WHAT DID YOU DO AFTER YOU GOT THE WAREHOUSE IN  
22 GARDENA?

23 A WE SPENT ALL OUR TIME BUILDING A CYCLATRON.

24 Q ALL RIGHT. AND WHAT WAS THE CYCLATRON?

25 A IT WAS INVENTED BY GENE BROWNING. IT WAS A  
26 GRINDING MACHINE THAT WAS TO TAKE ORE AND GRIND IT DOWN TO  
27 A VERY FINE SIZE.

28 Q AND WHAT WAS THE PURPOSE OF THAT?

1 A IT WAS USED FOR MINING AND FOR PURIFYING ORE.

2 Q AND DURING THE TIME THAT YOU WORKED THERE, HOW  
3 MANY MACHINES DID YOU ACTUALLY BUILD?

4 A WE ATTEMPTED TO BUILD THREE. WE ONLY FINISHED  
5 ONE.

6 Q AND OF THE ENTIRE TIME THAT YOU WORKED THERE,  
7 HOW MUCH TIME -- HOW MANY DAYS, MINUTES OR HOURS DID THIS  
8 ONE MACHINE THAT YOU BUILT ACTUALLY OPERATE?

9 A TWO HOURS OR THREE HOURS.

10 Q OVER WHAT PERIOD OF TIME FRAME ARE WE TALKING  
11 ABOUT?

12 A IT WAS FINISHED IN MAY. AND IT WAS TESTED.  
13 RIGHT AFTER IT WAS TESTED IT WAS SENT OUT TO ARIZONA. SO  
14 THAT IS SOMETIME IN MAY. IT RAN FOR A FEW HOURS IN THE  
15 WAREHOUSE.

16 Q WAS THAT THE ONLY TIME IT RAN AS FAR AS YOU KNOW?

17 A YES.

18 Q AND WHEN YOU WERE WORKING IN THE WAREHOUSE IN  
19 GARDENA, DID YOU SPEND MOST OF YOUR TIME DOWN THERE?

20 A YES.

21 Q DID YOU CONTINUE TO LIVE WITH TOM MAY AND DAVE  
22 MAY?

23 A UNTIL FEBRUARY OF '84.

24 Q WHERE DID YOU MOVE THEN?

25 A THE WILSHIRE MANNING.

26 Q WHAT IS THE WILSHIRE MANNING?

27 A IT IS AN APARTMENT BUILDING ON THE CORNER OF  
28 WILSHIRE AND MANNING.

1 Q AND DID YOU MOVE INTO ONE OF THE UNITS IN THAT  
2 BUILDING?

3 A YES.

4 Q WHO DID YOU MOVE IN WITH?

5 A IT WAS JOE HUNT'S APARTMENT AND DEAN KARNY LIVED  
6 THERE.

7 Q NOW MANY BEDROOMS DID IT HAVE?

8 A THREE.

9 Q HOW BIG WAS IT?

10 A IT WAS VERY LARGE. I THINK IT WAS 2,000 SQUARE  
11 FEET OR SOMETHING LIKE THAT.

12 Q DID EACH BEDROOM HAVE ITS OWN BATHROOM?

13 A YES.  
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1 Q DO YOU KNOW HOW MUCH IT COST OVERTIME TO BUILD  
2 THE ONE CYCLATRON THAT YOU BUILT?

3 A WE SPENT ABOUT \$50,000 ON MATERIALS AND PARTS.

4 Q DID YOU SIGN THE CHECKS TO BUY THOSE?

5 A DAVE AND I DID MOST OF THEM.

6 Q DO YOU KNOW WHERE THE MONEY CAME FROM TO GO INTO  
7 THE ACCOUNT TO SIGN THE CHECKS?

8 A WHEN WE NEEDED MONEY, WE WOULD SUBMIT A BUDGET  
9 TO THE OFFICES ON 3RD STREET AND IF IT WAS APPROVED, THEN  
10 EITHER BEN DOSTI OR JOE HUNT WOULD TRANSFER MONEY INTO THE  
11 CYCLATRON ACCOUNT.

12 Q DO YOU KNOW WHERE THEY GOT THE MONEY FROM?

13 A I WAS UNDER THE IMPRESSION THE MONEY CAME FROM  
14 PROFITS FROM THE COMMODITIES MARKET, TRADING.

15 Q WHEN YOU WERE WORKING THERE, DID YOU GET PAID?

16 A NO.

17 Q HOW DID YOU SUSTAIN YOURSELF?

18 A MY -- I DIDN'T PAY RENT. I WAS LIVING FOR FREE  
19 FOR RENT AND I GOT MONEY FROM MY PARENTS OR SOMETIMES, JOE  
20 WOULD GIVE US SOME MONEY.

21 Q CAN YOU EXPLAIN WHAT YOU MEAN WHEN YOU SAY  
22 "SOMETIMES JOE WOULD GIVE US SOME MONEY"?

23 A WELL, JOE USUALLY HAD A LOT OF MONEY IN HIS  
24 WALLET WHEN HE WOULD GO OUT AND HE WOULD GIVE OUT A HUNDRED-  
25 DOLLAR BILL OR SO TO SOMEONE.

26 Q WHAT DO YOU MEAN WHEN YOU SAY HE USUALLY HAD A  
27 LOT OF MONEY IN HIS WALLET?

28 A I MEAN EVERY TIME I SAW HIM, HE HAD HUNDREDS OF

1 DOLLARS IN HIS WALLET.

2 Q EVERY TIME THAT YOU SAW HIM?

3 A I WOULD SAY 90 PERCENT.

4 Q DID YOU PAY RENT AT THE WILSHIRE MANNING?

5 A NO.

6 Q DID THE BBC HAVE JUST THAT ONE APARTMENT AT THE  
7 WILSHIRE MANNING?

8 A BEN DOSTI RENTED ONE BELOW, TWO FLOORS DOWN OR  
9 ONE FLOOR DOWN.

10 Q HOW MANY PEOPLE LIVED DOWN THERE BESIDES BEN  
11 DOSTI?

12 A ONE OTHER, STEVE, I DON'T RECALL STEVE'S -- I  
13 CAN'T RECALL HIS LAST NAME.

14 Q LOPEZ?

15 A YES, THAT'S RIGHT.

16 Q AND YOU MOVED INTO THE WILSHIRE MANNING IN  
17 FEBRUARY?

18 A YES.

19 Q DO YOU RECALL WHEN IT WAS THAT JOE HUNT MOVED  
20 IN THERE?

21 A NO, I DON'T.

22 Q WAS IT BEFORE YOU?

23 A YES.

24 Q AND DURING THE TIME WHEN -- IN THE SUMMER OF 1983  
25 WHEN YOU WERE IN AND OUT OF THE OFFICES ON 3RD STREET, DID  
26 JOE HUNT EVER TALK TO YOU ABOUT COMMODITIES OR TALK TO YOU  
27 ABOUT TRADING COMMODITIES?

28 A YES, HE DID.



1 Q DID HE EVER MENTION ANYTHING TO YOU ABOUT A  
2 PERSON NAMED RON LEVIN?

3 A YES, HE DID.

4 Q AND WHAT DID HE SAY?

5 A THE FIRST TIME I HEARD RON LEVIN'S NAME WAS WHEN  
6 JOE WAS TALKING ABOUT AN INVESTOR HE WANTED -- A WEALTHY  
7 PERSON HE WANTED TO INVEST IN THE MARKET AND HE WAS TRYING  
8 TO PERSUADE RON LEVIN TO INVEST MONEY WITH HIM.

9 Q AND WHAT DID HE SAY IN THAT REGARD?

10 DID HE TELL YOU WHO RON LEVIN WAS?

11 A I WAS -- AT FIRST, HE WAS EXTREMELY WEALTHY.  
12 LATER ON I WAS TOLD THAT HE WAS THE HEIR TO THE THRIFTY  
13 FAMILY.

14 Q WHO TOLD YOU THAT?

15 A JOE HUNT.

16 Q THAT WOULD BE THRIFTY DRUG STORE?

17 A YES.

18 Q DO YOU REMEMBER WHEN HE TOLD YOU THAT?

19 A NOT EXACTLY, NO.

20 Q AND DID JOE HUNT TELL YOU THAT HE WAS DOING  
21 ANYTHING IN TERMS OF TRADING COMMODITIES FOR --

22 A FOR RON LEVIN?

23 Q FOR RON LEVIN, YES.

24 Q YES, HE DID.

25 Q WHAT DID HE SAY?

26 A WELL, AFTER TIME, HE CONVINCED RON LEVIN TO  
27 INVEST, I THINK, SIX OR SEVEN MILLION DOLLARS WITH HIM.

28 Q AND DID JOE HUNT TELL YOU WHAT THE UNDERSTANDING

1-4

1 WAS IN TERMS OF HOW THE PROFITS WOULD BE SHARED, IF THERE  
2 WERE ANY PROFITS?

3 A ON ALL COMMODITIES INVESTMENTS, JOE WAS TO  
4 RECEIVE 50 PERCENT OF THE PROFIT.

5 Q WHEN YOU SAY ALL COMMODITY INVESTMENTS, THAT HAS  
6 TO DO WITH OTHER INVESTORS ALSO?

7 A HE WAS INVESTING DAVE AND TOM'S MONEY AT THE TIME  
8 AND SOME OTHER INVESTORS I DIDN'T KNOW.

9 Q TOM AND DAVE MAY INVESTED MONEY WITH HIM?

10 A YES.

11 Q DID YOU SEE PEOPLE COMING TO THE OFFICES ON 3RD  
12 STREET TO INVEST MONEY DURING THAT TIME?

13 A NOT THAT I RECALL.

14 Q HOW OFTEN WERE YOU AT THE 3RD STREET OFFICES DURING  
15 THE SUMMER OF 1983?

16 A I WOULD SAY I WAS THERE ABOUT HALF OF THE TIME.

17 MR. WAPNER: YOUR HONOR, MAY WE APPROACH THE BENCH  
18 BRIEFLY?

19 THE COURT: YES.

20 (THE FOLLOWING PROCEEDINGS WERE HELD

21 AT THE BENCH:)

22 MR. WAPNER: CAN I ASK YOU IF WE CAN JUST BREAK AT THIS  
23 TIME? THERE ARE SOME THINGS I WANT TO DISCUSS WITH THIS  
24 WITNESS. I KNOW WE HAVE GOT ANOTHER TEN MINUTES BUT IF IT  
25 IS ALL RIGHT WITH THE COURT, I WOULD APPRECIATE THAT.

26 THE COURT: THAT IS ALL RIGHT. ANY OBJECTION?

27 MR. BARENS: ACTUALLY, YOUR HONOR, I WANTED TO GO HOME  
28 WHEN HE BROUGHT UP THE SEVEN PAGES. THANK YOU, YOUR HONOR.

1 (THE FOLLOWING PROCEEDINGS WERE HELD  
2 IN OPEN COURT:)

3 THE COURT: LADIES AND GENTLEMEN OF THE JURY, I THINK  
4 ALTHOUGH NORMALLY WE ADJOURN AT 4:30, THERE ARE SOME THINGS  
5 THAT HAVE TO BE TAKEN UP OUTSIDE OF THE PRESENCE OF THE JURY  
6 SO I WILL ASK YOU TO COME BACK TOMORROW MORNING AT THE USUAL  
7 TIME OF 10:30 IN THE JURY ASSEMBLY ROOM AND WHEN WE ARE READY  
8 FOR YOU, WE WILL ASK YOU TO COME IN.

9 GOOD NIGHT. AND THE SAME ADMONITION I GAVE YOU  
10 WOULD STILL APPLY.

11 (AT 4:20 P.M. AN ADJOURNMENT WAS TAKEN  
12 UNTIL THURSDAY, FEBRUARY 19, 1987, AT  
13 10:30 A.M.)  
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