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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF FLORIDA
GAINESVILLE DIVISION

THE UNITED STATES OF AMERICA,

Plaintiff,

vs.

Docket No. 94CR1009MMP

Gainesville, Florida
May 3, 2000
9:00 a.m.

JOHN KNOCK and
ALBERT MADRID,

Defendants.

VOLUME 2

Second?

TRANSCRIPT OF FIRST DAY OF JURY TRIAL
WHEN HEARD BEFORE THE HONORABLE SENIOR UNITED STATES
DISTRICT COURT JUDGE MAURICE M. PAUL, AND A JURY.

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1 APPEARANCES: (Continued.)

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1 THE COURT: Be seated, folks.

2 My law clerk said you all wanted to see me.

3 MR. KENNEDY: May I first introduce my law associate,
4 Robert Rionda.

5 MR. RIONDA: Good morning.

6 MR. KENNEDY: He has met the other colleagues. I
7 have a very brief matter, and then Mr. Daar has a matter.

8 Now that the evidence is about to be presented, they
9 will be bringing in evidence under the conspiracy hearsay
10 exception. I don't want to interfere with that, the flow of
11 their presentation.

Cocoonspirafor heavy obj.

12 So I would like from the Court, at the moment you
13 think it appropriate, to give the jury an instruction that this
14 evidence is coming in subject to being tied up with proof of
15 the existence of a conspiracy, and he's actually in it. If we
16 could have also have a standing objection to that, I think that
17 will facilitate the record and facilitate the presentations.

18 MR. DAAR: We would join in that request on behalf of
19 Mr. Madrid, Your Honor.

20 THE COURT: Government,

21 MR. HANKINSON: Judge, I don't have any problem if
22 the Court thinks it is appropriate to instruct them of that. I
23 don't know whether there is a standard instruction for that.

24 I do object to a standing objection. It makes it
25 impossible on appeal to sort out what was objected to, what was

1 not objected to. I think it's appropriate to make a timely
2 objection.

3 THE COURT: Yeah.

4 It's not my practice to advise the jury of, you know,
5 that it's all being received subject to being tied up. If you
6 don't think it's tied up, you make a motion. And if I don't
7 think it is tied up, you know, then you are going to get a
8 directed verdict or we'll strike it.

9 MR. KENNEDY: That is fair enough, Judge.

10 What I didn't want is the appearance of having to
11 object to every question --

12 THE COURT: I hear that.

13 MR. KENNEDY: -- on a matter that we all understand.

14 THE COURT: Also if there is -- we understand the
15 theory that it's coming under. But the government is right in
16 one respect. If -- it's hard on -- to set issues on appeal if
17 you don't know what is really being objected to. And so, you
18 know, if you have an objection just state it. There won't be
19 any argument. I don't like arguments on the objections. I
20 generally rule without argument from either side.

21 MR. KENNEDY: Understood.

22 THE COURT: If it becomes a problem just -- just let
23 us know and we'll take care of it.

24 MR. KENNEDY: Will do. Thank you, Your Honor.

25 THE COURT: Yeah, I got a note from the jury this

1 morning. I'll just read it to you.

2 It has to do with some exhibit Mr. Hankinson says:
3 Can we have a copy of Exhibit 2, the one with all of the names,
4 or will there be time during the proceeding to write it down as
5 we try to keep all of the names in perspective. That is what
6 it says. I'm not going to do anything you all just figure it
7 out.

8 File this please, ma'am.

9 I was wondering also, because of the problems that we
10 had with the viewing of this yesterday, do you have hard copies
11 of whatever it is that you are going to be putting up on the
12 screen?

13 MR. DAVIES: I do today, Your Honor.

14 THE COURT: That would help me. I could not position
15 myself yesterday. I thought I could. And I didn't want to go
16 sit down with the jury. So it may be, Mr. Kennedy, and them
17 might like copies of it also. That way, they don't have to
18 move if they don't want to **move**. They **see what you are doing**.
19 That is good. Then you can move the screen back. So whatever
20 is appropriate, I have no problem.

21 MR. DAVIES: Does the Court want me to hand hard
22 copies to the jury?

23 THE COURT: No. They don't need that. I don't have
24 any objection. But the defense may. But, if you are going to
25 put it up on the screen and it -- if we can -- as long as they

1 can see it we're okay.

2 MR. KENNEDY: Yes,

3 MR. DAAR: Your Honor, I have two minor matters. One
4 discovery matter. The minor matter is I wanted to inform the
5 Court that unfortunately my hearing aid was working steadily
6 for years is apparently malfunctioning. So my helper is trying
7 to get repairs as we speak.

8 Generally I'm able to hear everything, but there may
9 be times that I ask for your indulgence and move closer to the
10 microphone and so forth.

11 THE COURT: We can handle that. It's important that
12 you hear. So if you don't, let us know and we'll take care of
13 that.

14 MR. DAAR: Thank you, Your Honor.

15 The second item was the water. My understanding is
16 that generally you do not approve of having water at the
17 counsel table.

18 THE COURT: You can have water.

19 MR. DAAR: Thank you. We can bring our own cups.

20 THE COURT: We have some. We'll get -- during the
21 recess, we'll try to find something. Make sure that they are
22 clean.

23 Give them some clean water.

24 MR. DAAR: Much appreciated. The courtroom seems to
25 be cooling off. I guess it's warm when you first come in and

1 turn the air conditioning on. Because I find myself sweating.

2 THE COURT: They said that they were doing the best
3 that can be done with it.

4 MR. DAAR: Lastly, Your Honor, I just wanted to
5 address the timing of the Jencks disclosures. The Court in its
6 order said that the Jencks material should be disclosed in a
7 timely fashion.

8 Yesterday, at the close of court, and then about 6:30
9 the defense received these transcripts, four transcripts, four
10 or five DEA 6s, and two 10 to 15-page condensed notes of
11 witnesses.

12 Just for the record, I would say it is about five
13 inches of paper. Admittedly, Your Honor, some of those
14 transcripts were available to the defense, and we anticipated
15 the government calling the witnesses and we obtained those.

16 But, nonetheless, the Court is aware we didn't have
17 an official witness list until Friday. The transcripts, I urge
18 the Court should move right along time, they are public record.
19 The prosecutor could have called me up and said: Mr. Darr, do
20 you have those? If I said yes, his duty to give them to me was
21 over at that point.

22 But, the fact is, no one made that inquiry of me.
23 They had no way of knowing whether I had them or not. And
24 there is no real reason why they shouldn't have been turned
25 over. There is no secrecy, no confidential informant in those

1 documents. To turn over four or five hundred pages of
2 transcripts at that late hour seems to be a tactic -- seems to
3 be a tactic to make me work late at night.

4 So I would ask that the Court enter some form of
5 order, absent compelling circumstances, that Jencks production
6 occur a little bit sooner than it is now, because it's not fair
7 to cause the defense attorney to stay up all night or
8 consequently have them ask for a continuation in the morning.

9 MR. HANKINSON: Judge, the bulk of what Mr. Daar is
10 referring to is the Grenhagen trial transcript. Frankly, we
11 were not under any obligation to provide that at all. It is a
12 public record. I discussed that with Mr. Davies. He indicated
13 he'd prefer to give it to them. We asked both defense counsel
14 yesterday whether they had that transcript. Both indicated
15 that they did.

16 A fair number of those witnesses are witnesses that
17 are going to be called today. Our practice is going to be that
18 **at the end of** court -- in the evening, we will give the defense
19 attorneys a list of who we expect to be the witnesses the
20 following day.

21 We will at that point give them copies of any
22 materials that we believe to be Jencks material. I think it
23 goes beyond our duties under the statute. I think it has
24 proven to be a -- a workable methodology in the past. And I
25 would hope the Court wouldn't order us to do anything else.

1 Frankly, other than the Grenhagen trial transcript,
2 there isn't going to be, you know, an awful lot of Jencks
3 material. There hasn't been a lot of Jencks material created
4 in this case. So I don't think they are going to be staying up
5 real late reading much. But that is what we intend our
6 practice to be. And I think it's a reasonable and ordinary way
7 of doing it.

8 THE COURT: Any additional?

9 MR. DAAR: Just briefly, Your Honor. As the Court is
10 aware, it's an extremely complex case. There is a hundred and
11 20 witnesses.

12 I think that the matter of dissemination is not
13 reasonable. I believe it is designed to impede our ability to
14 prepare. The government has not advanced to the Court a reason
15 why those things could not be furnished sooner. Previously the
16 government stated to me that they didn't want to provide it
17 prior to trial because they felt that the trial might not start
18 and I would have the documents anyway.

19 Well, the trial has started now. And absent the
20 government giving you a compelling reason why the Jencks
21 shouldn't be disclosed in its entirety now, I would ask that
22 the Court issue that order, that way it would allow me to
23 prepare in a timely way and be able and ready every morning.

24 THE COURT: Anything further?

25 MR. HANKINSON: No, sir.

1 THE COURT: The procedure outlined by the government
2 I think is appropriate. If it shows -- it if it's shown later
3 that it's creating a hardship, I'm always open.

4 MR. DAAR: Thank you.

5 THE COURT: Anything else? Anything else?

6 MR. HANKINSON: No, sir.

7 MR. KENNEDY: No, sir. Nothing else, Your Honor.

8 MR. DAAR: No, Your Honor.

9 THE COURT: Then let's bring the jury in.

10 (Jury in.)

11 THE COURT: Good morning. Please be seated. Welcome
12 back to court. And if the government is ready to proceed,
13 please call your first witness.

14 MR. DAVIES: Carl Lilley.

15 (Witness sworn.)

16 THE CLERK: Please have a seat and state your name
17 for the record and spell your last name.

18 THE WITNESS: My name is Carl Lilley. L-I-L-L-E-Y.

19 DIRECT EXAMINATION

20 BY MR. DAVIES:

21 THE COURT: Let me make a suggestion to you,
22 Mr. Darr.

23 (Discussion off the record.)

24 THE COURT: All right. Go ahead, Mr. Davies.

25 Q. Where do you work?

1 A, I'm employed with the United States Drug Enforcement
2 Administration.

3 Q. And how long have you worked for the Drug Enforcement
4 Administration?

5 A. I began my employment in March of 1987.

6 Q. Where are you currently assigned?

7 A. Denver, Colorado.

8 Q. Did you used to work for DEA here in Gainesville?

9 A, Yes, sir, I did.

10 Q. And did you have any law enforcement experience prior to
11 working for DEA?

12 A. Yes, sir. Prior to coming with DEA I was with the
13 Suffolk, Virginia police department for almost ten years.

14 Q. In the course of your duties with DEA are you sometimes
15 called on to work in undercover capacities?

16 A. Yes, sir, I am.

17 Q. Would you tell the jury what you mean by undercover
18 capacity?

19 A. Undercover means assuming a role or an identity that is
20 not that of a federal agent; posing as a drug trafficker.

21 Q. In the investigation that led to this trial did you work
22 in an undercover capacity?

23 A, Yes, I did.

24 Q. And what identity did you assume in your undercover role
25 in this case?

1 A. I was a boat smuggler. Moving drugs from South America
2 to the United States.

3 Q. And where did you operate out of?

4 A. Miami, Florida was the cover for this particular
5 circumstance.

6 Q. And did you use the name Earl Kelly as your undercover
7 name?

8 A. Earl Kelly was my undercover name.

9 Q. Before we go into your undercover contacts in this case,
10 can you explain to the jury what started your investigation and
11 led you to pretending to be Earl Kelly?

12 A. In June of 1998, a fugitive in the case --

13 Q. Excuse me. Do you mean 1993?

14 A. I'm sorry. 1993.

15 A fugitive had turned himself in that had been
16 indicted in the case out of Gainesville in the early '80s, '84,
17 1985, Clifton Brown. And his attorney came to the Gainesville
18 office and met with myself and Assistant United States Attorney
19 David McGee.

20 Q. Without going into what Mr. Brown said, did Clifton Brown
21 describe any ongoing criminal activity?

22 A. Yes, sir, he did.

23 Q. What response did you have to that, if any?

24 A. The response was that we would initiate a case targeting
25 this organization.

1 Q. Did you ask Mr. Brown to make any phone calls or set up
2 any meetings or anything like that?

3 A. Yes, sir, we did.

4 Q. What did you have him do?

5 A. While we were in the Bahamas we made a telephone call
6 from the hotel that we were staying at to Matthew Martenyi in
7 San Francisco.

8 MR. KENNEDY: I need to know who the "we" is the
9 agent is referring to.

10 Q. Who made the phone call?

11 A. Clifton Brown made the telephone call.

12 Q. After that phone call was made to Matthew Martenyi --
13 where was Matthew Martenyi again?

14 A. San Francisco.

15 Q. After that phone call was made, after that did you speak
16 on the phone with various participants of the group?

17 A. Over a period of time I did. Yes, sir.

18 Q. Did you meet with any **members of the group in person?**

19 A. Yes, sir, I did.

20 Q. Who was the first person you met with?

21 A. I met with an attorney from San Francisco, Matthew
22 Martenyi.

23 Q. When was it that you met him?

24 A. On July the 1st 1993.

25 Q. Where did you meet him?

1 A. At the Hilton Hotel on Southwest 13th Street in
2 Gainesville.

3 Q. Is that now a Sheraton?

4 A. Yes, sir.

5 Q. And is that -- was that the Hilton Hotel in Gainesville,
6 Florida in Alachua County in the Northern District of Florida?

7 A. Yes, sir.

8 Q. Who was at that meeting at the Hilton Hotel?

9 A. Clifton Brown, investigator Jeff Nordberg with the
10 Gainesville Police Department, Matthew Martenyi, myself.

11 Q. Was Investigator Nordberg there undercover?

12 A. Yes, sir, he was.

13 Q. And why did you have another investigator with you?

14 A. Two agents. One for safety reasons. To set the
15 scenario, to bring in more agents as we are working this
16 undercover thing.

17 Q. At that meeting on July 1st here in Gainesville, what
18 happened? What did Mr. Martenyi tell you all?

19 A. We were sitting in the dining area of the Hilton Hotel.
20 And initially we began with introductions and how Mr. Martenyi
21 was looking for my services. My services had been already set
22 up through Clifton Brown. So it was a matter of me explaining
23 what services I had available, looking for what services they
24 needed in San Francisco.

25 Q. What, if anything, did Mr. Martenyi say that he needed or

1 propose to you?

2 A. This is -- this conversation goes on about 45 minutes.
3 One, is their group had originally made a proposal to do a -- a
4 fishing processing building there in San Francisco where they
5 legitimately have boats bringing fish. They skin them and then
6 you bring in a load of marijuana under the guise of that. They
7 were bringing in fish, so they wanted that facility in place
8 for a period of time before an actual load was to come in.

9 In the course of this discussion, I was given the
10 impression that a load would be set for the fall of 1993. And
11 I inquired as to what was the fall. That would have been about
12 October.

13 Through the course of these discussions, their fish
14 processing plant did not seem like a viable idea to Matthew
15 Martenyi's boss who was Mr. Larkin. So therefore they set out
16 to look for some fishing boats which I actually had through the
17 DEA a 70-foot shrimper that could easily carry 60 tons of
18 marijuana.

19 So he was quite impressed that we had the facilities
20 that big. And in actuality my boat captain had really worked
21 on the Pacific Northwest, so he taught me through this process
22 what to ask Mr. Martenyi and what to tell him about our boat's
23 capabilities on the Pacific side of the ocean.

24 It's quite different than what we are used to in the
25 Gulf of Mexico. So along those lines in the conversation,

1 we -- we talked about his past working with this organization.
2 They brought in 60 tons a year. 30 tons of what he referred to
3 as black was to go to Canada, 30 tons of what he referred to as
4 green would come into the United States. ✓

5 And he gave me a figure on what the value of the
6 loads were to be, about 120 million with his calculation, which
7 is quite a large amount of money.

8 And through our discussions I told him how my group
9 operated. But we had to get our boats through the Panama
10 Canal. We needed a time frame that they would be ready to go,
11 and then I needed some up-front money. I was aware that they
12 were asking for about \$300,000 dollars up-front money. So I
13 only asked for a hundred thousand.

14 Q. In terms of -- did Mr. Martenyi ever get specific with
15 the amount of the load he wanted you to bring in?

16 A. At the particular time on this first conversation, it was
17 a 60-ton load. The conversation went like this: I had a
18 concern that we were going to be running into another group of
19 offloaders where they wanted us to do it at.

20 A Canadian group of offloaders would have taken it
21 north of the state of Washington. I didn't want to be up there
22 with our boats at the same time the Canadians or whoever was
23 taking off their load I'm responsible for taking off mine. I
24 mean, as a -- as a legitimate businessman that doesn't make
25 sense to mix your business with somebody else.

1 So the conversation then was that they could come
2 further down 200 miles off the coast of the Pacific Northwest.

3 Q. Pacific Northwest of the United States?

4 A. Yes, sir.

5 Q. And did Mr. Martenyi go into any more detail about how
6 the load would be imported? Did he mention boats or mother
7 ships?

8 A. Yes. There was a description of how large the mother
9 ship would be, and that the mother ship is the ship that brings
10 the marijuana in from the source countries. It's a
11 tremendously large freighter, ocean-going freighter. And what
12 I would have would be a 70-foot shrimper, and also had a
13 50-foot shrimper that are minuscule in size. So what they mean
14 by bump is that we would meet at sea, offload the bales of
15 marijuana and hashish onto the vessels.

16 Q. You mentioned Mr. Martenyi mentioning to Mr. Larkin and
17 the 30 tons of black and the 30 tons of green. Did
18 Mr. Martenyi mention any other members of **the** organization at
19 your meeting in Gainesville?

20 A. Yes, he did.

21 Q. What did he say about that?

22 A. He mentioned Mr. Larkin within the very first comments of
23 our conversation. So he identified the number 1 guy right off
24 the bat.

25 As he spoke, he talked about his lady friend. And I

1 believe at the very end of our conversation, he may have
2 identified her to me as Sonya. And then Clifton Brown was a
3 part of it, and Nicholas Grenhagen.

4 Q. And in any event, with regard to Sonya with -- later in
5 conversation with Mr. Martenyi did you learn her full name?

6 A. Yes. Sonia Vacca.

7 Q. And you mentioned Mr. Martenyi talking about his past
8 involvement with regard to drugs. Did he mention any past
9 involvement with regard for money for the organization?

10 A. Yes. In my role undercover, I was familiar with where
11 they were taking their money to. I wanted to get it out from
12 Mr. Martenyi. I wanted to get it on tape. And I wanted him to
13 offer me those services.

14 So I led him to believe that I launder my money in
15 the Caribbean. And he began talking about laundering this
16 organization's money by taking it over to Singapore. That is
17 exactly what we wanted to hear. So they volunteered maybe they
18 **could do that for me.**

19 Q. You talked about talking about expense money at this
20 meeting. Did you also talk about your ultimate payment, what
21 your percentage or what amount you would get paid? Did that
22 come up at all?

23 A. At that particular meeting, no, sir. I don't think it
24 came up, the percentages.

25 Q. Did it come up later?

1 A. Yes, it did.

2 Q. What was the discussion on that?

3 A. The discussion -- and this was through Clifton Brown,
4 passing messages by me to them and back. So we had some
5 differences in what the standard fee would be. I had requested
6 20 percent of the total amount of the load.

7 They were offering me -- and I say they -- Sonya
8 Vacca and Matthew Martenyi, Larkin, were offering me 12
9 percent.

10 And I thought that was a very low figure from working
11 the Colombians. I mean our standard was 25 percent. So there
12 was a discussion with whether I would be paid in product, which
13 means, would they give me part of the load or were they going
14 to pay me cash after the load is sold. They pay me in pounds
15 or they front me the money.

16 And Martenyi asked me at that meeting did you have a
17 market for that type of marijuana, which is totally different
18 than what I had been smuggling. I **was smuggling Colombian**
19 marijuana which was very cheap, a few hundred dollars a pound,
20 as compared to their marijuana which is referred to as Thai
21 marijuana, which went for nearly a couple of thousand dollars a
22 pound.

23 So I didn't know -- I mean, I told them I didn't know
24 if I had a market for that.

25 Q. Did Clifton Brown have an undercover name, an alias, that

1 he was using at that time?

2 A. Yes, he did. Clifton Brown would be referred to as Danny
3 Miller. And I was referred to as Earl Kelly.

4 Q. Okay. Did Matthew Martenyi ever discuss Danny Miller's
5 involvement, Danny Miller being Clifton Brown.

6 A. During the latter part of our conversation on July the
7 1st, Matthew Martenyi was almost apologizing for bringing
8 Clifton Brown into this importation plan.

9 Q. Did there come a time when Mr. Martenyi discussed the
10 written proposal with you?

11 A. Yes, he did.

12 Q. What did he say about the written proposal?

13 A. At the conclusion of our meeting, Mr. Martenyi summarized
14 it, what we had gone over, and said: This is what I want to
15 propose to Mr. Larkin for you. If there are any other details
16 that I need to know, please let me know before we give it to
17 Larkin.

18 And then he indicated that he'd go back **and** meet with
19 Vacca and discuss it, and then they would give me a written
20 proposal,

21 Q. Did he ultimately fax you a written proposal?

22 A. Yes, sir.

23 MR. DAVIES: May I approach the witness, Your Honor?

24 THE COURT: Uh-huh.

25 Q. Showing you what I've marked for identification as

1 Government Exhibit 3.

2 I ask you, can you identify that as the fax you
3 received from Mr. Martenyi regarding the written proposal?

4 A. Yes, sir.

5 Q. What date was it received?

6 A. July the 9th of 1993.

7 MR. DAVIES: Your Honor, I would offer Government
8 Exhibit 3 into evidence.

9 THE COURT: It will be received.

10 (Government Exhibit No. 3 admitted.)

11 Q. Did you ultimately learn who wrote that fax?

12 A. Yes, I did.

13 Q. And who wrote it?

14 A. Sonia Vacca.

15 MR. DAVIES: Your Honor, I would ask to publish it to
16 the jury and give hard copies at this time.

17 THE COURT: Sure you may.

18 3. Agent Lilley, if you would, I would like you to just go
19 ahead and publish the proposal, if you would, read it orally
20 even though we've got it on the screen.

21 A. The big DCO, Mike. Howdy. Sorry about my mumblings.
22 Telephones give me the jitters. To reiterate, I think that
23 everything M related to me is just fine.

24 There was the one confusion about written proposals.
25 But, as you and I, and no doubt your friend realize, that is

1 unnecessary and indeed unadvisable. The only point I needed to
2 have clarified was the percentage.

3 As I mentioned, based on the last seven years, that
4 percentage is rather higher than what we are accustomed to and
5 needs modification. the situation is ongoing and large which
6 are important factors to consider.

7 It is also expandable to the north, not to mention
8 that one percent of something is better than 100 percent of
9 nothing.

10 You stated that people always look at what the owner
11 asks -- I'm sorry, what the owner makes, and their appetites
12 may increase accordingly. However, a business-like approach is
13 to consider what a particular service is worth, what is fair
14 enough to cover the work and risk involved and go from there.

15 As you well know, we have been paying 12 percent for
16 just delivery, and a higher percentage if a distribution
17 network is offered. As an example, here is a breakdown using
18 old figures. 30,000 times 2.2 times 2,500 equals 165 million.
19 12 percent equals 19,800,000 as opposed to 20 percent equals 33
20 million.

21 That, as they say, is not chopped liver. In all
22 business, there is always a certain amount of horse-trading and
23 a give and take. I have never run across a figure carved in
24 stone. Somewhere between the two figures lies a magic number,
25 and we need to find it. Payment is local. What they do with

1 it is of concern to us, because should there be a problem that
2 would be rather inconvenient.

3 M had mentioned that they like to deal with the
4 Islands. All of those areas are very red-flagged and I would
5 strongly recommend my areas, with which I can help.

6 After all negotiations are settled, your friend will
7 meet his counterpart and they will figure out the technical and
8 logistical aspects. L has no need or desire to be in the loop
9 as I am his direct representative. One final point. There is
10 no need to mention localities for meetings by phone, not even
11 in terms of countries.

12 So far everything seems quite satisfactory to all of
13 us, and we simply need to work out a few details. Best
14 regards.

15 MR. DAVIES: Can you scroll back to the top?

16 Q. Can you see this from where you are sitting, Agent
17 Lilley?

18 A. No.

19 MR. DAVIES: May the witness stand down, Your Honor?

20 THE COURT: Do you have this?

21 Q. If you would stand down, I want to ask you about a few
22 lines in here,

23 Where he says, I think that everything M related to
24 me is just fine. Who did you understand M to be?

25 A. I understand M to be Martenyi.

1 Q. And I think that if everything M related to me. Who was
2 me?

3 A. Sonia Vacca.

4 Q. Where it talks about based on the last seven years that
5 percentage is rather higher. What did you understand him to be
6 talking about?

7 A. The 20 percent.

8 Q. That you were asking for was higher than they were used
9 to paying?

10 A. Yes.

11 Q. And when he said the situation is ongoing and large, what
12 did you understand that to mean?

13 A. That they were continuing their smuggling operation and
14 it was a very large organization and operation.

15 Q. And when he said it's also expandable to the north, what
16 did you understand him to be talking about or her talking about
17 there. Excuse me?

18 A. **That there was a possibility of me doing the work in**
19 **Canada as well as the United States.**

20 Q. And the numbers here that Sonia Vacca wrote, what did you
21 understand her to be referring to, this 165 thousand and the
22 19 -- 165 million and the 19 million, 800 thousand?

23 A. Based on the last seven years, the 2,500, is what they
24 would sell for a pound of hashish or the marijuana.

25 So you take 2,500 and multiply it by 66 thousand

1 pounds. What you have up there consists of 30,000 multiplied
2 by 2.2, which is -- 2.2 is a kilogram. To break a kilogram
3 down, you break it down into a pound.

4 So you would come up with roughly 66 thousand times
5 2,500 per pound, that gives you 165 million.

6 MR. DAVIES: If you could scroll up a bit.

7 Q. Where she said, M had mentioned that they liked to deal
8 with the Islands, all of those areas are very red-flagged. I
9 would strongly recommend my areas. What did you understand her
10 to be talking about?

11 A. The Caribbean Islands, the Cayman Islands where I
12 laundered my money or where I led them to believe that I
13 laundered my money?

14 Q. She recommended her area for money laundering as opposed
15 to yours?

16 A. Yes, sir.

17 Q. And where she said, L has no need or desire to be in the
18 loop as I'm his direct representative, who did you understand L
19 to be?

20 A. L would be Larkin.

21 Q. And Sonia Vacca would be Larkin's direct representative?

22 A. Yes, sir.

23 Q. And down at the bottom when she closes. So far
24 everything seems to be quite satisfactory to all of us, we only
25 need to work out a few details. What did you understand that

1 to mean?

2 .A. That everything was progressing.

3 Q. Thank you. You can have a seat.

4 Agent Lilley, this meeting that we've been talking
5 about on July 1st, 1993 with Matthew Martenyi, were any efforts
6 made to tape-record that meeting?

7 A. Yes, they were.

8 Q. And how -- what type of efforts were made? What did you
9 all do?

10 A. Investigator Nordberg wore a hidden transmitter device.
11 And I believe it was agent Tom Leo who was on the outside of
12 the Hilton in a vehicle, ran what we call the cell or the
13 receiving device which has a cassette in it.

14 Q. Did you later recover that recording?

15 A. Yes, sir.

16 Q. Have you listened to the tapes?

17 A. Yes, sir.

18 Q. Are they very audible, or are they very easily heard?

19 A. Absolutely not.

20 Q. They are somewhat difficult to hear?

21 A. Yes.

22 Q. Why is that?

23 A. The technical equipment that we used did not transmit
24 through the building where we were at. And it's not unusual.
25 We have a very limited range on transmitter to receiver. So we

1 wear those devices. The first thing is as a safety issue and
2 second would be to record the evidence.

3 Q. And for safety concerns, did the agent have to be out in
4 the van receiving the transmission as opposed to sitting around
5 the hotel somewhere?

6 A. Yes. If something had gone wrong at any of the meetings
7 that we had in our undercover capacity, the agent -- the two
8 agents monitoring what we call the recording, gives the signal
9 for a team to come in as a rescue. That is the first priority
10 of the transmitter-receiver devices.

11 Q. Are there portions of the tapes that you can hear?

12 A. In this particular meeting on July 1st there is a fair
13 amount that are not heard for various reasons.

14 Q. Let me show you what has been marked for identification
15 as Government Exhibit 1A, Government Exhibit 1B and 1C.

16 Are those the tapes from your meeting with
17 Mr. Martenyi?

18 A. Yes. I recognize agent Tom Leo's handwriting. And he
19 signed his name, date and time and correctly marked these as
20 Exhibit A, B and C.

21 Q. And showing you Exhibit 1D, is that a transcript of
22 portions of those tapes?

23 A. Yes. I have -- I created this transcript.

24 Q. And is the transcript an accurate depiction of who speaks
25 and what was said on the tapes?

1 A. Yes.

2 MR. DAVIES: Your Honor, I would offer Government
3 Exhibit 1A, B and C into evidence.

4 THE COURT: Without objection.

5 (Government Exhibits 1A, 1B and 1C admitted.)

6 MR. DAVIES: Your Honor, I would request to publish
7 the tapes and the transcript.

8 I would offer 1D into evidence, Your Honor.

9 THE COURT: You may do so.

10 (Government Exhibit 1D admitted.)

11 THE COURT: What they are going to do, they are going
12 to play these tapes or portions of them, as I understand it,
13 that have been identified by Agent Lilley.

14 Exhibit 1D purports to be a transcript of those tapes
15 or portions of them. The transcripts also purport to identify
16 the speakers that appear on the tape.

17 The transcript is being provided for you for your use
18 in following and listening to the tape recordings. To the
19 extent that you find that the transcript is not accurate or is
20 unreliable you should disregard it.

21 You should always remember that the tapes themselves
22 are the best evidence of their own content.

23 And I'll later advise you this same thing during the
24 instructions. So if you will pass them out.

25 MR. DAVIES: Your Honor, as Agent Lee passes out the

1 head sets I would inform the Court on the head sets -- if
2 someone's batteries go dead, please let us know.

3 THE COURT: Ladies and gentlemen you are also getting
4 head sets. There is a little wheel on it that switches it off
5 and on and adjusts the volume.

6 You will see a little glass bubble. That is your
7 receiver. It should be pointing out. Don't let anything get
8 between that receiver and that is where the sound signals are
9 coming from up here.

10 So if you are unable to hear once they turn it on,
11 let us know we'll replace your batteries.

12 MR. DAVIES: Bring up 1B, please.

13 Q. Before I play this, this first portion particularly has
14 got some lengthy inaudible parts on it?

15 A. Yes, sir it does.

16 Q. And after Mr. Martenyi says Agent Houston, is there a
17 fairly long break before you can pick him up and hear him say
18 the next line, because basically we were bringing you up?

19 A. Yes.

20 Q. So the jury should anticipate some sort of break before
21 they get to that?

22 A. Yes, sir.

23 (Tape played.)

24 Q. Agent Lilley, can -- if you can scroll back to the top,
25 please. And you need to stand down if you need to see it.

1 When he is talking about anywhere in Mexico to
2 Canada, what did you understand Mr. Martenyi to be talking
3 about?

4 A. That we could meet the mother ship anywhere between Bueno
5 Venturo, South America and Alaska.

6 Q. And when he asked you do you have a market distribution,
7 what did you understand him to be talking about?

8 MR. DAVIES: If you would scroll up a little bit.

9 Q. Where he said, do you have a market distribution, what
10 did you understand him to be talking about?

11 A. I'm asking him that.

12 Do you already have a market? And he asked me -- he
13 doesn't know what my situation is on my market. And I said we
14 have a delivery system.

15 Q. And when he says, we would make the bump, what do you
16 understand him to be talking about?

17 A. Okay. For his role or his group's role in this, the
18 mother ship **comes** in, **makes** a transfer of the marijuana onto
19 our vessel bringing it in. And I understand that to be his
20 original thought processes where they would bring it into that
21 fish processing plant.

22 Q. When he said looking at the late fall, I don't know if
23 that is going to happen, the thing is we do two a year, what
24 did you understand him to be talking about?

25 A. They do two loads a year, one in the spring and one in

1 the fall.

2 MR. DAVIES: Thank you. If you would go to next
3 part, please.

4 (Tape played.)

5 Q. Agent Lilley, if I can ask you a few things about this.
6 When Mr. Martenyi said we were uncomfortable with that too far
7 out long range, what did you understand him to be talking
8 about?

9 A. I believe at this time we may have been talking about
10 offloading up around Midway Island, bringing the smaller ships
11 back to the fish processing plant in San Francisco.

12 MR. DAVIES: If you can scroll up a little, please.

13 Q. You said they looked to make a bump, it will probably be
14 a combination of black for Canada and green for the States.
15 What did you understand that to mean?

16 A. I understood that to be the hashish would be going to
17 Canada, and the marijuana would be coming to the states all on
18 one mother ship.

19 Q. Thank you.

20 MR. DAVIES: Go to the next part, please.

21 (Tape played.)

22 MR. DAVIES: May I publish the next part of the tape,
23 Your Honor?

24 (Tape played.)

25 Q. And was that proposal that you were talking about earlier

1 when you were testifying to the jury that he ultimately faxed
2 you?

3 A. Yes, sir.

4 MR. DAVIES: If you could go to the next section,
5 please,

6 (Tape played.)

7 Q. Agent Lilley, could you step down again, please.

8 When Mr. Martenyi said the skipper is a Pakistani,
9 what did you understand him to be talking about there?

10 A. The boat captain of the large mother ship.

11 Q. And when Mr. Clifton Brown was talking about 19 by 10 and
12 by 12 and Mr. Martenyi said compressed and wrapped, what did
13 you understand him to be talking about?

14 A. The size of the packages that we would be receiving.

15 MR. DAVIES: Scroll up a little bit. That is good.

16 Q. And when Mr. Martenyi said: They have been dealing with
17 their distributors for many, many years, what did you
18 understand him to be talking about?

19 A. That this has been an ongoing organization, but leading
20 up to that we were discussing my payment, whether it was in
21 cash or merchandise. So his response is, they had been working
22 for a long time so their distributors were in place.

23 Q. And when he said they actually asked me -- they actually
24 asked if we could get it together by fall, what did you
25 understand Mr. Martenyi to be talking about?

1 A. That in his last meeting that he had with Larkin a couple
2 of months prior to the meeting with me, Larkin had asked could
3 they get it ready -- could they be ready in the fall.

4 MR. DAVIES: You can have a seat. Thank you.

5 (Tape played.)

6 MR. DAVIES: Scroll back to the top.

7 Q. The top of this part of the conversation where
8 Mr. Martenyi says, my understanding those people have been
9 doing it for years, been doing two a year, what did you
10 understand him to be talking about?

11 A. That they were doing two importations per year.

12 MR. DAVIES: If you could scroll it some, please.

13 That is good.

14 Q. And when Mr. Martenyi says it's the ultimate paper trail,
15 after you all talk about money, what did you understand
16 Mr. Martenyi to be talking about there?

17 A. The money laundering aspect. I was discussing with
18 Matthew Martenyi, I said up there, we only need to do one load
19 because we are going to make so much money. I mean, that
20 wasn't good enough for him. You know, to me, four or five
21 million dollars is a lot of money. He said it's the ultimate
22 paper trail. It is harder to move the money than it is the
23 actual product.

24 MR. DAVIES: Can you scroll up a little.

25 Q. When Mr. Martenyi here is talking about she gets on a

1 plane and falls asleep, we didn't see her, she flies first
2 class, who did you understand him to be talking about?

3 A. Sonya Vacca.

4 Q And what was she doing on a plane?

5 A. Flying to Singapore with suitcases full of money.

6 Q. Money to be laundered?

7 A. Yes, sir.

8 Q. And when you said have you considered any offshore
9 corporations? And Mr. Martenyi said, we have one in Hong-Kong,
10 what were you all talking about there?

11 A. I had previous knowledge that they had offshore
12 corporations in Hong-Kong. I wanted to get that out of him.
13 So as we were concluding our meeting, I brought it up, and he
14 described it to me.

15 MR. DAVIES: Thank you. If you could scroll to the
16 next part, please.

17 (Tape played.)

18 Q. And when he talks about -- Mr. Martenyi says, I'm making
19 the proposal for you, I'll make the presentation, what did you
20 understand him to be talking about?

21 A. On the first part, we would go back to -- the very last
22 issue was going to be the corporation in Hong-Kong, offshore
23 corporation into a proposal that he'd be presenting to
24 Mr. Larkin on my behalf.

25 MR. DAVIES: If you would stay there. Can we go back

1 to Government Exhibit 3, please.

2 Scroll down a little bit, please. That is good.

3 Q. And when Sonia Vacca on this Government Exhibit 3 wrote
4 you and said M had indicated that he'd like to deal with the
5 Island, all of those areas are red-flagged areas, what did you
6 understand her areas to be?

7 A. Singapore, Hong-Kong, leaving Canada and the United
8 States.

9 Q. She was recommending those areas to do your money
10 Laundering in?

11 A. Yes, sir.

12 MR. DAVIES: Thank you.

13 Your Honor, may we collect the headsets at this time?

14 THE COURT: Just turn them off, folks. We'll pick
15 them up.

16 Mr. Davies, if you are getting ready to go into a new
17 area, maybe the jury would like to take a little break right
18 now.

19 We'll take 15 minute, folks.

20 (Jury out.)

21 (Recess taken.)

22 (Jury in.)

23 THE COURT: Be seated, please. You are still under
24 oath, Mr. Lilley.

25 If the government is ready to proceed.

1 MR. DAVIES: Yes, sir.

2 Q. Agent Lilley, going back to the tapes we just played. At
3 one point, Matthew Martenyi said: They asked if we could get
4 it together by fall. Did you understand that to be the fall of
5 1993?

6 A. Yes, sir, I did.

7 Q. And were photographs taken as you all were in there back
8 on July 1993 here in Gainesville?

9 A. The perimeter DEA agents and task force agents that were
10 on the outside had taken photographs.

11 Q. Showing you what is marked as identification as
12 Government's Exhibit 2A through 2F, do those photographs fairly
13 and accurately depict the outside area of the Hilton on July
14 1st, 1993 as the various participants of the meeting walking
15 into the Hilton?

16 A. Yes, sir.

17 MR. DAVIES: Your Honor, I would offer Government
18 Exhibit 2A through F into evidence.

19 THE COURT: Without objection.

20 (Government Exhibits 2A through 2F admitted.)

21 MR. DAVIES: May the witness stand down, Your Honor?

22 THE COURT: Yes.

23 Q. Agent Lilley, those didn't -- when the jury looks at them
24 later, the first picture 2A, is that you walking into the
25 Hilton?

1 A. Yes, sir, it is.

2 Q. Just so the jury knows, if they want to look at those
3 later.

4 Referring to 2D, does that show any participants in
5 the meeting?

6 A. This is Matthew Martenyi as he's exciting his rental car
7 in the parking lot of the Hilton.

8 Q. What type of shirt is Matthew Martenyi wearing?

9 A. It looks like a short sleeve pullover, white with blue
10 stripes.

11 Q. Can you just put your finger on it so the jury can see
12 which one he is?

13 A. His back is to everybody.

14 Q. And who else is in that picture 2D?

15 A. Clifton Brown is in the white shirt. You can see his tie
16 is flying and you can see Jeff Nordberg, an investigator with
17 Gainesville police department as he is coming into the picture.

18 Q. Thank you.

19 You can be seated.

20 MR. DAVIES: Your Honor, if I didn't, I would offer
21 Government Exhibit 2 into evidence.

22 THE COURT: They are in.

23 Q. In the course of your investigation in the role of Kelly,
24 did you also meet and talk to Nicholas Grenhagen?

25 A. Yes, sir, I did.

1 Q. And how many times did you meet with Nicholas Grenhagen?

2 A. I met with Mr. Grenhagen probably four times, twice on
3 one day.

4 Q. And where were those meetings?

5 A. The very first meeting was at -- again at the Hilton
6 Hotel on Southwest 13th Street in Gainesville, Florida.

7 The remaining meetings were done at the Residence Inn
8 in Gainesville, Florida.

9 Q. And when were those meetings, approximately?

10 A. The first meeting was September the 13th of 1993.

11 Q. And when were the other meetings?

12 A. The remaining meetings were all in October.

13 Q. Did you also talk to Mr. Grenhagen on the telephone?

14 A. Yes, I talked to him quite a few times on the telephone.

15 Q. Was this during that same time frame, late September
16 early October of '93?

17 A. Yes. After I met him on September the 13th and there was
18 some ~~regular~~ ~~telephone~~ **conversations**, Mr. Grenhagen would be in
19 London, he'd be in Sweden, he'd be in San Francisco. And I
20 would receive a message that he wanted me to give him a call.

21 Q. And did you talk to Mr. Grenhagen about things pertinent
22 to this case including the offload of that marijuana?

23 A. Yes, sir, I did.

24 Q. And did Mr. Grenhagen tell you whether or not he was
25 involved in that?

1 A. Mr. Grenhagen was a participant involved in that and had
2 indicated that he had met with Larkin a couple of months
3 previous to meeting with me.

4 Q. Did Mr. Grenhagen say anything about couriering money,
5 transporting money, or money laundering?

6 A. Yes, sir, he did.

7 Q. What did he tell you about that?

8 A. That he had carried money on behalf of Larkin with Sonia
9 Vacca.

10 Q. Okay. When you met with Nicholas Grenhagen on September
11 13th did you have another undercover officer with you?

12 A. Yes, sir, I did.

13 Q. Who was that?

14 A. I had Sergeant Lou Acevedo with the Gainesville police
15 department.

16 Q. What role was Sergeant Acevedo playing?

17 A. He played a Colombian -- the son of a Colombian drug
18 smuggler and my brother-in-law.

19 Q. Did Mr. Grenhagen appear to accept him in that role?

20 A. Yes, sir, he did.

21 Q. And at that meeting in Gainesville on September 13th, did
22 Mr. Grenhagen indicate where he'd be going or who he'd be
23 seeing after that?

24 A. On the 13th?

25 Q. Yes, sir. On September 13th.

1 A. Yes, sir. He'd be leaving. After he left our meeting
2 he'd be going to San Francisco to participate in a meeting with
3 Mr. Larkin, with Sonia Vacca and Matthew Martenyi.

4 Q. And was there a later meeting with you and Sergeant
5 Acevedo undercover and Nicholas Grenhagen on October 3rd here
6 in Gainesville?

7 A. Yes. That was our second meeting.

8 Q. And what, if anything, did Nicholas Grenhagen tell you at
9 that meeting?

10 A. In regards to?

11 Q. In regards to whether he had had the meeting with his
12 partners?

13 A. Yes. The meeting had taken place. Mr. Grenhagen was not
14 a participant at that meeting. The message was relayed to him
15 by Vacca, and we were set to go to have my boats inspected or
16 my boat inspected in January.

17 Q. That would be January of '94?

18 A. Yes, sir,

19 Q. And after that October 3rd meeting here in Gainesville
20 with you, Sergeant Acevedo and Nicholas Grenhagen, was there a
21 time after that when Sonia Vacca called here in Gainesville?

22 A. Yes, she did.

23 Q. And approximately when was that?

24 A. I don't remember the date. It was after a meeting with
25 Grenhagen where he was being told by me and Sergeant Acevedo as

1 well as Clifton Brown that I had not been receiving any
2 correspondence from the San Francisco group and my boat was
3 already on the Pacific Northwest and I was incurring expenses.
4 So Sonia Vacca did call me. I spoke with her, as well as I
5 spoke with Matthew Martenyi on the phone.

6 Q. What, if anything, did Sonia Vacca say to you during that
7 phone call?

8 A. That things were fine. The payment for me, the hundred
9 thousand dollars, was not a problem. And again, **we** would **go**
10 back to the January, doing -- the representative on their end
11 would be doing the logistics and the code frequencies on how we
12 would communicate.

13 Q. When was Nicholas Grenhagen arrested?

14 A. Nicholas Grenhagen was arrested on October the 12th of
15 1993.

16 Q. Was that here in Gainesville?

17 A. Yes, sir. It was at the Target shopping center parking
18 Lot.

19 Q. Did you see passports form Nicholas Grenhagen when he was
20 arrested?

21 A. Yes, sir, I did.

22 Q. I'm showing you what I've marked for identification as
23 Government Exhibit 12 and 13. Can you identify those?

24 A. Both of those passports are issued by the country of
25 Sweden with a photo of Nicholas Grenhagen.

1 Q. Have you examined those passports before?

2 A. Yes, sir, I have.

3 MR. DAVIES: Your Honor, I would offer Government
4 Exhibits 12 and 13 into evidence.

5 THE COURT: Without objection.

6 (Government Exhibits 12 and 13 admitted.)

7 Q. Do they indicate that Mr. Grenhagen traveled to Singapore
8 on various occasions?

9 A. Yes, sir, they do.

10 Q. With regard to passports, special Agent Lilley, have you
11 traveled internationally?

12 A. Yes, sir, I have.

13 Q. Does a passport always get stamped every time you enter a
14 country?

15 A. No, it does not.

16 Q. So it's possible to travel and not have a stamp on your
17 passport for a specific date of travel?

18 A. Actually you don't even need a passport to travel
19 internationally; a birth certificate or a driver's license.

20 Q. Also Agent Lilley in the course of your investigation was
21 one of your purposes to attempt to locate drugs in the
22 possession or control of the organization?

23 A. Yes.

24 Q. And did Clifton Brown attempt to assist you in that offer
25 to locate drugs held by the organization?

1 A. Yes, sir, he did.

2 Q. As a result of that information, did you contact another
3 law enforcement agency?

4 A. Yes.

5 Q. And which agency was that?

6 A. The Royal Canadian Mounted Police in Vancouver British
7 Columbia.

8 Q. Without going into specifics of what they told you, did
9 the Royal Canadian Mounted Police Department provide with you
10 information that was of use to you in this investigation?

11 A. Yes, sir, they did.

12 MR. DAVIES: No further questions, Your Honor.

13 THE COURT: Cross.

14 MR. KENNEDY: Thank you, Your Honor.

15 MR. DAAR: May we move the screen, Your Honor?

16 MR. HANKINSON: I will just set it down.

17 CROSS-EXAMINATION

18 BY MR. KENNEDY:

19 Q. Good morning, Agent Lilley.

20 A. Good morning, sir.

21 Q. Was this your first attempt at an undercover operation,
22 this -- these meetings with Martenyi and Grenhagen back in '93?

23 A. This was my first attempt on this organization, yes, sir.

24 Q. My question, sir, was: Was this your first attempt
25 against any target as an undercover operative?

1 A. No, sir. I've worked undercover on international
2 organizations in this district a number of times.

3 Q. Approximately how many?

4 A. As the primary undercover agent, twice.

5 Q. In any undercover capacity, Agent.

6 A. Well, I can't keep track of that number.

7 Q. Give me a rough -- are we talking about six? Ten?

8 A. No, less than ten. I was more -- primarily a case agent
9 than an undercover agent.

10 Q. And your ability to operate undercover requires you to be
11 able to assume a role and play that role as effectively as you
12 can; is that correct?

13 A. Yes, sir.

14 Q. And with reference to your playing a role in this case,
15 you did some preparation for that role, as I understand it.

16 As a matter of fact, you met with a boat captain, I
17 believe you told us, to brief you on some of the realities of
18 the West Coast of the United States and possible offshore
19 loading operations or on-shore loading operations on the west
20 coast. Did I get that right?

21 A. The first -- my first boat captain I spoke to over the
22 telephone because we were in an ongoing undercover. My second
23 boat captain I met with personally on the smaller boat.

24 Q. And those meetings designed to prepare you to be as
25 effective as you could in your undercover capacity?

1 A. Yes, sir, they were.

2 Q. For the role you were playing?

3 A. Yes, sir.

4 Q. Now, in order for that role to work, you have to be able
5 to deceive or to fool the people with whom -- those potential
6 criminals who you are engaging; do you not?

7 A. Yes, sir.

8 Q. And did you take any particular courses or do any
9 particular preparation for -- to enhance this ability of yours
10 to be able to fool or deceive people?

11 A. The DEA has courses in undercover work that are certainly
12 taught to us, the methods and roles, through basic agent
13 school.

14 Q. Were you ever discovered, that is, that -- the undercover
15 role that you were playing, was that ever discovered other than
16 by your own admitting of it in terms of an arrest or something
17 of that sort?

18 A. No, sir.

19 Q. So it is fair to say that you were good at your
20 undercover operation?

21 A. Yes, sir.

22 Q. You are good at fooling and deceiving people?

23 A. In the undercover operation, yes, sir.

24 Q. As a matter of fact, you could fool me right now; could
25 you not?

1 A. I could try:

2 Q. You could fool this jury; could you not?

3 A. Yes, sir.

4 Q. Now, back in '93, you could -- if I understand it, you
5 had been in the Gainesville office for approximately six to
6 seven years?

7 A. Yes, sir.

8 Q. And now when -- you came out of law enforcement in
9 Virginia, I believe it was?

10 A. Yes, sir.

11 Q. When you came out of law enforcement in Virginia and
12 joined the Drug Enforcement Administration, your first
13 assignment was here in Gainesville?

14 A. Yes, sir.

15 Q. That was 1987?

16 A. Yes, sir.

17 Q. So when these activities were happening in '93, you have
18 now been an agent here in Gainesville for approximately six or
19 seven years?

20 A. Yes.

21 Q. It's a fact, is it not, that prior to your having
22 encountered those people --- Martenyi and Grenhagen -- that you
23 had asked to be transferred out of the Gainesville office.
24 That is a fact; is it not?

25 A. I don't know about that time frame, before I met this

1 organization. It's right around there where I was eligible for
2 promotion. I had put in for different positions for promotion.

3 Q. You actually put in an application to the DEA for a
4 transfer out of the Gainesville office at some point; did you
5 not?

6 A. Yes.

7 Q. Also back in -- well, let's see. The DEA is run out of
8 Washington, DC; is it not?

9 A. Yes, sir,

10 Q. Now, back in January of '93, were you aware that the DEA
11 in Washington had taken the decision -- January of '93 I'm
12 talking about -- had taken the decision to close down the
13 Gainesville office?

14 A. I heard you say that yesterday. I haven't researched it.
15 And I've thought about it, when the time frame took place.

16 But, there was discussions about closing the
17 Gainesville office. I do not deny that. The time frame I do
18 not remember.

19 Q. And, as a matter of fact, the decision to close the
20 Gainesville -- the decision by Washington to close the
21 Gainesville office was announced in Washington that Gainesville
22 was going to be the first of the DEA offices to be closed down
23 because of its marginal productivity; isn't that right?

24 A. I cannot say that is a fair statement. If there is some
25 documentation of that that I could review.

1 MR. KENNEDY: May I approach the witness, Your Honor?

2 THE COURT: Sure.

3 MR. KENNEDY: Might I have this marked for
4 identification as Defendant's Exhibit -- I suppose we'll start
5 with A then, Your Honor, if we may.

6 THE COURT: 1.

7 MR. KENNEDY: Very good.

8 Q. I show you what is an article from a Gainesville paper
9 dated January 14th of 1993. I ask you to look at that if you
10 wouldn't mind.

11 A. I accept this as your version of what you have asked me.
12 I did not remember this.

13 Q. Thank you. Okay.

14 Do you have any basis -- either personally or
15 professionally -- upon which to quarrel with this Gainesville,
16 Sun staff writer's report that we've marked as Defense Exhibit
17 Number 1?

18 MR. DAVIES: Objection, Your Honor. I think --

19 THE COURT: Are you objecting to the question or to
20 what?

21 MR. DAVIES: I'm objecting to the question and to the
22 use of the article. The witness can use the article to refresh
23 his recollection, but now he's asking the witness about things
24 in the article.

25 MR. KENNEDY: No, sir. That's not quite accurate.

1 I'm asking him, Your Honor, whether or not
2 professionally or personally he quarreled with or disputed any
3 of the contents of the article.

4 **THE COURT:** Any objection?

5 **MR. DAVIES:** Yes, sir, I object. I mean. I don't
6 think it's proper use of the exhibit, Your Honor.

7 **THE COURT:** Well, if that's the only objection, it's
8 overruled.

9 A. I do not object with the Sun's report on this. I object
10 with what the DEA in Washington may have said about us being a
11 low-producing office.

12 Q. Understood, sir.

13 You understand that I'm not asking you to agree with
14 the DEA decision to close down DEA.

15 A. Absolutely.

16 Q. Nor am I asking you to necessarily agree with the DEA's
17 description by Mr. McGivney of the DEA that the office will be
18 closed in March because the productivity was low. Do you see
19 that?

20 A. Yes, sir.

21 Q. Do you also see down in the article -- it's actually on
22 the first column down very near the bottom -- talking about the
23 Gainesville office: It is the only one currently on the
24 closure list. Do you see that?

25 A. Yes, sir.

1 Q. Now, that is all the questions that I have about that.

2 MR. KENNEDY: We would offer it, Your Honor.

3 MR. DAVIES: Your Honor, can we approach?

4 THE COURT: Do you object?

5 MR. DAVIES: I would ask Mr. Kennedy to produce the
6 actual article. He has got the date written on it.

7 THE COURT: Do you object to the article or just to
8 that aspect of it?

9 MR. DAVIES: I object. It's hearsay also.

10 THE COURT: Sustain the objection.

11 MR. KENNEDY: Thank you, Your Honor.

12 Q. Set that aside then, if you wouldn't mind, Agent Lilley.
13 So at around the early part of '93, you are
14 concerned, are you not, as an agent in the DEA office here in
15 Gainesville about this decision to close down the Gainesville
16 office. Is that fair?

17 A. Yes, sir.

18 Q. And one of the ways in which you would like to be able to
19 prevent or get them to reconsider, at least, is by increasing
20 or showing them how productive the DEA office is here in
21 Gainesville; is that correct?

22 A. Well, we did produce these statistics. Yes, sir.

23 Q. As a matter of fact, you were looking to try to bring
24 into Gainesville cases that would increase, statistically, the
25 productivity in the office. Fair enough?

1 A. I don't know that that is a fair statement, because I
2 don't recall sitting around having those discussions with the
3 guys in the office saying that.

4 Q. Well, my question, sir, wasn't did you talk to your
5 brother agents about it. But, in your own mind, one of your
6 desires -- strike that.

7 You wanted to keep the Gainesville office open; did
8 you not?

9 A. Sure.

10 Q. You knew that Washington was saying: We're going to
11 close you down because your productivity is low or marginal.

12 A. Yes, sir.

13 Q. You wanted to stop Washington from closing down the
14 office?

15 A. Certainly.

16 Q. The way to do that is to increase the productivity of the
17 office?

18 A. That would be one of the methods.

19 Q. And one of the methods of increasing the productivity of
20 the office is to make cases, bring cases into Gainesville, make
21 some arrests, seize some drugs, get some money, correct?

22 A. Yes, sir.

23 Q. Now, Clifton Brown -- that is his actual name; is it not?

24 A. Yes, sir. It is Clifton Brown.

25 Q. Now, before Clifton Brown called on this occasion in '92

1 or '93 to alert you to the possibility of these people working
2 the drug smuggling scam out on the west coast, out in
3 California or wherever, had you ever heard of Clifton Brown or
4 known about his case?

5 A. Yes. I was assigned -- it's actually -- the title is
6 called RastaSlaw-Kindra II, is how DEA does a file title.

7 I had been assigned that case in 1987. When I showed
8 up on the doorstep in Gainesville, I was given about 75 cases
9 to handle that agents that I replaced had left.

10 Q. And when you -- when you were assigned that case as a
11 young officer you reviewed the case, I presume?

12 A. It was in -- yes, I reviewed it. It was in a fugitive
13 status.

14 Q. If I understand correctly, Mr. Brown had been convicted
15 of smuggling cocaine -- five thousand pounds I believe it
16 was -- of cocaine into what, the Gainesville area particularly?

17 A. It was in the Northern District. But he had been
18 indicted, not yet convicted.

19 Q. I'm sorry. So he had been indicted, accused by the
20 government, of bringing some five thousand pounds of cocaine
21 into the Northern District of Florida; is that correct?

22 A. As a member of that organization. Yes, sir.

23 Q. And you were interested in getting him?

24 A. Yes, sir.

25 Q. But I gather whatever efforts you were able to make **were**

1 of no avail from 1987 till ultimately he calls out of the blue
2 in '93; am I correct?

3 A. That -- he did not call me. His attorney called
4 Mr. McGee and we set up a meeting. And that was out of the
5 blue.

6 Q. Out of the blue. Thank you.

7 Now, the meeting -- the attorney for Mr. Brown did
8 not call you, because, of course, he didn't know you had been
9 assigned Mr. Brown's fugitive file?

10 A. That's correct.

11 Q. When Mr. Brown -- when Mr. Brown's attorney called,
12 though, he called somebody in the DEA?

13 A. He called Mr. David McGee, an Assistant United States
14 Attorney in Tallahassee, Florida.

15 Q. Here in the Northern District also?

16 A. In the Northern District. Yes, sir.

17 Q. Did Mr. McGee then contact you, Agent Lilley, and ask you
18 to take over this matter?

19 A. Yes.

20 Q. You then spoke to Mr. Brown?

21 A. On the 18th of June, Mr. Pasano, representing Clifton
22 Brown, came to the Gainesville office and met with Mr. McGee
23 and myself.

24 Q. With Mr. Brown?

25 A. Yes, sir.

1 Q. And it was at that time that he told you of his being
2 introduced or becoming involved with these people: Martenyi,
3 Grenhagen, Vacca, and a Mr. Larkin?

4 A. Yes, sir, he did.

5 Q. Now, this Mr. Larkin, you ultimately made in your
6 investigation -- determined to be a man named Claude Duboc; did
7 you not?

8 A. That's correct.

9 Q. When Mr. Brown -- by the way, have you seen the notes
10 that Mr. Brown made with reference to this?

11 A. I had asked him to prepare the notes. I'm aware of
12 those. Yes, sir.

13 Q. And my colleagues in the government have given us a copy
14 of them. I'm assuming that you have seen a copy?

15 A. Yes, sir.

16 Q. The copy that we've been given is actually typed up.

17 A. Yes.

18 Q. I gather that Mr. Brown wasn't typing **his** notes. ~~he was~~
19 probably doing them in long hand and then he or someone typed
20 them up for him?

21 A. Yes.

22 Q. And so far as you can tell, did the typed version of
23 those notes accurately reflect the handwritten notes of
24 Mr. Brown?

25 A. At the time I was working with an FDLE agent --

1 Q. What is that, sir? Tell the jury.

2 A. The Florida Department of Law Enforcement. Agent Tom
3 Turk. He may have sat down with Clifton Brown and changed
4 these from the handwritten into the typed. I don't remember
5 doing that part of it.

6 MR. DAAR: Your Honor, can I ask the witness to move
7 the microphone closer.

8 MR. KENNEDY: Possibly if you will project, try and
9 project your voice back to where I am, Agent.

10 Q. Now, when you spoke to Mr. Brown, Mr. Brown was
11 interested, of course, in making a deal, correct?

12 A. Yes, sir.

13 Q. He was -- he had not been convicted, but he was not only
14 facing charges of having brought five thousand pounds of
15 cocaine into the Northern District of Florida, but then having
16 fled, having absconded. Correct?

17 A. Yes, sir.

18 Q. And so he was facing 20 years to life in prison, as far
19 as he knew, correct?

20 A. Yes, sir.

21 Q. So he really wanted to make a deal?

22 A. Yes, sir.

23 Q. And the way that he wanted to make the deal is to improve
24 his own position, was to bring you what you wanted, which was
25 another case here in Gainesville. Right, sir?

1 A. Yes, sir.

2 Q. Now, if this case was made out in California or out in
3 Seattle, or out in Vancouver, British Columbia, up in Canada,
4 that wouldn't do you any good down in Gainesville, would it,
5 down here?

6 A. I don't know what you mean by doing me any good.

7 Q. Well, sorry. I didn't mean to make it personal.

8 Doing your official capacity any good, as a DEA
9 agent, because you were trying to make cases here in
10 Gainesville, and to make cases out on the west coast of the
11 United States or up in Canada wouldn't really help Gainesville,
12 would it?

13 A. No, sir.

14 Q. All right. Thank you.

15 MR. KENNEDY: Now we've got volume. I believe even
16 Mr. Daar is going to be able to hear us now. Thank you
17 whomever did that..

18 Q. So the first thing you wanted Mr. Brown to do was to help
19 you get this burgeoning criminality out west into Gainesville;
20 is that correct?

21 A. Yes, sir.

22 Q. Now, Mr. -- in Mr. Brown's notes -- I just asked you to
23 accept my representation of this, and I will show you if you
24 don't want to accept my representation, because you don't have
25 to.

1 In Mr. Brown's notes he says that what he would like
2 to do is to bring you undercover and maybe another one of your
3 colleagues undercover out to San Francisco. Do you recall
4 that?

5 MR. DAVIES: Objection, Your Honor.

6 THE COURT: Sustained.

7 Q. Did Mr. Brown seem to you to come -- that he'd like you
8 to come to San Francisco?

9 A. There was discussion about coming to San Francisco.

10 Q. When -- you said no, it would be better if you came to
11 Gainesville, correct?

12 A. Gave him a call and told him to come to Gainesville.

13 Q. Good.

14 And, in fact, that is ultimately what happened?

15 A. Yes, sir.

16 Q. Now, prior to that time, prior to the time that you --
17 that they accept your invitation to come to Gainesville, had
18 there been any activity, to your knowledge, by this group --
19 this Martenyi and Vacca and those people -- had there been any
20 activity of them of any sort in Florida?

21 A. No, sir.

22 Q. Any activity by them of any sort in Gainesville?

23 A. No, sir.

24 Q. And as I understand their scheme or scam or whatever we
25 call it, it was to import -- somewhere out in the Pacific

1 Northwest -- some hashish and/or marijuana?

2 A. Yes, sir.

3 Q. As I understand it there was no plan to bring any of that
4 hashish and marijuana into Gainesville, was there?

5 A. No, sir.

6 Q. Nor was there any plan to bring any money into
7 Gainesville; was there, sir?

8 A. No, sir.

9 Q. Now, did you ever go out to San Francisco or anyplace out
10 west?

11 A. Not during the course of my undercover.

12 Q. Right.

13 After the arrests were made -- and you told us that
14 the arrests really came with the arrest, I believe of first
15 Mr. Grenhagen on the 12th day of October of '93; is that
16 correct, sir?

17 A. Yes, sir.

18 Q. And then you -- you moved -- or your brother officers or
19 brother/sister officers moved immediately against Martenyi and
20 Vacca out in the San Francisco bay area; is that correct?

21 A. Yes, sir.

22 Q. Now, actually from your standpoint as a professional DEA
23 officer, what you wanted to do was for this -- this case you
24 were working on out on the west coast, you wanted it to develop
25 further; did you not?

1 A. Yes, sir, I did.

2 Q. You weren't really ready to have to make the arrests of
3 Grenhagen and -- not Grenhagen -- but you were not really ready
4 at that point, or did not desire professionally at that point
5 to make the arrests of Vacca and Martenyi particularly?

6 A. That's correct.

7 Q. And you couldn't make the arrest of Larkin, Mr. Duboc.
8 You didn't know where he was?

9 A. That's correct.

10 Q. Now, the reason -- as I understand it -- that you
11 arrested Mr. Grenhagen before, and then Vacca and Martenyi
12 before you really wanted to, is because Mr. Grenhagen was
13 himself engaged in some criminality that you felt, as a law
14 enforcement officer, you had to stop right then and there and
15 arrest him; is that correct?

16 A. Yes, sir, we did.

17 Q. That particular activity of Mr. Grenhagen -- strike that.

18 Now, Mr. Grenhagen, during the course of **his**
19 conversations with you, aside from talking about this West
20 Coast, this Pacific Northwest marijuana-hashish smuggling
21 scheme, talked to you about some other totally independent
22 schemes; did he not?

23 A. Yes, sir, he did.

24 Q. Included among the schemes that Mr. Grenhagen spoke to
25 you about was a plan to try to defraud a bank through a bank

1 loan he'd never pay back, correct?

2 A. Yes, sir.

3 Q. To try to defraud -- to try to utilize a fraudulent
4 Mexican bond as a security and rip people off that way; is that
5 correct?

6 A. That was as a down payment for a load that he wanted me
7 to take down to them.

8 Q. Okay. And that didn't have anything -- as far as you
9 could tell -- to do with Martenyi or Vacca, did it?

10 A. No, sir.

11 Q. Also, Mr. Grenhagen was talking to you about the plan to
12 try to import some heroin or cocaine into Europe, correct?

13 A. Yes, sir.

14 Q. And, again, that didn't have anything to do with the --
15 so far as you could tell -- with Vacca or Martenyi or Larkin?

16 A. It did not have anything to do with them.

17 Q. And also I understand that there was some kind of a scam
18 or scheme involving a Sweedish bond that he was trying to
19 perpetrate; is that correct?

20 A. Yes, sir.

21 Q. Now, take us, if you would, Agent, to this 12th day of
22 October of '93. And tell us what were the factors that caused
23 you to have to move against Grenhagen and thereby move
24 precipitously against Vacca and Martenyi?

25 A. A number of things happened involving Mr. Grenhagen. He

1 had bragged about being involved in a bank robbery in Sweden
2 involving some Sweedish bonds.

3 Through correspondence with our agents there, there
4 was, in fact, a bank robbery. In fact, it was the largest bank
5 robbery in Swedish history. So they were very much interested
6 in Mr. Grenhagen's apprehension.

7 Then Mr. Grenhagen got involved in the scheme where
8 he was going to try and launder my money and rip off 20 million
9 dollars out of the Sun Bank down in Miami.

10 One of the female agents from Miami came up and
11 assisted me on that where we had meetings with some of
12 Grenhagen's friends. And they actually signed a bank
13 statement, cards and created a phony organization. And there
14 was going to be a ripoff of 20 million.

15 And learning from Clifton Brown is actually the three
16 guys that came over and Grenhagen were going to rob me of about
17 seven million dollars.

18 So Grenhagen was, I mean, we -- he was a violent
19 criminal that just needed to be stopped.

20 Q. And you took -- in your professional judgment you took
21 the decision to stop this man before he really did some serious
22 harm to himself -- not to himself, but to you or to someone
23 else, correct?

24 A. Yes, sir.

25 Q. And this incipient harm that he was about to do, again,

1 didn't have anything to do -- as far as you could tell -- with
2 Vacca, Martenyi or Larkin?

3 A. It had nothing to do with them.

4 Q. So this -- here is a man who is operating what we could
5 describe as a totally separate conspiracy; is he not?

6 A. Yes, sir.

7 Q. Now, let's go to Matthew Martenyi for a moment.

8 I confess, I tried to listen to the tapes and I -- I
9 know you had to listen to them, and you tried to do the best
10 you could in terms of a transcript. But there is still a lot
11 of inaudibility there, correct?

12 A. Yes, sir.

13 Q. But as far as you are concerned as a professional
14 operating undercover, you knew that someone of the likes of
15 Grenhagen or Martenyi -- strike that.

16 Let's just take Martenyi for a moment. You knew that
17 somebody of the likes of Martenyi who was hoping to get
18 involved in some criminal operations had the ability to
19 possibly exaggerate what he had done or was capable of now
20 doing; is that true?

21 A. Yes, sir.

22 Q. As a matter of fact, some of these people -- Martenyi
23 being an example -- might just outright lie to you about what
24 they have done or could do?

25 A. Yes, sir.

1 Q. And as good as you are at your job, you could never
2 really tell when Martenyi was telling you the real truth or
3 when Martenyi is simply exaggerating or outright lying, could
4 you?

5 A. That's correct.

6 Q. Also some of those people -- and this is an example of
7 Grenhagen I suppose -- some of those people you have to
8 encounter are absolute renegades. You know what I mean by
9 renegade?

10 A. Yes, sir.

11 Q. Someone off doing their own thing independently
12 separately from other people?

13 A. Yes, sir.

14 Q. And as far as you knew, Martenyi could be -- could be a
15 renegade himself, correct?

16 A. I don't think for him that I had that -- those thoughts.

17 Q. You did have them for Grenhagen?

18 A. Absolutely.

19 Q. Now, Matthew Martenyi on the part of the transcript that
20 we saw that was audible was talking about the North Pacific.

21 There's -- actually those are the words that are actually
22 transcribed in the transcript. Do you recall them, Agent?

23 A. Yes, sir.

24 Q. Thank you.

25 Now, by the North Pacific, was it -- was it not your

1 impression that Mr. Martenyi was talking about Canada?

2 A. No. My impression was Washington, Oregon, that area of
3 the Pacific Northwest,

4 Q. I understand the Pacific Northwest of the United States.
5 But this was two words that he used that I want you to focus
6 on -- I'm not trying to put words in your mouth -- was North
7 Pacific. Those were the two words as opposed to the Pacific
8 Northwest. That has a little different meaning; does it not?

9 A. In my discussion with him there was discussion about
10 north. I took that to be Canada. Yes. Yes, sir.

11 Q. And the thing about north being Canada is that
12 Martenyi, in fact, said that some of the operations that had
13 been occurring were, in fact, occurring in Canada?

14 A. Yes, sir.

15 Q. And, as a matter of fact, the proposal that Mr. Martenyi
16 was bringing to you at one point included an offloading
17 operation up north, possibly in Canadian waters, where a
18 Canadian offloading crew would take some hashish into Canada,
19 and another crew, your crew, theoretically, would take the
20 marijuana back down into the United States, correct?

21 A. Yes, sir.

22 Q. And you said: I don't want any part of that, right?

23 A. Yes, I did.

24 Q. One of the reasons you didn't want any part of that is
25 because whatever criminality was created you -- strike that.

1 Whatever criminality was perpetrated, you wanted done
2 or perpetrated in the United States, correct?

3 A. **No.** I think -- as I recall my conversations with him on
4 the transcript, I didn't want that many boats bumping into each
5 other.

6 You know, I didn't want the Coast Guard saying:
7 We've got a Canadian group going out there and an American
8 group and they are all meeting at one mother ship. What is
9 going on with that? They would head one direction, I would
10 head the other. I think that was my concern.

11 Q. Understood sir. Thank you.

12 You were -- there was a discussion on the tape about
13 some action north of Washington. Do you recall that?

14 A. Yes.

15 Q. And the Washington referred to presumably the state of
16 Washington, correct?

17 A. Yes, sir.

18 Q. And immediately north of the state of Washington, of
19 course, is Canada?

20 A. Yes, sir.

21 Q. And you are not -- you did not want to get mixed up with
22 the Canadian load up in Canadian waters, correct?

23 A. I don't know that I even considered not getting mixed up
24 in it. I mean, if that was the last -- you know, the last
25 straw, then I would have been happy to take it into Canada.

1 Q. . Did you ever suggest to -- strike that.

2 Do any of the tapes or any of your DEA-6s reflect
3 your having expressed your willingness to bring these planned
4 and proposed loads of marijuana or hashish into Canada?

5 A. No. I thought you were asking me subjectively your last
6 question.

7 Q. Well, that's a fair interpretation of it.

8 My question to you now is: Do your tapes or your
9 reports or your notes reflect this willingness that you have
10 just described of bringing these things, these drugs, into
11 Canada?

12 A. They reflect the contrary.

13 Q. They reflect you wanted to bring them into the United
14 States?

15 A. Yes, sir.

16 Q. Now, you're familiar generally, professionally, with
17 the -- with the drug laws of the United States because it's
18 part of your job to enforce them, correct?

19 A. Yes, sir,

20 Q. And you have become -- maybe as a result of this case or
21 other cases -- somewhat familiar with the drug laws of Canada;
22 have you not?

23 A. Yes, sir.

24 Q. And it is a fact, is it not, that the drug laws of Canada
25 are a whole lot less harsh than our drug laws down here in

1 America?

2 A. Yes, sir.

3 Q. Now, is there anywhere in the -- in the tapes or your
4 transcripts, wherein there is an actual statement or an actual
5 indication that an agreement, a meeting of the minds, has been
6 reached with you and Martenyi with reference to these proposed
7 drug smuggling activities out on the west coast, out on the
8 Pacific coast?

9 A. In my meeting with Martenyi, the only agreement reached
10 was he would take my proposal back to Larkin at that particular
11 July 1 meeting.

12 Q. And that -- and then Mr. Larkin would be in -- that is
13 more or less is you're saying -- strike that.

14 You are -- in fact, you are in a negotiation, are you
15 not, as an undercover operative?

16 A. Yes, sir.

17 Q. And the negotiation means that you haven't quite gotten
18 to the point of agreement. Would you agree with me?

19 A. Yes.

20 Q. And in the negotiation, for example, they are offering
21 you 12 percent, something like that, if I understand it, and
22 you say, customarily I get 25. Correct?

23 A. Correct.

24 Q. These negotiations are ongoing; are they not?

25 A. Correct.

1 Q. As a matter of fact, those negotiations are not even
2 concluded by the 12th day of October when you have to arrest
3 these people; is that correct?

4 A. Before the October 12th, because undercover meetings and
5 these negotiations was a continuing process. The discussions
6 were continuing.

7 The final conversations were that there would be a
8 meeting in January with another representative of their group
9 to inspect my boats.

10 Q. And you hoped out of that January meeting would actually
11 come an agreement?

12 A. Yes. And approval of my boats.

13 Q. Which meant an agreement?

14 A. Certainly.

15 Q. Thank you.

16 MR. KENNEDY: I have nothing further, Your Honor. I
17 thank you, Agent.

18 THE COURT: Mr. Daar,

19 CROSS-EXAMINATION

20 BY MR. DAAR:

21 Q. Good afternoon, Agent Lilley.

22 A. How are you, sir?

23 Q. I'm fine. How are you?

24 A. Good.

25 Q. You were present in the courtroom during the opening

1 statement by the prosecutor in this case?

2 A. Yes, sir.

3 Q. And do you recall he mentioned I think it was a figure of
4 60 million dollars that was seized from Claude Duboc?

5 A. Fifty.

6 Q. Fifty?

7 A. Yes, sir.

8 Q. Where did that money go?

9 A. Into the asset forfeiture fund of the United States
10 Government,

11 Q. And where does it go from there?

12 A. I don't know.

13 Q. Does the Gainesville DEA receive any portion of that
14 money?

15 A. No, sir.

16 Q. Does the Gainesville police department receive any
17 portion of that money?

18 A. Yes, sir, they will.

19 Q. What portion of the money do they receive?

20 A. It hasn't been finalized yet. I don't know what they are
21 going to get. I believe they were put in for maybe 25 percent.

22 Q. You say they were put in, meaning they made a request for
23 25 percent?

24 A. I'm sorry the -- the process of making the request is of
25 25 percent.

1 Q. Gainesville asks the government? Did I say the
2 government -- because of our role in this investigation, please
3 give us 25 percent of the proceeds?

4 A. Yes. The United States does share back the proceeds of
5 drug trafficking with local law enforcement agencies that work
6 with say us or the FBI.

7 Q. Okay. So that is -- my math would be what,
8 approximately, 12 million dollars would be 25 percent?

9 A. It could be. Yes, sir. I'm not -- I don't know what the
10 final decisions are up in headquarters.

11 Q. So that would be a substantial amount of money to the
12 Gainesville police department; would it not?

13 A. Yes, sir.

14 Q. Now, that money that was seized would also become part of
15 statistics that are kept by the DEA, correct?

16 A. Yes, sir,

17 Q. And those statistics would include money seized and drugs
18 seized, correct?

19 A. Yes.

20 Q. And persons arrested?

21 A. Yes,

22 Q. And persons convicted?

23 A. Yes.

24 Q. And each DEA office all over the country keeps statistics
25 Like that, correct?

1 A. Yes, sir.

2 Q. And those statistics go to Washington on some periodic
3 basis, correct?

4 A. They go weekly to Washington. Washington keeps the
5 statistics for Congress.

6 Q. And Washington uses those statistics to evaluate the
7 effectiveness of each DEA office, correct?

8 A. In this case) it looks like they weren't looking at them.

9 Q. And in this case, they weren't looking at them because
10 the fact that they said they were going to close the office?

11 A. Because we were unproductive, if that is what you are
12 referring to is this article. Is that what we are talking
13 about?

14 Q. We are getting there.

15 A. Okay. That is what it is.

16 Q. But you said that they weren't looking at them?

17 A. You asked me if I make decisions on cases based on
18 statistics. And I disagreed with this guy in headquarters
19 saying we didn't make any statistics.

20 Q. Okay. So you felt that the statistics provided to
21 Washington prior to this case that you brought to Gainesville
22 were sufficient to justify the office's continuing existence?

23 A. All of us did. Sure.

24 Q. Well, let's just talk in terms of money. Within the two
25 years prior to this case, what is the largest seizure of money

1 that occurred in the Gainesville DEA office?

2 A. The case -- one of the forfeiture cases that I was
3 working on, in fact you have heard testimony about the month of
4 August, because I was working another case in the month of
5 August. So that case generated 22 million dollars, of which
6 the Gainesville police did again receive a large amount of
7 money on that.

8 Q. I see. Any other cases of that scope in the last two
9 years prior to?

10 A. In the last two years? I mean every agent in the office
11 was working cases of significant magnitude. Now, not every one
12 was a 20 million dollar seizure.

13 Q. Okay. So you are not really sure what they are?

14 A. I haven't gone back to review the statistics for those
15 years.

16 Q. Okay. Now, you inherited this file on this fugitive
17 Brown, correct?

18 A. Yes, sir.

19 Q. And you read the file and made whatever -- did you make
20 any attempts to find him?

21 A. I continued to do teletypes and talk to the local
22 officers in Ft. Lauderdale, because again, when I got here it
23 was still ongoing. There were some forfeitures in that case.
24 Some C. J. Brown partners had not been sentenced yet, So I
25 handled those.

1 And throughout the years this case has been passed
2 from one agent to another too. You know, we had a significant
3 extradition from Columbia. One of the other agents took that
4 guy, which was Guerrimo Bueno. He was in this case,
5 theoretically, was mine, but I was busy, he took it.

6 Q. What was Mr. Brown's criminal history?

7 A. If you mean his FBI check and NCIC check, I don't
8 remember. But there were no crimes of violence as I recall
9 because we -- we wouldn't have done what we did ethically with
10 individuals with crimes of violence backgrounds.

11 Q. Do you consider possession of weapons to be a crime of
12 violence?

13 A. I don't remember the context. If he is stopped by a
14 police officer and it is in the glove box and they take it, I
15 don't. Not for me.

16 So if he is a pilot, which C. J. was, and he gets
17 popped with having a gun in the airplane for legitimate
18 business, it is different than was he **is** carrying that gun
19 smuggling drugs at that time?

20 Q. My question to you is: If there were guns in the
21 possession of Mr. Brown or his co-conspirators, would you
22 consider that a crime of violence?

23 A. Yes, I would,

24 Q. So it's your understanding there were no guns involved in
25 Mr. Brown's case, otherwise you wouldn't have dealt with him?

1 A. No, I'm not saying that. I'm saying nothing is ringing a
2 bell of his criminal history. You brought up the gun.

3 Q. Okay. But, just so I understand, your office has a
4 policy of not engaging in negotiations with persons that commit
5 crimes of violence?

6 A. No, we don't have that policy.

7 Q. You personally have that policy?

8 A. Every individual is looked at differently when they go to
9 cooperate with us. It goes through a series of approvals, not
10 mine. I'm the low man on the totem pole. I make a request and
11 a number of supervisors review those. And we provided the
12 criminal history of Mr. Brown with that.

13 Also the prosecutor has to approve any people that
14 work with us. I'm saying: I don't recall any significant
15 crimes of violence-with Mr. Brown.

16 Q. Okay. Now, prior to this meeting in which Mr. Brown
17 comes in, was there some contact about the meeting that was
18 going to concur?

19 A. Yes.

20 Q. What did that contact consist of?

21 A. Conversation with Mr. Mike Pasano representing Mr. Brown.
22 And Mr. David McGee, an assistant United States Attorney
23 discussing setting up a surrender of Clifton Brown.

24 Q. Now, did Mr. Brown have any conditions by which you would
25 have to meet before he surrendered?

1 A. I don't know.

2 Q. Did Mr. Brown understand that he was going to be arrested
3 prior to coming in?

4 A. I don't know what he understood prior to him coming in.

5 Q. Did you talk to his attorney?

6 A. No, sir, I didn't.

7 Q. The first time you talked to anyone, either Mr. Brown or
8 his attorney, is at the meeting?

9 A. Yes, sir.

10 Q. Who brought 'it to your attention?

11 A. Mr. McGee.

12 Q. What did Mr. McGee tell you?

13 A. I don't recall,

14 Q. Prior to the meeting, were you aware of what Mr. Brown
15 was bringing as bargaining chips?

16 A. No, sir.

17 Q. Did you, along with the US Attorney assigned to the case,
18 calculate Mr. Brown's exposure on the United States Sentencing
19 Guidelines?

20 A. I wouldn't think so, because Mr. Brown was indicted prior
21 to the guidelines..

22 Q. What was the year of his indictment?

23 A. I believe it was 1985. I believe the load came in in
24 '84. I maybe a year off.

25 Q. At that time, there were guidelines with respect to how

1 Long someone would do a sentence as controlled by the Parole
2 Commission; is that correct?

3 A. That's correct.

4 Q. And those guidelines just like the present guidelines
5 that control the law today are driven by quantity in terms of
6 drug cases, correct?

7 A. That's correct.

8 Q. And you were aware from knowing the case that Mr. Brown
9 not only was charged with five thousand pounds of cocaine, but
10 also had admitted to transporting 10 or 15 thousand pounds of
11 marijuana, correct?

12 A. When you say he admitted to that, that didn't come until
13 after he turned himself in.

14 Q. But that came to your knowledge, correct?

15 A. Yes.

16 Q. And you had some sense that under the parole guidelines,
17 Mr. Brown, without your help, would probably spend the rest of
18 his life in prison or close to it?

19 A. Very close.

20 Q. Now, once you learned that the bargaining chips that
21 Mr. Brown was bringing to this meeting consisted of two or
22 three or four persons in the West Coast that were seeking an
23 offloader, and you testified that you decided to initiate the
24 investigation, correct?

25 A. Correct.

1 Q. Now, you could have called the DEA office in San
2 Francisco, provided them with information and instructed Brown
3 to meet with them, correct?

4 A. Yes, sir.

5 Q. But if you had done that, then the case would have
6 developed in San Francisco, and the Gainesville office while
7 maybe getting credit for having brought -- having Brown come
8 in, they would not get credit for the drugs and the money
9 seized, correct?

10 A. Yes, sir.

11 Q. So by keeping the case in your own office, perhaps even
12 at the expense of the investigation, you ensured that the
13 statistics compiled would go to the benefit of the Gainesville
14 office?

15 A. I'm not sure.

16 THE COURT: I don't understand the question. The
17 expense of the investigation.

18 MR. KENNEDY: Well, I'll strike and reask in a better
19 way.

20 THE COURT: All right.

21 Q. By keeping the case in the Gainesville office, you were
22 ensuring that the Gainesville office would get full credit for
23 it, correct?

24 A. Listen. My thought processes on making a case have
25 nothing to do with a statistic for Gainesville, Washington or

1 anything else.

2 It is doing the job. Making the best case possible,
3 You are sitting there wanting me to say things that I don't
4 even think about when we go to make those cases. This case was
5 interesting. It was exciting. And any agent would have jumped
6 at the chance to participate in it. Forget keeping Gainesville
7 open. The case is going to go on.

8 Q. So the case was exciting, interesting, it was a trophy,
9 so to speak?

10 A. Well, trophy? Nobody cared about trophies. It was a
11 case that had a lot of potential based on what Clifton Brown
12 had said.

13 Q. Okay. Now, am I to understand that once you have this
14 information, that logistically it would have been easier to try
15 to draw those people on the west coast to Gainesville then it
16 would be to contact the DEA office in California, and say:
17 I've got a couple of your local people; They are trying to
18 smuggle. Here is the information and have them work on it?

19 A. When Clifton Brown came in and gave us the information --
20 to set the scene for the jury of what took place. The
21 following day, we go down and seize all of his assets in Ft.
22 Pierce, Florida, where he resides.

23 That was part of the deal. He had to surrender his
24 drug-related assets. We did that. We come back, secured the
25 money on Sunday or Monday. The following day we went to the

1 Bahamas to do another two million dollars.

2 While we were in the Bahamas, I was debriefing
3 Clifton Brown. One of the photographs that Mr. Davies has
4 introduced is me sitting there at the airport steadily taking
5 notes, and Mr. Brown learning about the Pacific Northwest case.

6 I mean, we didn't have a first grip on it the first
7 day that he met us. So coming back while we are in the Bahamas
8 to check his reliability and credibility, hey this thing is
9 going to happen, make a telephone call see if he'll be complete
10 with me. That is what he did.

11 Q. I see. So that was the logistical better way to entrap
12 this group as to get them to Gainesville then it was for San
13 Francisco DEA to get them, is that your testimony?

14 A. No, because it -- you are using the word for me to
15 entrap. So I don't agree with your statement.

16 Q. Let me rephrase it. The best investigative technique
17 available to you to uncover this West Coast smuggling
18 organization was to try to draw them from where they were,
19 3,000 miles to Gainesville, rather than call up San Francisco
20 DEA, provide them with information, have them pretend to be the
21 offload?

22 A. As I just testified to, in the time frame that we were
23 doing, checking C.J.'s reliability, having him make the phone
24 call while we were there in the Bahamas, and see what
25 Mr. Martenyi would do, Mr. Martenyi said he'd come to

1 Gainesville.

2 Q. Once you thought that you could make the case in
3 Gainesville, you decided it was not necessary to use San
4 Francisco DEA?

5 A. No, that is not correct. That is not true. Throughout
6 the following week, I was on the phone with Customs in Seattle,
7 Customs in Blain, DEA in Portland, Oregon, setting up offload
8 sites there. We were going to do the deal in Washington, or
9 Portland, Oregon.

10 I had a buddy in Portland, Oregon, so I was looking
11 for a place to do it there. So everybody was questioned from
12 San Francisco, Portland, Oregon, to Seattle.

13 Q. You contacted San Francisco DEA?

14 A. Yes, I did.

15 Q. Was it your intention to actually acquire fishing boats
16 and attempt the offload?

17 A. I already had the boats. I didn't need to go purchase
18 them. And actually **to do** the offload, **we** were -- the
19 discrepancy was whether we were going to use my boats or we
20 were going to use the United States Customs boat.

21 Q. You actually had boats or your character said he had
22 boats?

23 A. No. I actually had boats. We had been doing
24 importations in an undercover capacity prior to this case.

25 Q. I see. So your office here actually had a pretend

1 offload group that had boats?

2 A. No, we weren't pretend, we were agents and police
3 officers that did this.

4 Q. Right. Pretending to be offloaders. But really you were
5 police officers. That is what I meant.

6 A. Yes, sir.

7 Q. The boats were real?

8 A. We had -- we had done this before. This was not a first.

9 Q. Okay. Did the boats actually get sent through the Panama
10 Canal like you said?

11 A. No.

12 Q. Now, was there some kind of agreement entered into
13 between the government and Mr. Brown in exchange for the
14 information?

15 A. Yes. There was a plea and cooperation agreement, I
16 believe.

17 Q. And what did Mr. Brown receive in exchange for bringing
18 this trophy to your office?

19 A. He received a statement from the United States Government
20 to the sentencing judge what his assistance was to the
21 government.

22 Q. And what was he sentenced to?

23 A. I don't remember. Maybe six years I believe. Seven
24 years.

25 Q. Is he in jail now?

1 A. No, he is not,

2 Q. What year was he sentenced?

3 A. I don't remember that, Mr. Daar. Maybe -- I mean I just
4 don't remember. I would be guessing. 1994.

5 Q. Do you know when he got out?

6 A. No, sir.

7 Q. Now, this offloading group that you had formed was, in
8 essence, a series of police officers and agents that were
9 posing as a group of persons that had formed an entity to help
10 smugglers get their goods from the boat to the shore; is that
11 correct?

12 A. You took me through a thing -- there was no formation of
13 the group. We used whatever we were working with for that
14 particular load. I mean, I have used -- you know, we have
15 people that are working with us that are doing that stuff too
16 as well as the agents and the police officers. Yes.

17 Q. But what you were presenting to Martenyi and Vacca was
18 that you had a group of persons with varying types of equipment
19 that could help them get their products from boats out on the
20 ocean to shore?

21 A. Yes.

22 Q. And that to -- the organization that you had involved
23 smaller boats, radios and countersurveillance equipment and
24 people to physically move the stuff and fork lifts and those
25 kind of things?

1 A. Yes.

2 Q. It was sort of the infrastructure, the personnel for
3 getting the goods from point A to point B?

4 A. Actually doing my own work on the case. They used their
5 proposal -- if that is what you are referring to -- looking
6 under their security system. I looked at what they had set up.
7 And I -- I tried not to take any steps further. It was kind of
8 like I was -- hey, I've got the same things you guys are
9 proposing.

10 Q. Right. So you had this entity that you were in charge
11 with that could help them?

12 A. Right.

13 Q. And what you said to them, in essence is, I have this
14 entity. I can help you. This is what I propose to do. Let's
15 negotiate about the details?

16 A. Yes.

17 Q. In a sense you are like a subcontractor, Would that be
18 fair?

19 A. That would be fair.

20 Q. Okay. And the proposal reflected, in essence, what you
21 are offering to do and request this specific price, correct?

22 A. Yes.

23 Q. Now, you were a little concerned about how slowly this
24 attempt to involve yourself in this group was going, correct?

25 A. Yes.

1 Q. You were concerned because from the initial contact
2 months had gone by and very little happened, correct?

3 A. Pretty much. The month of August nothing had happened.
4 Yes. Now, Clifton Brown is there doing the talking. And there
5 has been some confusion over the money. I didn't like that,
6 that he is negotiating for me. He is negotiating for them.

7 Because of the two of us -- me and Ms. Vacca or
8 Martenyi were never getting together on what each other wants.
9 So, yeah.

10 Q. So I don't get confused, perhaps you can say when you are
11 talking about your character, my character, because I don't
12 know whether you are telling me that as an agent that is what I
13 was thinking, or as a character that is what I was projecting.

14 Okay. Perhaps you can make that distinction for me.

15 A. Okay. As my character, I am concerned that it is not
16 progressing too quickly.

17 Q. You are also concerned as an agent because you wanted --
18 you **wanted it** to happen?

19 A. Well, no. As an agent I think I was fairly happy with,
20 let's do it in December, because I was very busy in other
21 cases.

22 Q. So when you told Sonia Vacca that you had already moved
23 your boats all the way through the Panama Canal, that you are
24 upset that nothing was happening, that was your character, not
25 you as an agent?

1 A. That is my character as the -- the character being upset
2 not the agent.

3 Q. All right. And when Sergeant Acevedo leaned on
4 Mr. Martenyi saying that this is not the way to do business,
5 and inferred that there could be problems for Mr. Martenyi,
6 that was also part of your character?

7 A. That was a character that he was playing with
8 Mr. Grenhagen.

9 Q. Okay.

10 A. Not Matthew Martenyi.

11 Q. But he did that with Mr. Grenhagen, he leaned on him,
12 made him fearful?

13 A. He leaned on him. I don't know that Mr. Grenhagen was
14 fearful of Mr. Acevedo.

15 Q. I think you said he leaned on him pretty hard, didn't
16 you?

17 A. He leaned on him good.

18 Q. And Mr. Acevedo's character was this relative of a heavy
19 Colombian drug lord, correct?

20 A. The son, Yes, sir.

21 Q. The son. Okay. And the general reputation of Colombian
22 drug lords is --

23 The general reputation of Colombian drug lords is
24 that they are violent and dangerous, correct?

25 A. That would be very -- yes, sir.

1 Q. And by assuming the identity of the son of a Colombian
2 drug Lord, Sergeant Acevedo got the ability to, in essence,
3 threaten Mr. Grenhagen?

4 A. I never thought of it that way. We never planned for it
5 to come across like that. I don't think I interpreted it as
6 coming across as any kind of threat to Grenhagen.

7 Q. You didn't think it was a threat to Grenhagen?

8 A. I don't know -- no, I don't think it was a threat to
9 Grenhagen. I think it is a statement about what your business
10 was all about.

11 Q. So when you say that Sergeant Acevedo laid it on pretty
12 heavy, that is not a threat?

13 A. I don't think so.

14 Q. What is the heavy part?

15 A. That means we said it too much. That maybe it was
16 emphasized too much. I mean, certainly we wanted Grenhagen to
17 relay the message back. But in the context that hasn't come
18 out in this **testimony yet, there was a reason for laying on**
19 Grenhagen.

20 Well, it has come out. Grenhagen wanted --

21 MR. DAAR: Objection. Non-responsive.

22 Q. In fact, you kind of did the good-guy bad-guy in front of
23 Grenhagen, with you attempting to seemingly placate and calm
24 down the son of a Colombian drug lord, correct?

25 A. I don't know what context you are bringing that up in.

1 Help me with my recollections, Mr. Daar. If I did
2 that, I don't deny that.

3 Q. It will take me a moment because I just got some of this
4 last night.

5 MR. DAVIES: Objection, Your Honor.

6 THE COURT: Sustained.

7 Q. You acted tough with Mr. Grenhagen, didn't you?

8 A. Me?

9 Q. Yes.

10 A. I don't know that I did, I acted frank with him.

11 Q. Okay. Do you recall testifying in the trial of Nicholas
12 Grenhagen?

13 A. I did testify.

14 Q. Okay. I'm going to try to refresh your recollection from
15 the transcript. Counsel, page 35, lines 18 through 25. It's
16 the transcript marked 212 on the bottom.

17 Question: And on that following day, actually that
18 following day, on the date of the 3rd when you met Nicholas,
19 you all jumped his case about this, don't you?

20 Answer: I certainly did.

21 Question: And I mean tough?

22 Answer: Yes.

23 Question: You tell him you are married to the head
24 of a drug cartel, that they are angry at you and at this
25 family?

1 Then your answer is: Right.

2 Question: That was the expression that you used,
3 wasn't it?

4 Answer: That's correct. And the family was not
5 happy with you?

6 Answer: I made a mistake.

7 Do you recall that testimony?

8 A. I don't deny that. No. I don't recall it, saying those
9 words. I mean, I testified. That is six years ago. I don't
10 deny saying that.

11 Q. Do you think your recollection is better now or then?

12 A. I think it was better then.

13 Q. Okay. So you said you were tough then. So that is
14 probably a correct answer, correct?

15 A. I thought you said the word dumped. You were saying
16 tough?

17 Q. Tough. I'll read it again. I'm sorry.

18 A. I'm sorry.

19 Q. I'll just read the pertinent portion. Question: And I
20 mean tough.

21 A. I'm sorry. I thought you said dumped.

22 Q. That is okay.. I have the same problem. But your answer
23 was yes?

24 A. I agree with you. Yes, sir.

25 Q. Did you -- so you were tough?

1 A. Yes, sir.

2 Q. Now, I thought you said moments ago that you didn't
3 intend to make him afraid. Is that correct?

4 A. Right.

5 Q. Okay. I'm now going to read for you, the same trial,
6 page 37 lines 18 through 20.

7 And the question: That is of course to get Nicholas
8 to get those people to get back in touch with you.

9 Yes.

10 That is what you wanted to create?

11 Your answer was: Right.

12 Question: And at least partially what you were using
13 to create that is fear, isn't it?

14 Answer: I would think that was a certain amount of
15 fear. Okay?

16 A. Okay. Then I would agree with -- that if that was my
17 testimony.

18 Q. So you wanted to get this thing moving. And one of the
19 ways you got this thing moving was by acting tough and creating
20 fear in Mr. Grenhagen, correct?

21 A. Correct,

22 Q. Now, if Vacca, Martenyi and Nicholas believed that you
23 had in fact -- how many boats did they think that you had
24 moved? What, six or 7,000 miles from the Panama Canal?

25 A. No. It's not six or seven thousand miles.

1 Q. I get seasick. How far is it from where they were?

2 A. At one time, I believe they were just aware that I had --
3 when I said boats, I don't think that they knew the number.

4 But, certainly they knew the larger one, the 70
5 footer.

6 Q. Okay. So from your knowledge, they believed that at
7 least one of your boats had gone from where it was originally?

8 A. I wasn't tell anybody where it was at, because we were
9 undercover at the time. But, I mentioned Bueno Ventura, and
10 Matthew didn't know that that is already on the other side. So
11 I got away with that one.

12 Q. So you never' -- the character never revealed to those
13 people where the boats originated from?

14 A. Right.

15 Q. But you did tell them that because of what they said to
16 you, even though you didn't have an agreement, you had taken at
17 least one of your boats and moved it through the Panama Canal
18 and presumably up to the Pacific north?

19 A. No, that is not what happened. I moved that boat and let
20 them know that I moved that boat because I got a telephone call
21 out of the clear blue as to how fast can you move.

22 And, again, I'm relating from Clifton Brown. So
23 who -- who has been requested by Sonia Vacca.

24 Q. Didn't Sonia Vacca -- wasn't she surprised when she
25 learned that you had moved one of the boats?

1 A. Yes. In the translation back and forth between Clifton
2 and Vacca, she said that she had not authorized me to move my
3 boats, like who are you to authorize me.

4 Q. That was another way of putting pressure on, because you
5 were -- your character was with the -- was married to a
6 Colombian drug lord family, you had taken one of their
7 smuggling boats and moved it some great distance through the
8 Panama Canal, and now you are waiting, correct?

9 A. Right.

10 Q. So that was a way of pressuring them, correct?

11 A. Right.

12 Q. Now, on direct I thought I heard you say that at one
13 point Matthew Martenyi apologized for bringing C.J. in. Did I
14 hear that correctly?

15 A. That is on the transcripts.

16 Q. Okay. What did -- what was that about?

17 A. I don't know. I mean, he came up out of the -- I don't
18 remember the context that would lead us to that. But I know
19 that he made that statement. He felt bad. He feels like he
20 brought Clifton into this.

21 Q. Okay. And then there was talk among Mr. Brown, Vacca,
22 Martenyi, and C.J. -- I'm sorry. C. 3. and yourself about
23 forming a partnership, correct?

24 A. Yes.

25 Q. And amongst the five of you, you discussed how you were

1 going to split whoever money came in, correct?

2 A. Right.

3 Q. And you were aware that Sonia Vacca said that what she
4 could get 12 percent if she found the group, correct?

5 A. Right.

6 Q. And that you were negotiating somewhere between ten and
7 20 percent, 25 percent?

8 A. 20 percent. Yes. Uh-huh.

9 Q. And there was some discussion about the five of you sort
10 of all going in together and splitting it five ways, correct?

11 A. Right.

12 MR. DAAR: Your Honor, I probably have about only 10
13 or 15 minutes more, if -- it would help me so I could go
14 through my notes and get a little more organized if --

15 THE COURT: 1:30, folks. Remember not to discuss the
16 case in any way among yourselves or permit anyone to discuss it
17 in your presence.

18 Recess until 1:30.

19 (Jury out.)

20 (Recess taken.)

21 (Jury in.)

22 THE COURT: Be seated when you can, folks.

23 Are you ready, Mr. Daar?

24 You are still under oath.

25 CROSS-EXAMINATION

1 BY MR. DAAR: (Continuing.)

2 Q. Agent Lilley, to your knowledge from the time that C.J.
3 Brown started working on Vacca, Martenyi in February, until the
4 arrest in October, was my client's name, Albert Madrid, brought
5 to your attention?

6 A. No, sir.

7 MR. DAAR: Thank you.

8 THE COURT: Government.

9 REDIRECT EXAMINATION

10 BY MR. DAVIES:

11 Q. Agent Lilley, does it take a good number of people to
12 procure, import and distribute 60,000 pounds of marijuana?

13 A. Yes, sir, it does.

14 Q. Have you investigated large drug smuggling organizations
15 in your experience as a narcotics officer?

16 A. Yes, sir, I have.

17 Q. Have you worked undercover with large smuggling
18 organizations before?

19 A. Yes, sir, I have.

20 Q. Do narcotics traffickers usually discuss every person
21 that they are working for and working with?

22 A. No, they do not,

23 Q. Is that something that they usually want to keep secret?

24 A. Yes, it is.

25 Q. You were asked about Claude Duboc and his money being

1 forfeited. Before Claude Duboc's money was forfeited here in
2 the Northern District of Florida, did Mr. Duboc receive due
3 process and a right to a hearing regarding those forfeitures?

4 A. Yes, sir, he did.

5 Q. Agent Lilley, by the way, are you acting in an undercover
6 capacity right now?

7 A. No, I'm not.

8 Q. Have you taken any false identify in front of this jury?

9 A. No, I have not,

10 Q. Are you testifying here about events that you witnessed?

11 A. Yes, sir.

12 Q. When Mr. Brown, Clifton Brown was a fugitive, what law
13 enforcement agency has the primary responsibility for locating
14 fugitives?

15 A. The United States Marshal Service.

16 Q. Mr. Knock's lawyer, Mr. Kennedy, ask you about a
17 newspaper article on cross-examination?

18 A. Yes, he did.

19 MR. DAVIES: May I have Defense Exhibit 1?

20 Q. Is there a date on that newspaper article, Defense
21 Exhibit 1 that Mr. Kennedy asked you about?

22 A. There are two handwritten dates on here,

23 Q. Okay. Is it an actual date typed as part of the
24 newspaper or is it a note that someone wrote on the paper?

25 A. It appears to be handwriting.

1 Q. What date does the handwritten note say?

2 A. January 14th, 1993.

3 Q. Is there a fax printout at the top of that page?

4 A. Yes,

5 Q. What is the date on the fax printout?

6 A. January 19th, 1994.

7 Q. But the handwritten note says January 14th, 1993?

8 A. Yes, sir.

9 Q. Agent Lilley, over the lunch break was a copy of the
10 article with its actual date obtained from the library?

11 A. Yes, it was.

12 Q. Agent Lilley, showing you what I've marked for
13 identification as Government Exhibit 226. Is that the same
14 article that Mr. Kennedy handed you except it's got the typed
15 in date on the second page?

16 A. Yes, sir.

17 Q. What is the actual typed in date on the Gainesville Sun
18 article?

19 A. The Gainesville Sun, Friday, January 14th, 1994.

20 Q. What does that article talk about again?

21 A. Loss of local DEA office files Clifton.

22 Q. And when were you meeting with Matthew Martenyi and
23 Nicholas Grenhagen again?

24 A. July, September and October of 1993.

25 Q. Was that before that Gainesville Sun article was ever

1 written?

2 A. Yes, sir, it is.

3 Q. Were your meetings in the summer of 1993 before there was
4 any talk of closing the DEA office in Gainesville?

5 A. Yes.

6 Q. Look at Government Exhibit 226, the actual article with
7 the typed-in -- I mean the article with the typed-in date. Do
8 you see where the date is typed in?

9 A. Yes, sir, I do.

10 Q. What portion of the article is the date typed in?

11 A. Meaning?

12 Q. I mean, just in terms of top, bottom, middle?

13 A. At the top. The Gainesville Sun.

14 Q. Would you look at Mr. Kennedy's copy, Defense Exhibit
15 Number 1.

16 A. I have it.

17 Q. Was that date cut off, the January of 1994 date cut off
18 of Mr. Kennedy's copy?

19 A. Yes, it is.

20 MR. DAVIES: Your Honor, I would offer Defense
21 Exhibit 1 and Defense Exhibit 226 into evidence.

22 MR. KENNEDY: No objection.

23 MR. DAAR: No objection.

24 THE COURT: Without objection.

25 (Defense Exhibits 1 and 226 admitted.)

1 Q. Agent Lilley, there was mention of a gentleman named Dave
2 McGee. Do you know Dave McGee?

3 A. Yes, I **do**.

4 Q. Who was Dave McGee?

5 A. An Assistant United States Attorney in Tallahassee,
6 Florida.

7 Q. Back when this -- when Grenhagen and Vacca, Martenyi case
8 was prosecuted, what was Mr. McGee's position with the U.S.
9 Attorney's office?

10 A. An Assistant United States Attorney.

11 Q. Do you know if he was the First Assistant U.S. Attorney?

12 A. I believe he was.

13 Q. In the -- are you familiar with the structure of the US
14 Attorney's organization, that the top man is the US Attorney.
15 Below him is the First assistant, then below him are line
16 assistants like Mr. Hankinson and myself?

17 A. Yes, sir.

18 Q. Do you know about **how long** Mr. McGee **had** been an
19 Assistant US Attorney and the First Assistant US Attorney with
20 the office?

21 A. Well, I had known him since I had arrived in Gainesville
22 in 1987. When he became a first assistant, I'm not sure of.

23 Q. Was First Assistant Dave McGee the one that handled the
24 negotiations with Clifton Brown and Clifton Brown's attorney?

25 A. Yes.

1 Q. Besides your DEA supervisors approving the use of
2 Mr. Brown as a confidential informant, did First Assistant
3 United States Attorney Dave McGee approve the use of Mr. Brown
4 as a confidential informant?

5 A. Yes, he did.

6 Q. Did Mr. McGee, the First Assistant in this district, the
7 Northern District of Florida, indicate to you that he would be
8 willing to work on this case?

9 A. Yes, sir.

10 Q. Is that one of the reasons you kept investigating it was
11 because the U.S. Attorney's office told you that they were
12 interested in it too?

13 A. Yes, sir.

14 Q. Was that the US Attorney's office here in the Northern
15 District of Florida?

16 A. Yes, it is.

17 Q. Did you provide information about this case to other DEA
18 offices?

19 A. Yes, I did.

20 Q. And, in fact, did DEA officers from another district make
21 the arrest of Sonia Vacca and Matthew Martenyi?

22 A. San Francisco DEA made the arrest of Vacca and Martenyi.

23 Q. And where was Sonia Vacca and Martenyi indicted and
24 prosecuted?

25 A. In Gainesville, Florida. They were indicted by the grand

1 jury that sits in Tallahassee, Florida at that time.

2 Q. The Northern District of Florida encompasses Pensacola,
3 Tallahassee and Gainesville?

4 A. Yes, it does,

5 Q. Is it okay for an indictment to be presented to any grand
6 jury in the district or any division of the district?

7 A. Yes, it can.

8 Q. And specifically, with regard to Ms. Vacca and
9 Mr. Martenyi, who was it that made -- that arrested them? What
10 agents?

11 A. DEA agents in San Francisco. It was -- at the **time**, was
12 Bud Heng and his group.

13 Q. Besides San Francisco, were there any other DEA offices
14 that you passed along information about this case too?

15 A. Yes, there was.

16 Q. Would you tell the jury what they were?

17 A. I spoke with Seattle, Washington. I spoke with Bob Parks
18 in Blain, Washington. **It was group supervisor** Joel Wong in
19 Seattle that I talked with.

20 And I spoke with, as I said, Al Santos was a friend
21 of mine. I spoke with him in Portland and Bud Heng. I spoke
22 with in San Francisco and Bud Heng's supervisor.

23 Q. Why didn't you just pass along the information to San
24 Francisco and Seattle or whatever and just toss it on your desk
25 and forget about the case?

1 A. Again, this case had a lot of potential. It was an
2 exciting case. Clifton Brown was a fugitive from this
3 district. And it would -- it made sense. I'm from this
4 district. That is where we would work with it,

5 Q. Was DEA Gainesville, Florida hurting for cases in the
6 summer of 1993?

7 A. No, sir, it wasn't.

8 Q. How many special agents did DEA Gainesville have back
9 then?

10 A. At that particular time, we had approximately five. I
11 mean, there was movement of agents all of the time. I think we
12 were about five at that time.

13 Q. Did all of the special agents here in Gainesville at DEA
14 have full case loads?

15 A. Yes, they did.

16 Q. And how long had you been working for DEA Gainesville as
17 of 1993?

18 A. For **six** years.

19 Q. Was the Knock-Duboc-Madrid conspiracy the only
20 international case you investigated at DEA Gainesville?

21 A. No, it was not.

22 Q. As of 1993 had the U.S. Attorney's office prosecuted
23 other international drug smuggling cases here in Gainesville?

24 A. Yes.

25 Q. Can you name some of the cases, international drug

1 smuggling cases that you were involved with for the jury and
2 tell the jury what they were about?

3 A. In 1987 when I came -- when I was assigned to Gainesville
4 Florida, Special Agent Michael Latrell and Special Agent Pop
5 Warner were being transferred to other areas. They had
6 received a promotion, so I was one of the agents filling in
7 their slot. I was assigned their case load.

8 Their cases were international cases before I came.
9 And in 1984, the office opened. The newspaper article says
10 1988. That is not correct.

11 But in 1984. This office has always worked at a
12 higher level on conspiracy cases. Always working for the
13 highest level violator. Prior to me coming, while I was here,
14 and even after I've left.

15 The tradition in this same office is spoken about.
16 This place is recognized as a very good office. A lot of
17 people would like to come here.

18 Q. Besides international cases that DEA worked on throughout
19 the years, was DEA Gainesville also working on national,
20 regional and local cases?

21 A. Absolutely. We had developed what we called the
22 pipeline. That is the local police in Alachua and the Florida
23 Highway Patrol received specialized training in highway
24 interdiction. They trained their dogs. We were part of that
25 program all the way from Wildwood to Tallahassee and up to the

1 Georgia line. Those were very time-consuming cases for us.

2 Because an arrest was made, an individual cooperated,
3 we attempted to control deliveries or we would attempt to have
4 people come pick up the drugs that were here in the area.

5 Now, the district, we covered two districts, the
6 agency in Gainesville. We also had the Middle District of
7 Florida which is Jacksonville, Orlando and Tampa. So some of
8 the agents had to travel to those areas for their courts on the
9 pipeline cases.

10 Crack was very big when I first came here for this
11 community. We worked many crack cocaine cases, and knocked
12 down many local organizations that were operating here with
13 their co-conspirators in different states throughout the United
14 States.

15 We indicted them here and convicted them here. So
16 those were the local cases that we were also mixing with the
17 blend of the international cases. This district here was a
18 haven for air drug smugglers and boats, because it's open.
19 It's so available. I mean, as we sit in Gainesville, it's
20 still 40 miles from the coast.

21 Upon coming here, every single federal holiday we
22 were working because all of the smugglers flew their loads into
23 this area on federal holidays. And we learned that from once
24 they are captured and we are interviewing them, going backwards
25 and many times they've done that.

1 So it was a very, very busy office. Traditionally
2 has been.

3 Q. On the pictures we put into evidence that is Government
4 Exhibit 2D, the particular picture of you walking into the
5 Hilton on July 31, 1993, were you wearing a suit for that
6 meeting with Matthew Martenyi?

7 A. Yes, sir, I was.

8 Q. Why did you have to have a suit on?

9 A. At that particular time, I must have been involved in a
10 judicial proceeding that required my appearance to be dressed
11 UP-

12 Q. Were you in trial in another case even then, when you
13 started working the Martenyi case?

14 A. Constantly in trials or magistrate hearings or pleas.

15 Q. Agent Lilley, did you investigate this case because you
16 were hurting for work and needed to find a case to take up your
17 time?

18 A. No, sir, I did not.

19 Q. Back in 1993, were DEA agents at DEA Gainesville working
20 Monday to Friday nine to five?

21 A. No, sir.

22 Q. How long were they working? What were their hours?

23 A. Usually seven days a week.

24 Q. With regard to Mr. Brown, Clifton Brown, was he
25 prosecuted here in the Northern District of Florida by the US

1 Attorney's office?

2 A. Yes, he was.

3 Q. Did Mr. Brown enter a plea agreement with the U.S.
4 Attorney's office in the Northern District of Florida?

5 A. Yes, he did.

6 Q. And does the U.S. Attorney's office for the Northern
7 District of Florida have a policy to inform the judge of a
8 defendant's cooperation but not to recommend a specific
9 sentence?

10 A. Yes.

11 Q. So the sentence is up to the judge?

12 A. Yes.

13 Q. You also were asked about Nicholas Grenhagen committing a
14 separate crime apart from his drug conspiracy?

15 A. Yes.

16 Q. Did Mr. Grenhagen also commit a conspiracy to engage in
17 bank fraud with people unrelated to Sonya Vacca and Matthew
18 Martenyi?

19 A. Yes, sir, he..did.

20 Q. However, was Nicholas Grenhagen convicted of being in
21 this drug conspiracy with Sonia Vacca and Matthew Martenyi? ✓

22 A. Yes, sir, he was.

23 Q. And, in fact, at Mr. Grenhagen's trial did he attempt to
24 assert that it was not a completed conspiracy? ✓

25 A. Yes.

1 Q. With regard to your meeting with Matthew Martenyi and
2 Nicholas Grenhagen and Sonia Vacca on the phone, did you
3 believe that you had an agreement with Mr. Martenyi, Ms. Vacca
4 subject to your boat passing inspection?

5 A. Yes.

6 Q. And was Matthew Martenyi negotiating with you to assist
7 an ongoing organization?

8 A. Yes.

9 Q. Is this the first time the organization had been
10 importing any marijuana?

11 A, No. No.

12 Q. What was your understanding from speaking with
13 Mr. Martenyi about how long they had been doing it? How often
14 they had done it before? .

15 A. In speaking with Mr. Martenyi and in receiving the faxed
16 proposal, they had been ongoing for no less than 7 years, doing
17 this two times each year.

18 Q. And where did your July 1st, 1993 meeting with
19 Mr. Martenyi take place?

20 A. The Hilton Hotel on Southwest 13th Street in Gainesville.

21 Q. And did Mr. Martenyi discuss the drug offload in detail
22 with you at that point?

23 A. We had -- yes. We had discussions about the drug
24 offload. In fact, some of his words were he was intrigued at
25 how the logistical things went with it.

1 Q. Besides orally discussing the drug offload, did you also
2 later receive written correspondence from Sonia Vacca about the
3 drug offload?

4 A Yes, I did.

5 Q Did Ms. Vacca also call you here in Gainesville?

6 A Yes, she did.

7 Q Did Mr. Martenyi volunteer to come to Gainesville to meet
8 with you all?

9 A. Yes.

10 Q. Did you do anything to coerce Mr. Martenyi into meeting
11 you in Gainesville, Florida?

12 A. No, I did not.

13 Q. Did you do anything to coerce Sonia Vacca to get her to
14 call you here in Gainesville, Florida?

15 A. No.

16 Q. Did Sonia Vacca, Matthew Martenyi, Nicholas Grenhagen
17 ever express any reluctance to do the marijuana importation?

18 A. No, **sir**.

19 Q. Did any of them ever indicate that the marijuana
20 importation would not happen or that it would be canceled?

21 A. No, **sir**.

22 MR. DAVIES: Thank you. I have no further questions.

23 THE COURT: Thank you. You may step down. Call your

24 --

25 MR. DAAR: Your Honor, can we have this witness

1 subject to recall?

2 **THE COURT:** Certainly.

3 Call your next witness, please.

4 (Witness sworn.)

5 **THE CLERK:** State your name for the record, please.

6 **THE WITNESS:** Michael Lee, L-E-E.

7 **DIRECT EXAMINATION**

8 **BY MR. DAVIES:**

9 Q. Would you tell the members of the jury where you work,
10 please.

11 A. I work in the Gainesville resident office of the Drug
12 Enforcement Administration.

13 Q. How long have you worked for DEA?

14 A. Approximately nine and a half years.

15 Q. Do you know who John Knock is?

16 A. Yes, sir, I do,

17 Q. Do you see him here in court? Would you identify John
18 Knock, please.

19 A. Yes, sir. He's the gentleman in the shirt with the dark
20 blue blazer, glasses, moustache sitting next to Mr. Kennedy.

21 **MR. DAVIES:** Your Honor, would the record indicate
22 that the witness identified the defendant?

23 **THE COURT:** Sure.

24 Q. On February 5th, 1999 were inked fingerprints of John
25 Knock taken in your presence?

1 A. Yes, sir, they were.

2 Q. Showing you what I've marked for identification as
3 Government Exhibit 113. Are those the inked fingerprints that
4 were taken from John Knock in your presence?

5 A. Yes, sir, they are.

6 MR. DAVIES: Your Honor, I would offer Government
7 Exhibit 113 into evidence.

8 THE COURT: Without objection.

9 (Government Exhibit No. 113 admitted.)

10 MR. DAVIES: No further questions.

11 THE COURT: Any cross?

12 MR. KENNEDY: No, Your Honor.

13 MR. DAAR: No, Your Honor.

14 THE COURT: You may step down. Your next witness.

15 MR. DAVIES: Geoff Kraemer.

16 (Witness sworn.)

17 THE CLERK: You may have a seat. And state your name
18 for the record.

19 THE WITNESS: My name is Geoffrey Charles Kraemer.
20 Last name is K-R-A-E-M-E-R.

21 DIRECT EXAMINATION

22 BY MR. DAVIES:

23 Q. Would you tell the ladies and gentlemen where you work,
24 Mr. Kraemer?

25 A. Yes, Your Honor. I'm currently employed with the Royal

1 Canadian Mounted Police, I'm a member of the forensic
2 identification section based out of Vancouver, BC.

3 Q. How long have you worked for RCMP?

4 A. Twenty-eight years.

5 Q. And what are your duties with the forensic identification
6 section?

7 A. The current duties of members of the identification
8 section, and mine, are mainly crime scene examination and
9 recovery of trace and fingerprint evidence at crime scenes.

10 Q. Do your duties include processing crime scenes for latent
11 fingerprints?

12 A. That's correct, Your Honor.

13 Q. And if you find latent fingerprints at a crime scene, do
14 your duties also include to compare known to inked
15 fingerprints?

16 A. That's correct.

17 Q. Would you tell the jury what training and experience that
18 you have with regard to processing crime scenes for
19 fingerprints and doing fingerprint comparisons?

20 A. Yes, Your Honor.

21 In 1978 I completed a three-week assessment course
22 with RCMP at Richmond detachment in the province of British
23 Columbia. I successfully completed that. After the assessment
24 I was sent to Ottawa, Ontario, where I completed an eight-week
25 identification methods and techniques course. This gave me

1 preliminary information and education with regards to the
2 examination for fingerprints and comparison, evaluation, and
3 identification, as well as photography and other evidence with
4 regards to footwear, tire tracks.

5 Q. Have you ever --

6 A. I successfully completed that and was posted to an
7 identification section in North Vancouver in an understudy
8 capacity which was basically a training capacity for period of
9 one year, under the direct supervision of the senior
10 identification personnel within that section.

11 In May of 1980, I successfully completed a
12 certification board examination under two senior RCMP forensic
13 identification personnel in Canada. Since then I have been
14 continually employed in forensic identification sections in the
15 Vancouver region for the last 20 years.

16 Q. Have you before ever been qualified as an expert in the
17 field of fingerprints in court before?

18 A. Y- I have ~~several~~ **numerous** opinions and been accepted in
19 all levels.

20 Q. Would you explain to the members of the jury what an
21 inked fingerprint is?

22 A. An inked fingerprint -- known to me as a known or also
23 exemplars -- are impressions that are taken from a known
24 subject by the transfer of ink transferred to a fingerprint
25 form for purposes of -- for record purposes.

1 Q. Could you explain to the members of the jury what a
2 latent fingerprint is?

3 A. A latent fingerprint is basically a fingerprint that is
4 transferred to another surface and requires development in
5 order to make it visible. Fingerprints can come in a couple of
6 [different forms. One would be visible. In other words, if
7 there was a transfer of blood, you could see it, a molded
8 impression.

9 In other words, if you impress the ridges from your
10 fingers onto a soft surface, you would see a moulded
11 impression. But the majority of fingerprints that we recover
12 at crimes are latents, which are basically a transfer of
13 perspiration, whether it's contaminated or not by oils or
14 sebum, with other parts of your body. And it's transferred to
15 another surface which requires development techniques in order
16 to make it visible.

17 The most common is by passing fingerprint powder over
18 the surface. And fingerprint powder **adheres to the deposited**
19 sweat or sebum on that surface, and then rendering it visible.

20 Q. On May 18th of 1994, did you process a house at 1930
21 Ranch Road, Gibsons, British Columbia for fingerprints?

22 A. I did, Your Honor.

23 Q. And if you would let the members of the jury know where
24 Gibsons, British Columbia is in relation to Vancouver, British
25 Columbia?

1 A. Gibsons is oh a -- it's up the coast from Vancouver,
2 about a 30-minute ride. You -- you drive outside -- Vancouver
3 being right on the coast. The drive is about 30 minutes to an
4 area called Horeshoe Bay where you take a ferry, and the ferry
5 takes you across the face of House Sound Inlet, about a
6 45-minute ferry ride.

7 You therefore are still on the mainland further up
8 the coast, and there is two communities, Gibsons and Seashell,
9 that are basically on -- you can only get to by ferry. And
10 Gibsons is the first community about three miles from the ferry
11 terminal.

12 Q. Before we get to your fingerprint examination, for the
13 record were some photographs taken of that house and the inside
14 of that house and the surrounding area, on May 18th of 1994,
15 the house at 1930 Ranch Road, Gibsons, British, Columbia?

16 A. Yes, they were.

17 Q. Officer Kraemer, showing you what I've marked for
18 identification as Government Exhibit 88A through 88X. If you
19 would take a minute and glance through those.

20 Do those pictures fairly and accurately depict the
21 house at Ranch Road that you examined fingerprints on in May of
22 1994?

23 A. Yes, they do. Those are some photographs.

24 MR. DAVIES: Your Honor, I would offer 88A through
25 88X in evidence.

1 THE COURT: Without objection.

2 (Government Exhibits No. 88A through 88X admitted.)

3 Q. Mr. Kraemer, these will be published at a later time.

4 But is this a picture of the outside of the house, 88A?

5 A. That's correct:

6 Q. And then 88B through 88T, do those show various portions

7 of the inside of the house and things inside the house?

8 A. They do, except the last three were taken in the detached
9 garage that was behind the house.

10 Q. Right. The -- just for the record, so the court reporter
11 can get it, are 88R, S and T actually from the garage part of
12 the house?

13 A. That's correct.

14 Q. And then also 88V and W, do they depict a red pickup
15 truck that was by the house?

16 A. That's correct.

17 Q. In the carport? Getting back to your fingerprint
18 analysis, would you explain to the jury what you did to try to
19 find the latent fingerprints in that house at Gibsons, British
20 Columbia?

21 A. My task, along with Corporal Palacheck, who was a member
22 of my section, we were responsible with the analysis of all
23 surfaces which we deemed to be suitable for development of
24 fingerprints.

25 Throughout the course of that day, with the use of

1 powdered development, we examined virtually everything within
2 that house as well as in the garage area.

3 The end result was that 30 different fingerprint
4 impressions were developed on various surfaces throughout that
5 location.

6 Q. And when you developed the latent prints, the 30 latent
7 lifts, are they actually physically in your possession? Did
8 you develop them so you could physically hold them and look at
9 them?

10 A. Yes. That's correct. After you develop them and have
11 marked them to identify them, you put your initials and the
12 date and sequential number. You then photograph them and then
13 you transfer them to a fingerprint lifter, which is basically
14 adhesive tape. That is transferred to a contrasting
15 background, so you are able to see the impression after you
16 have lifted it off the surface.

17 Q. At the request of the United States Government, did you
18 bring those latent prints that you **lifted**?

19 A. I did,

20 Q. If I could have them, please.

21 And what I'm marking as Government Exhibit 112, do
22 you need to see these, Mr. Kennedy and Mr. Daar?

23 MR. KENNEDY: No, thank you.

24 Q. Showing you what I've marked **as** Government Exhibit 112,
25 are those the latent lifts?

1 A. Yes, That is **all** 30 lifts.

2 MR. DAVIES: Your Honor, I would offer Government
3 Exhibit 112 into evidence.

4 THE COURT: Without objection.

5 (Government Exhibit No. **112** admitted.)

6 Q. Did you compare those latent prints that you lifted with
7 the known inked fingerprints of Al Madrid and John Knock?

8 A. Yes, I did. .

9 Q. And showing you what I've marked for identification as
10 Government Exhibit 28A, showing you what I've marked for
11 identification as Government Exhibit 28A, are those the known
12 inked fingerprints of Al Madrid that you used for comparison
13 purposes?

14 A. Yes, they are. They are in the name of Al Madrid. They
15 have my initials on the reverse and the date, the 5th of May,
16 of **1999** as well as the date of 14th of August of 1999.

17 Q. And showing you what is in evidence as Government Exhibit
18 **113**. Are those the known inked fingerprints of John Knock **that**
19 you used in comparison purposes?

20 A. Yes, they are. And they have my initial on the reverse
21 with a date of the 12th of February of **1999**.

22 Q. Officer Kraemer, do any two people have the same
23 fingerprints?

24 A. No, they do not.

25 Q. Were you able to determine whether any of the latent

1 fingerprints you lifted at 1930 Ranch Road Gibsons, British
2 Columbia, were made by the defendant Al Madrid?

3 A. Yes, I was. -

4 Q. And do you actually give your latent lifts numbers?

5 A. Yes, I do.

6 Q. Can you -- if you could tell the jury with the latents
7 being Al Madrid's where the lifts were lifted from?

8 A. As I indicated, there is 30 lifts. They were subsequent
9 numbered R1 through R30. We just use the letter R just as an
10 arbitrary letter. It doesn't indicate right or left, it's just
11 a letter. And the impressions R2, R3, R19, R21 and R22 were
12 identified to the fingerprint form in the name of Albert
13 Madrid.

14 Q. Do you know where lift R2 and R3 came from?

15 A. R2 and 3 were on the bottom of a cookie tin located in
16 the utility room adjacent to the kitchen in the upper floor.

17 Q. What about R19 that you identified as Al Madrid's?

18 A. R19 was from a bottle in the cupboard above the fridge in
19 the kitchen.

20 Q. And R21 and R22, where did you locate them?

21 A. They were located in the face of a glassed frame print
22 that was in the northwest bedroom in the upper floor.

23 Q. Were you able to determine whether any of the latent
24 fingerprints you lifted at the house were made by the defendant
25 John Knock?

1 A. Yes, I was.

2 Q. And which prints were those?

3 A. There is two impressions on a white pail that was in the
4 camper in the garage. And they were identified -- they were
5 numbers R28 and R29. And they were identified to the
6 fingerprint from John Knock.

7 Q. Officer Kraemer, did you also compare the latent prints
8 against the known fingerprints of Ken Cowles?

9 A. Yes, I did.

10 Q. And what was the result of that comparison?

11 A. That was negative. There was no prints identified from
12 that fingerprint form.

13 Q. Let me ask you about a negative comparison. Does the
14 fact that a person touches an object mean that they will leave
15 a fingerprint on it?

16 A. No, it does not.

17 Q. In your experience as a fingerprint examiner, did you
18 check objects that **had to have** been held by someone and have
19 found no fingerprints on them?

20 A. I have.

21 Q. Is that unusual?

22 A. No, it's not.

23 Q. Officer Kraemer, as I'm standing here and placing my hand
24 on this podium can you say whether or not I'm leaving a print
25 on the podium?

1 A. No, I cannot,

2 Q. And does the fact that you found no fingerprints of Ken
3 Cowles in the house mean that he was never in the house?

4 A. No, it does not.

5 MR. DAVIES: Thank you. I have no further questions.

6 THE COURT: Cross.

7 MR. KENNEDY: Thank you, Your Honor.

8 CROSS-EXAMINATION

9 BY MR. KENNEDY:

10 Q. Your present rank with the Royal Canadian Mounted Police
11 is what, sir?

12 A. I'm currently a sergeant.

13 Q. Would you be kind enough to look at Government Exhibit
14 88U, C in evidence. That is a red pickup truck it appears with
15 a camper unit on it?

16 A. That's correct.

17 Q. But that is not the camper in which the pail you found
18 with John Knock's fingerprints on it was?

19 A. That's correct.

20 Q. Okay. The actual camper on which -- in which you found
21 the white pail on which you found Mr. Knock's fingerprints is
22 depicted in Government's Exhibits 88 is that P, Q. Can you
23 read that for me P, Q, is that it?

24 A. Yes, that's correct.

25 Q. And you have no way of knowing how long that camper has

1 been detached from the vehicle?

2 A. No, I do not.

3 Q. Or how long it has been in its position?

4 A. No, I do not.

5 Q. And the pail from which you drew Mr. Knock's fingerprints
6 is what we see in Exhibit 19; is that correct?

7 A. That's correct.

8 Q. And there are two -- you found two prints?

9 A. In Exhibit 19? In the photographs 19 and 20 on this
10 sheet.

11 Q. You are right. We are going to refer to that as
12 Government Exhibit 88S and T. And they will be superseding
13 those two numbers. All right. So Government Exhibit 88S and T
14 are two photographs of the pail found in the detached camper on
15 which you found prints of John Knock?

16 A. That's correct.

17 Q. Have you any way of knowing scientifically when these
18 prints are made?

19 A. No, I do not.

20 MR. KENNEDY: Thank you, sir.

21 MR. DAAR: No questions,

22 MR. DAVIES: No questions, Your Honor.

23 THE COURT: Thank you very much, Sergeant.

24 Appreciate it.

25 THE WITNESS: Thank you, Your Honor.

1 THE COURT: Call your next witness.

2 MR. DAVIES: Clifton Brown.

3 THE CLERK: Remain standing.

4 (Witness sworn.)

5 THE CLERK: You may be seated. State your last name
6 for the record.

7 THE WITNESS: Brown. B-r-o-w-n.

8 DIRECT EXAMINATION

9 BY MR. DAVIES:

10 Q. Good afternoon, Mr. Brown. Would you tell the jury your
11 age, please?

12 A. Fifty years old.

13 Q. What is your level of education?

14 A. Two years of college.

15 Q. Have you always gone by the name of Clifton Brown?

16 A. No, I've had several aliases.

17 Q. What do they include?

18 A. Richard Hickey, Danny Miller, two or three others at
19 least.

20 Q. Did there come a time when you became involved in drug
21 importations?

22 A. Yes. In the '70s.

23 Q. And before you got involved in drug importations, what
24 were you doing for a living?

25 A. Police officer and fire fighter.

1 Q. And were you ever in the military?

2 A. Yes. Three years Army.

3 Q. What type of experience did you get in the military?

4 A. I was a crewchief on helicopters.

5 Q. How did you get involved in narcotics trafficking?

6 A. I was approached by an organization in '79 to become a
7 pilot for their smuggling activities in Columbia and the U.S.

8 Q. And specifically what were you doing when you were
9 approached by them to become a pilot for them?

10 A. I was holding three jobs. Firefighter, aircraft
11 mechanic, and I worked in my own charter company.

12 Q. What type of drugs would they want you to fly for them?

13 A. Marijuana.

14 Q. Did you accept this offer to fly marijuana for the
15 organization?

16 A. I did.

17 Q. Did you ever courier other drugs for the organization?

18 A. Eventually that led into cocaine.

19 Q. Did you have any other role with the organization other
20 than being a pilot and flying any drugs?

21 A. Maintaining the aircraft, obtaining aircraft in time to
22 fly, introducing new pilots.

23 Q. Were you ever involved in procuring drugs for the person
24 that had manufactured them or distributing the drugs?

25 A. No.

1 Q. What type of plane did you fly?

2 A. Anything from light twins to large turbo props.

3 Q. About how many times did you fly marijuana from Columbia?

4 A. In excess of 20.

5 Q. And what type of quantities were you flying in?

6 A. Anywhere from twelve hundred to fifteen hundred pounds at
7 a time.

8 Q. How many times did you fly any cocaine?

9 A. Three to four, five.

10 Q. What type of quantities?

11 A. Anywhere from a hundred to three hundred kilograms.

12 Q. Were you paid for doing this?

13 A. Yes.

14 Q. How much did you get paid?

15 A. For marijuana about 50 to 60 thousand dollars a trip.
16 Cocaine, about a thousand dollars a kilo.

17 Q. Did there come a time when you came to believe that law
18 enforcement was looking for you?

19 A. Yes.

20 Q. What did you do?

21 A. I decided not to turn myself in at that time.

22 Q. Did you procure a false identification?

23 A. I did.

24 Q. And did you become a fugitive?

25 A. I did.

1 Q. Where did your travels take you?

2 A. California, Hawaii, back into the state of Florida, the
3 east coast of the U.S.

4 Q. And what type of jobs were you doing during the time
5 period that you were a fugitive?

6 A. Primarily volunteer activities. Minor businesses, minor
7 employee activities. I volunteered for a lot of people that I
8 met to work on boats and businesses of some sort.

9 Q. Did there come a time when you decided to turn yourself
10 in to law enforcement officers?

11 A. There did.

12 Q. How did that come about?

13 A. In 1993 I was -- became knowledgeable of a criminal
14 activity and drug smuggling activity, decided to turn myself
15 into the U.S. Government at that time to reveal the information
16 that I obtained.

17 Q. When did you surrender to law enforcement officers?

18 A. In June of '93.

19 Q. Was the exact date June 18th of '93?

20 A. I believe it was.

21 Q. Where was that?

22 A. Gainesville, Florida.

23 Q. Following your surrender to law enforcement officers, did
24 you enter a plea agreement with the U.S. Attorney's office?

25 A. I did.

1 Q. What did you plead guilty to?

2 A. I believe it was conspiracy to import and traffic in
3 cocaine.

4 Q. Pursuant to that plea agreement, did you provide
5 cooperation to the United States?

6 A. I did.

7 Q. What type of cooperation did you provide?

8 A. Any information or activities that I could use to help
9 them produce the case that I had brought forward to them.

10 Q. Under DEA supervision, did you engage in further contact
11 and conversations with the drug smuggling operation to try to
12 gather evidence against them?

13 A. I did for several months.

14 Q. And once arrests were made, have you testified in court
15 regarding the organization?

16 A. I did.

17 Q. Mr. Brown, the money that you made smuggling marijuana
18 and cocaine, did you spend all of that money while you were a
19 fugitive?

20 A. No, a very small amount.

21 Q. Where was the money located then?

22 A. Offshore bank accounts primarily. Some was held in gold
23 coins and diamonds.

24 Q. Pursuant to your plea agreement with the U.S. Attorney's
25 office, did you turn over assets gained from your drug

1 smuggling to the United States?

2 A. I did.

3 Q. And what all did that entail? What did it take for you
4 to do that?

5 A. I actually surrendered everything I had in my possession,
6 over 2.2 million I think in one bank account. Additional cash
7 that was not in bank accounts, quite a large quantity of gold
8 coins and diamonds,

9 Q. What about drugs boats? Did you surrender any boats?

10 A. I did. A 50-foot sail boat in Hawaii that I surrendered.

11 Q. Were you involved in the ownership of that boat with
12 anybody?

13 A. Yes, I was.

14 Q. Who was that?

15 A. Matthew Martenyi, an attorney in San Francisco who I
16 later worked for, had purchased a boat for me, was in the
17 process of paying for it. But it was on a mortgage situation,
18 so it was still in my part of my ownership.

19 Q. After you pled guilty to the charges that you were
20 indicted for, were you sentenced?

21 A. Yes.

22 Q. Who sentenced you?

23 A. Judge Maurice Paul.

24 Q. Did the U.S. Attorney's office make any promises to you
25 about what sentence you would receive?

1 A. No. None.

2 Q. Other than filing a motion which informed the judge that
3 you had cooperated, did the U.S. Attorney's office ever
4 recommend a sentence that you should receive?

5 A. No.

6 Q. What sentence did Judge Paul give you?

7 A. Six years.

8 Q. You mentioned Matthew Martenyi. About when did you first
9 meet Mr. Martenyi?

10 A. I placed an ad in -- a classified ad to sell my boat in a
11 San Francisco publication in '92. And he responded to the ad.

12 Q. Did you all have negotiations over the boat?

13 A. We did.

14 Q. At that time were you involved in any illegal activity
15 other than being a fugitive?

16 A. No.

17 Q. So you got the ad for the boat in the paper. What
18 happened with regard to you and Mr. Martenyi?

19 A. Mr. Martenyi contacted me by telephone, said he is
20 interested in buying the boat. We made arrangements to meet at
21 his law office in San Francisco. We entered negotiations. And
22 we were both about the same age. Talked quite a bit. Arranged
23 to meet in Honolulu to examine the boat. Subsequent, he gave
24 me a down payment on the boat of cash and a check, and also
25 interest in a smaller boat in San Francisco as partial down

1 payment.

2 Q. Okay. After you had those negotiations regarding the
3 boats, did you stay in touch with Mr. Martenyi?

4 A. I did, on and off.

5 Q. You were on good terms?

6 A. Yes.

7 Q. What was the nature of you-all's relationship?

8 A. At first just buyer and seller of the boat, But we also
9 talked about our common interests in sailing and business.

10 Q. Did there ever come a time when you went to work for
11 Mr. Martenyi?

12 A. There was. In August of '92, I asked Mr. Martenyi if
13 there might be opportunities to -- to work with him in his law
14 firm and to assist in whatever capacity I might be able to help
15 him. And he took me on as an unpaid associate.

16 Q. Where was Mr. Martenyi's law firm law practice?

17 A. At 167 Fell Street, right across -- pretty close to the
18 courthouse in San Francisco.

19 Q. And where were you living when you were working for
20 Mr. Martenyi, his law firm in San Francisco?

21 A. I took up residence in the small sailboat that he and I
22 both owned at that time in the city marina at the San Francisco
23 Yacht Club area.

24 Q. When you started working for Mr. Martenyi, did you have
25 any indication that he was involved in anything illegal?

1 A. No, none.

2 Q. Did there come a time when you met Sonia Vacca?

3 A. There was.

4 Q. How did that happen?

5 A. I think it was in the late fall early winter of '92.

6 Mr. Martenyi introduced me to Sonia Vacca, explained it was a
7 long-term friend of his going back to when they were in school
8 together, I believe, or college together.

9 And she established herself in an import business, I
10 believe, and took up an office in Matthew's law firm or the
11 building that he was using for his firm, and used that office
12 to operate her import business.

13 Q. Did there come a time when you noticed that there was
14 anything unusual in the activity of Sonia Vacca and/or Matthew
15 Martenyi?

16 A. Well, Sonia was a little bit curious in that she was a
17 very educated and sophisticated person. But, from a business
18 aspect, it appeared that her business was either one sided,
19 that she took in imports -- it appeared from Asia, but I never
20 saw her sell anything. I never saw her try to market anything.
21 I never saw her ship or conduct business as anybody else would
22 try to make money through their business. It appeared to me
23 from my experiences that it was possibly just a cover.

24 Q. Did -- did you notice whether Sonia Vacca or Matthew
25 Martenyi traveled any?

1 A. Yes. Sonia traveled extensively. She was in town very
2 infrequently. She had recently moved from southern California
3 to her home which was just north of San Francisco. She would
4 be out of town for three four days to a week, sometimes as
5 often and once a month, maybe twice a month.

6 Q. What about Mr. Martenyi? Did he travel any that you saw?

7 A. There were two or three occasions when he disappeared
8 from the office, if you will, without explanation to either
9 myself, which wasn't required, but also to his staff.

10 Nobody knew where he disappeared to on at least two
11 occasions.

12 Q. Let me turn your attention to about the time of February
13 1993. Did anything happen between Sonia Vacca and you on that
14 day?

15 A. As it was -- I was taking Sonia to the airport for one of
16 her trips out of town, I was driving her to the airport. And
17 she off the handle asked me if I would like to take part in
18 joining their enterprise in the drug smuggling operation.

19 Q. Okay. By the way, did you start keeping notes of your
20 contacts and conversations with those folks?

21 A. I did so immediately.

22 Q. Do your notes reflect your recollection that the exact
23 day of that first conversation was February 15th, 1993?

24 A. It was,

25 Q. You can feel free to refer to those notes if you need to.

1 Besides asking you to join the organization, what else, if
2 anything, did Sonia Vacca say to you on that first conversation
3 on your trip to the airport?

4 A. She mentioned that she, Matthew Martenyi and her
5 associate, and what appeared to be her boyfriend, Nicholas
6 Grenhagen, were all part of a loose-knit organization to
7 transport money for a larger organization into southeast Asia
8 and apparently Europe, but that she had been asked by her
9 employers to form an offload organization to transport large
10 quantities of narcotics from the Pacific and land them in to
11 the coastline of the United States on the West Coast.

12 Q. Did Sonia Vacca mention the name of any of her employers?

13 A. She referred to her employee as Mr. Larkin.

14 Q. And did -- on that first conversation, on February 15th,
15 did Ms. Vacca say anything about payment for helping the
16 organization?

17 A. She did. As I understand it, the organization which
18 Mr. Larkin was part of, would pay an offload organization ten
19 percent of the wholesale value of the narcotics. Sonia also
20 volunteered that she was going to be paid two percent of the
21 wholesale value of the load in order to put together this --
22 this offload organization.

23 She said that she would distribute her two percent
24 along with the ten percent, and that four of us, meaning
25 Matthew, Nicholas Grenhagen, Sonia Vacca and myself would share

1 in the 12 percent for our share.

2 Q. After this first conversation with Ms. Vacca on February
3 15th, what happened after that?

4 A. I went back to the law offices where I was working with
5 Mr. Martenyi and asked him if his -- if it was true. And he
6 confirmed it, a little reluctantly at first. I don't think
7 actually that she had conferred with him too much to make the
8 approach to me. But he verified everything she said, and kind
9 of acknowledged that he was part of the organization that was
10 transferring the funds offshore himself.

11 Q. Did Sonia Vacca return from her flight that you had
12 driven her to on the 15th of February?

13 A. My notes say the 23rd she returned.

14 Q. What, if anything, did you, Sonia Vacca and Matthew
15 Martenyi discuss when she returned on February 23rd, 1993?

16 A. I needed to get some more information on the size of the
17 organization and what was needed in order to put together the
18 offload operation. How **long they had been** in business, exactly
19 how much money would be obtained from the operation. How
20 sophisticated an organization it was.

21 Q. Did she provide you the information regarding those
22 things?

23 A. She did.

24 Q. What did she tell you?

25 A. She said that she had been working for an organization

1 for seven or eight years. I believe it was a rather
2 sophisticated ongoing operation.

3 My experience, and my experience was in small levels
4 of importation, rather sophisticated organization. But this
5 sounded to be quite a well-funded organization with an
6 infrastructure designed to operate very efficiently for many
7 years.

8 Q. The next day, February 24th, did you meet with anyone to
9 further discuss the matter?

10 A. Sonia and Matthew and I all met at a restaurant and
11 discussed further our involvement and our plan, how to put
12 together the offshore operation in order to proceed further.

13 Q. Did Ms. Vacca talk about prior operations or whether it
14 was safe or anything like that?

15 A. I asked about their level of success, and if there ever
16 had been any arrests or seizures of their shipping. She
17 mentioned that their operation was so -- their vessel was so
18 large that was being used, that they actually had been boarded
19 by the Coast Guard on the high seas and that the inspection
20 revealed no narcotics on board, but, in actuality, the vessel
21 was fully loaded.

22 Q. Did you have another meeting on February 26th?

23 A. Yes, we did. I met at Sonia's house with Sonia, Matthew
24 and also Nicholas Grenhagen.

25 I also asked about any arrests that might have been

1 made in the organization. And she did describe how a couple of
2 truck drivers had been arrested in Canada prior to that point.
3 But, other than that, there hadn't been too many other
4 instances of arrests within the organization.

5 Q. Did you have any other discussions with Ms. Vacca there
6 in the presence of Matthew Martenyi, Nicholas Grenhagen, on
7 February 26th, 1993?

8 A. I kind of talked about how our roles would be in the
9 organization, what each of us would be expected to accomplish.
10 Sonia would be part of the executive level to set up
11 organizational bank accounts, business entities, whatever was
12 needed to control the assets and purchase assets.

13 So that subsequently any investigation wouldn't
14 reveal who the -- the real owners of the operation would be.

15 Nicholas would operate the offloading vessel.
16 Matthew would operate an offloading vessel, and also perform
17 whatever legal services he might be able to do business wise.
18 And also within the legal field to help us **formulate**
19 corporations and bank accounts in order to put the whole
20 organization together.

21 Q. Mr. Brown, on February 27th, did you meet again with
22 Sonia Vacca and Matthew Martenyi and Nicholas Grenhagen?

23 A. We met at Matthew's office on Fell Street. And we talked
24 about how -- Sonia told me of one instance in the past that
25 they had used a seagoing tug as part of their offloading

1 procedure and that they had hidden the narcotics, concealed
2 them if you will, in a fashion to make it appear that they were
3 the barge contained nuclear waste to prevent the Coast Guard
4 from approaching it.

5 Q. What about the next day, February 28th? Did anything
6 happen then?

7 A. Nicholas Grenhagen and I drove over to Sausalito to the
8 marina area and traveled through the docks looking at various
9 yachts or large vessels that might be appropriate for trying to
10 make such a venture.

11 Q. Where is Sausalito, California, in relation to San
12 Francisco?

13 A. Directly north across the bay in Marin County. Just go
14 over the Golden Gate Bridge and to the east a few miles.

15 Q. Marin County is the county just north of San Francisco?

16 A. It is.

17 Q. On March 1st, 1993, did you have any meetings with
18 members of the organization?

19 A. We did. There was a small church a few doors down from
20 Matthew's office. We went into the courtyard, out of the
21 street and away from peoples' prying eyes to discuss some of
22 the business ventures.

23 Q. Who was there?

24 A. All four of us were there. Myself, Nicholas and Sonia.

25 Q. On April 4th of 1993 did you meet with anybody?

1 A. On April 4th, I was contacted by Matthew Martenyi. I was
2 in Seattle. And he asked me to fly to Long Beach, California
3 for a meeting with Mr. Larkin and Sonia and Matthew and
4 Nicholas to present a proposal or an oral proposal to
5 Mr. Larkin.

6 This meeting had been proposed for quite some time,
7 but had not been firmly established prior to this night being
8 advised of it. I flew to Long Beach, California immediately or
9 to Los Angeles and drove down to the hotel in Long Beach. But
10 I arrived too late and I was given a note at the front desk,
11 told to contact Sonia in Beverly Hills that day.

12 Q. Before you get to that, where is Long Beach, California,
13 in relation to Los Angeles?

14 A. That's in Orange County, the county just south of Los
15 Angeles.

16 Q. Basically in the Los Angeles metropolitan area?

17 A. It is.

18 Q. So they **weren't** there at the hotel in Long Beach. You
19 said you went somewhere else?

20 A. I was given the note and advised to contact Sonia at the
21 Four Seasons Hotel in Beverly Hills. I went there and met with
22 her,

23 Q. What happened at your meeting with Sonia Vacca at the
24 Beverly Hills hotel?

25 A. She told me the meeting with Mr. Larkin and Matthew

1 happened, she made the oral presentation to him. Apparently
2 she said it went very well.

3 Everybody had a bit of a contribution, I guess to the
4 proposal. But everything went well for it. And Mr. Larkin
5 advised that he had also advised their ship -- their main ship
6 to come in much closer to California in order to facilitate
7 making the offloading more convenient.

8 Q. How far did Mr. Larkin say that the ship would come to
9 the California coast?

10 A. 200 miles.

11 Q. So by this time was it planned that the load would come
12 into the United States?

13 A. Yes.

14 Q. On April 12th, 1993, did you meet with Sonia Vacca again?

15 A. I did. We had lunch. And I asked her if there was any
16 ability for me to join into her money transfer, money courier
17 operation. And I was trying to involve myself further into the
18 organization to find out more connections to the hierarchy of
19 the organization.

20 Q. What did you understand Sonia's role to be with regard to
21 money couriership?

22 A. She was in charge of a small crew of people, maybe seven
23 to ten people that would transfer money every week, every --
24 twice a month, if you will.

25 Into -- I believe it would be Singapore, from either

1 San Francisco or Vancouver or outbound ports.

2 Q. At that meeting, did Ms. Vacca have occasion to describe
3 anybody?

4 A. She mentioned Mr. Roget, that -- she referred to him as
5 Mr. Roget, who was a French Algerian. Small in size, and she
6 gave him a nickname of the shrimp or the runt. That was her
7 boss. And she referred to him, he was a little bit abrasive to
8 her, and also arrogant.

9 Q. Beside being her boss, you mean supervise her as a money
10 transferer?

11 A. Correct.

12 Q. Did she say anything else that Mr. Roget had been
13 involved in with the organization?

14 A. He was a captain on their ship previously, I believe.

15 Q. At that time did Ms. Vacca ever describe Mr. Larkin to
16 you?

17 A. He was born in America of French parents. I believe she
18 **mentioned he was around 50 years old. Actually at that time**
19 **younger.** And he lived in France and the U.S.

20 Q. That same day, April 12th, did you have another meeting
21 with Matthew Martenyi?

22 A. We did. Matthew was trying to negotiate or enter in some
23 kind of negotiations with an owner of a ship processing
24 business on the waterfront of San Francisco.

25 Q. And what were those negotiations about? Why was he

1 negotiating for a place like that?

2 A. We determined after a bit of investigation that a fish
3 processing plant would enable us to pull up a large fishing
4 vessel right up to the dock next to a warehouse building and
5 offload the narcotics directly into the building without being
6 observed from very few angles. That was one of our best
7 opportunities at that point.

8 Q. Did Mr. Martenyi provide you with some documentation
9 about potential fish companies that would be used as a cover
10 for the drugs?

11 A. I believe he had been -- he had been given a layout of
12 the building and the -- the business, some of the assets that
13 were owned by the business. The size of the refrigerations
14 units and the processing tables and so on.

15 Q. Showing you what I've marked for identification as
16 Government Exhibit 16. Is that a copy of the diagram and some
17 business cards that Mr. Martenyi provided to you regarding the
18 fish business?

19 A. They are.

20 MR. DAVIES: Your Honor, I would offer Government
21 Exhibit 16 into evidence.

22 THE COURT: Without objection.

23 (Government Exhibit No. 16 admitted.)

24 Q. On April 16th of 1993 did you speak to Sonia -- or did
25 you have the occasion to take Ms. Vacca anywhere?

1 A. I did, to the San Francisco airport. She advised me that
2 she was going to Montreal, and then on to Vancouver and then on
3 to Singapore, again transferring more money offshore.

4 Q. For Mr. Larkin?

5 A. Correct.

6 Q. And did you house-sit for Ms. Vacca while she was out of
7 town on that trip?

8 A. I did.

9 Q. And when did **Ms.** Vacca return?

10 A. I believe on the 23rd of April. She returned with
11 Richolas Grenhagen herself, and they told me they had just
12 flown in from either Hong-Kong or Singapore. While she had
13 been in Hong-Kong she formed a -- or purchased an existing
14 corporation Hong-Kong corporation, Jung-Lu Company, Ltd.

15 The company would be used for us to purchase any
16 assets that we were -- such as a vessel, and enter into leases
17 for the fish company, and any assets we needed to purchase for
18 the offloading **██████** be going **through an offshore entity.**

19 Q. Did Ms. Vacca say whether or not she used her real name
20 in forming this Hong-Kong corporation?

21 A. No. She used an alias of Marie Campbell, I believe that
22 she told me.

23 Q. On April 24th of 1993, did you have another meeting?

24 A. We met at Matthew's house. I remember that we were
25 supposed to come up with some kind of figures that we could use

1 for dollar figures in order to tell Mr. Larkin how much money
2 we would need to put together the whole organization.

3 Q. And did you say anything to the people there about your
4 future plans?

5 A. Well, it had been my intention all along to come forward
6 to the government. I didn't know exactly how that would go
7 along,

8 But I -- I thought that one possible entry for
9 bringing the government agents into the organization would be
10 as -- in some role that I may be able to introduce them. At
11 this point, I said that I had some friends in Miami that would
12 be helpful in putting together the offload organization. And
13 they were totally unknown to the three of the partners there,
14 so I could use anybody.

15 Q. By the way, after that meeting on the 24th of April, did
16 you and Sonia Vacca and Nicholas Grenhagen go anywhere?

17 A. We did. We went back down to the waterfront, to the area
18 where the standard **fish company**, the Northend Fish Company
19 where we walked the wharves that were used by the fish
20 companies all along the docks to see if any other kind of
21 activity would be similarly suited to see if we were totally
22 with the kind of business that Matthew had been investigating.

23 Q. Did you have a meeting on May 24th of 1993?

24 A. Met in Matthew's office with Sonia, Matthew and myself.
25 We discussed the present status. And Sonia stated that

1 Mr. Larkin had spoken with her and said that he wanted to speed
2 the -- the plans up, that he needed us to start preparing
3 immediately to get ready to offload the -- the ship.

4 Q. Did you talk to them about your trip to Miami at all,
5 your supposed trip to Miami?

6 A. On the 24th I did. And I had been to Miami. In that few
7 weeks with -- prior to that meeting. And I told them that I
8 had successfully contacted some of my old friends from Miami
9 that we should look forward to trying to use them as part of an
10 offload crew or hire the people at least.

11 Q. Did Ms. Vacca discuss a proposal request at that time?

12 A. She did. She gave me a copy of the proposal that she had
13 prepared and submitted to Mr. Larkin to outline the plans that
14 the partners had conceived to smuggle the narcotics.

15 Q. And that was..a written proposal?

16 A. It was.

17 Q. Mr. Brown, showing you what I've marked for
18 identification as Government Exhibit 10. **Can you identify that**
19 **as the proposal that you have been speaking of?**

20 A. Yes, it is.

21 MR. DAVIES: Your Honor, I would offer Government
22 Exhibit 10 into evidence.

23 THE COURT: Without objection.

24 (Government Exhibit No. 10 admitted.)

25 MR. DAVIES: Your Honor, this didn't come out on the

1 scanner. I would request to publish this to the jury at this
2 time.

3 THE COURT: You may do so.

4 Q. Mr. Brown, as the jury is being furnished copies of that,
5 just for the record, this was a detailed proposal that
6 Ms. Vacca discussed with you?

7 A. Yes, it is.

8 Q. If you would, for the record, just go through it and read
9 it, that is, publish it to the jury.

10 A. All right. -.This is a synopsis. The intent was to
11 develop an appropriate profile which would fit into the
12 existing fishing community as well as provide us with the
13 necessary secure area and work space.

14 To this end, the decision was made to purchase a fish
15 processing firm which will meet INS business visa requirements
16 for our Hong-Kong party.

17 Proposal. The company. Since our telephone
18 conversation this morning, the following company **is not** going
19 to be available because of the time. However, the second area
20 we had considered is actually better situated but not as -- but
21 has no equipment whatsoever.

22 It is on a pier which has been designated by the city
23 for earthquake reconstruction within the next two years, if the
24 city afford it. Consequently, most businesses do not wish to
25 take on the two-year lease and we can get it at a very low

1 price of two thousand dollars per month, plus the wharfage fee.
2 This means a much lower monthly, but a higher start up.

3 Nevertheless, it is cheaper than the first -- it's
4 cheaper than the first place. I'm leaving in the -- I'm
5 leaving in the following paragraph as the information is
6 basically the same.

7 A second-generation family-owned fish processing
8 plant has been located in the San Franc -- in SF as an ideal
9 location.

10 The owner wishes to withdraw from the business for a
11 few years as the economy has not been conducive to profit
12 making. To this end he is subleasing his pier and warehouse
13 and selling off his equipment, list attached, for 70 thousand
14 dollars.

15 He is fully equipped, and the only items which will
16 need to be replaced will be the boats. He has offered his
17 knowledge and experience on a consultancy basis for the rate of
18 2,000 dollars per month. This fee is a non-negotiable **part** of
19 his offer. The business is being offered at \$70,000, not
20 including his fees, the rent of six thousand dollars per month.

21 There is an additional wharfage fee to the city of a
22 hundred and thirteen dollars. The city expects to be paid for
23 the processing of a hundred tons of fish per month or pay the
24 difference.

25 This is to keep the areas working and not become

1 derelict. The hundred and thirteen dollar figure represents
2 the hundred tons. The fish are either caught by the plant's
3 boats or more frequently purchased from other fishing boats.

4 The usual thing is for a fishing boat to pull up, and
5 regardless of the time of day, a flurry of activity takes place
6 for a day or two. Those plants will work 16 to 24 hours when
7 the catch is brought in, including weekend nights. The
8 processed fish is then loaded onto trucks and taken away
9 immediately. The business owns two trucks at present and two
10 more will be needed when our catch is in.

11 He has been given to understand that the reasons this
12 Hong-Kong -- this HK firm --

13 Q. What did you understand HK to mean?

14 A. Hong-Kong to me.

15 He has been given to understand that the reason this
16 HK firm is willing to buy a business which is losing money is
17 for the purpose of meeting the INS requirement for obtaining a
18 business VISA green card.

19 He has been told that this is to be held in strict
20 confidence, and if we can rely on human nature, the entire
21 fishing community will soon be aware of this.

22 The fishing community is very small and closed.
23 Everyone knows each others' business, The location and the
24 normal method of working makes this ideal for our purpose.

25 The business will operate as usual and we intend to

1 run it in a sufficiently efficient manner to keep the losses
2 which he has at present, ten thousand dollars per month, at
3 bay.

4 We have access to a large Russian fishing fleet which
5 will work for us catching whatever we need. ✓

6 We will then purchase our fish from them. The
7 business has been running 200 W-2 forms per year, and averaging
8 40 men per month indicating that turnover is very great, and
9 there will be no problem in changing personnel as needed.

10 During the time we will be running it, we intend to
11 keep the personnel to no more than ten men. The one fortunate
12 thing is that all fishing vessels, in order to qualify for a
13 fishing permit, need to be American built, which means that we
14 cannot take advantage of these frequently capable friends that
15 we have via N.

16 We shall endeavor to charter the fishing vessels to
17 keep the cost down to a minimum. Should it become a sound
18 investment down the line, we will then purchase the boats. Our
19 choice is long-line fishing vessels, as they are the only ones
20 which go out far enough from this region. Tuna fishing is all
21 in the south, Long Beach to San Diego. When fish is brought
22 in, it has to be documented and logged for the Department of
23 Fish and Game.

24 Although there are occasional inspections, these are
25 rare, and it's the duty of the fish processing plant to turn in

1 the reports which are conducted on an honor system, which again
2 makes the business that we are considering ideal.

3 The fish industry is a cash one; there are any number
4 of transactions. As a minor example, fish is purchased at 50
5 cents per pound, is cleaned, two thirds are scrapped and resold
6 at two dollars.

7 If the processor pays cash, the fish can be purchased
8 at 40 percent. This is quite normal, and it's the preferred
9 method. The field is highly competitive and one niche which is
10 now open is the boutique fishery which supplies restaurants.
11 We will take this slot if it will keep us on good terms with
12 our neighbors and justify high price and low employee rosters.
13 When your own catch is ready, boats and captains and crew will
14 be put into position.

15 INS business visa requirements. the recently changed
16 laws of the Immigration and Naturalization Service state that
17 in order to qualify for a working business visa, as opposed to
18 a B-2 Visa, the individual must invest one million dollars and
19 employ ten people.

20 We have a 1981 HK corporation and will be able to
21 provide an appropriate individual who actually wishes to take
22 advantage of this visa opportunity. Obviously this individual
23 will not provide the funding but will provide a living,
24 breathing front. There is a one to two-year period during
25 which the company must show this amount as being used.

1 Naturally all excess money will simply be funneled
2 through and returned immediately. Full INS regulations will be
3 made available to you as soon as my attorney gets them.

4 Security. Full security will be provided as
5 explained to you at the last meeting. Any specific details
6 which you need are forthcoming. The following is from our head
7 of security. Our 'security devices will include the use of
8 closed-circuit TV monitors at various vantage points in the
9 area, infrared scopes, starlight scopes, manned observation
10 points designed to provide a security area several blocks wide
11 to detect the presence of unwanted intruders, escape vehicles,
12 predetermined escape routes and radio monitoring of all
13 federal, state and local agencies concerned with enforcement.

14 In the event of routine patrols inadvertently
15 entering the area during the time of business, the plan decoy
16 activity will set in action to provide distraction outside of
17 the secure area.

18 During all phases of the operations, the radio
19 listening watch will be maintained on various frequencies.
20 Should any agency attempt to appear during the operation, a
21 decoy activity of significant proportion will be initiated to
22 divert their interest and their vehicles or business.

23 If necessary, an aerial observation can be utilized
24 during the operation to locate the presence of potential
25 conflicting traffic. This can be used in addition to visual

1 electronic monitoring which will also give location of the
2 conflicting traffic.

3 The vessels will maintain radio silence during the
4 operation and information will be relayed to them by a
5 land-based transmitter mounted in a vehicle on the move to
6 avoid detection. This information will only be broadcast in
7 case of emergency or to provide an update of position with
8 conflicting traffic.

9 The vessels will maintain a listening watch on
10 appropriate HF and VHF frequencies, and monitoring scanners set
11 to frequencies in VHF and UHF band, which are short-range and
12 normally not only able to receive more than 50 miles from the
13 point of transmission.

14 As the vessels near shore, other forms of
15 communication may be utilized, to include beepers, cellular
16 phones, pre-arranged signals from shore, two-meter and citizen
17 band radios. If necessary, a speed boat will be used to act as
18 a decoy, crash boat or distraction, or escape vessel once the
19 vessel is near shore.

20 My research indicates a lack of unsuccessful business
21 activity similar to this undertaking in the bay area, and after
22 years of observing the various agencies involved in countering
23 this business, I feel that there is a notable lack of activity
24 on the part of these same agencies in the bay area, certainly
25 significantly less than that observed in Southern California.

1 Budget. The INS requirement makes the initial
2 investment fairly cut and dry. The following breakdown is as
3 closely calculated as possible. The asterisk figures being the
4 high estimates for items which are not yet priced exactly.
5 Naturally, all of these costs will come off the first earnings.

6 Two boats -- two boats chartered. Two trucks,
7 container and trailers, fifty thousand. Warehouse. For you,
8 six thousand. Security equipment, vessels and shore.
9 Sixty-eight thousand, four hundred. List attached.

10 Start-up cost, seventy-five thousand. Annual rent,
11 twenty-four thousand. Annual consultant fee, twenty-four
12 thousand. Annual wharfage fee, 1,366. Annual operating cost,
13 one hundred thousand. License and fees, ten thousand. Total:
14 Three hundred sixty-three thousand, seven hundred fifty-six
15 dollars.

16 An initial investment of two hundred fifty to three
17 hundred will secure the area and purchase all of the major
18 equipment necessary,

19 My attorpeys spent a great deal of time with these
20 people and have developed a good rapport with them. It was
21 their opinion that the city will not even look at you if you
22 have less than the net amount to invest as it's not feasible
23 for them -- excuse me -- as it's not feasible to run such an
24 operation on less. Apparently the city has final say as to who
25 can rent the fisheries and who not.

1 Once you are in, it's much easier to change locations
2 should a better area come up for consideration. Otherwise, it
3 is held among the 'small fisheries group and not publicly
4 advertised. The annual working capital is a very close
5 estimate, but can be held off until needed -- as needed.

6 All members are self supporting and will not require
7 funds to work throughout this year. There will be a serious
8 attempt made to make the business effective enough to minimize
9 all losses and make it self-sustaining.

10 The request for annual funding is made only to avoid
11 possible snags should the economy prove to be a daunting foe.
12 Unused portions of the capital can either be returned or taken
13 off the top.

14 Present expenses are being borne by the numbers who
15 will be reimbursed after the successful completion of the job.

16 Conclusion. It is our purpose to establish a
17 business which will be solid enough to sustain several years of
18 work and have the capacity to extend to the north at the
19 earliest opportunity.

20 To this end we have chosen an approach which may at
21 first glance appear cumbersome or excessive, but which has the
22 ability to operate in a normal manner providing us with an
23 excellent cover, security and flexibility.

24 Having done extensive research into this question,
25 it's our very strong opinion that this system will be of the

1 greatest advantage to both parties.

2 There is a great deal more information which my
3 attorney or I can give you verbally. This proposal is being
4 kept to very detailed in order to avoid writing in hopes of the
5 scope of warranties.

6 Q. Who did Ms. Vacca tell you that she sent that proposal
7 to?

8 A. Mr. Larkin.

9 Q. A couple of days after that, May 26th, 1993, did you
10 again visit with Sonia Vacca?

11 A. I did. And I was in the office and I observed her
12 sending a fax about 1:30. She said she was sending a message
13 to Mr. Larkin to remind him of the need for funding to be used
14 in our cover business.

15 7. She was also sending a fax to Nicholas Grenhagen,
16 Laroot. And Sonia and I discussed present time to be traveling
17 or purchasing a fishing vessel to be used for smuggling
18 narcotics,

19 Q. And on May 29th of 1993, did you speak to Matthew
20 Martenyi?

21 A. We met in his office and we discussed the operation. He
22 related that as time went by, he became more and more at ease
23 with the planned business. And we talked about an incident
24 which just occurred in the Bay Area where 250 Chinese
25 immigrants were landed inside of the Bay and were successfully

1 offloaded from the smuggling ship and were only discovered
2 by -- I believe it was the park rangers walking down the street
3 just inside the Persido, which is the old Army facility at the
4 southern end of the Golden Gate Bridge.

5 Q. By the Bay, what bay do you mean?

6 A. San Francisco.

7 Q. So by this was the important plan to come into the San
8 Francisco area?

9 A. It was.

10 Q. On June 3rd, 1993, did you have another conversation with
11 Sonia Vacca?

12 A. We met in her office and she told me Nick would be
13 arriving shortly from Sweden. She asked if I thought it would
14 be okay to bring in two more members into the -- into our
15 offload organization as employees, not partners, one of which
16 would be Jim. I had known his last name. He was a
17 veterinarian from Santa Anna, which is a town in Orange County,
18 not too far from where she lived in -- in Laguna in Orange
19 County.

20 He would be interested in joining us and she thought
21 that he'd be a good front man for the fish processing plant.
22 Also was a woman, Marilyn Duncan. She was a good friend of
23 hers and she was her CPA there in San Francisco. Both of these
24 people had known her for many years and both had known that she
25 was taking part in illegal activity and she felt that she could

1 totally trust them.

2 Q. Did you have any discussions with Sonia Vacca about your
3 friends in Miami that day, June 3rd?

4 A. Yes. And she thought it would be a good idea if Nick
5 went with me to meet with them and discuss business.

6 Q. Did you meet with anyone the next day, June 4th, 1993?

7 A. I met with Sonia and Matthew and myself and Nicholas at
8 Matthew's office. And Sonya mentioned that Larkin had called
9 her at 2 a.m. in the morning, told us that he was putting it on
10 hold, some kind of problem with the accounting in the
11 organization and that he'd have to put us on hold for the time
12 being.

13 We all discussed the fact that if we didn't move
14 quickly we would lose our opportunity to obtain the lease on
15 the fishing processing company. And it might be a good idea
16 for Sonia to contact Larkin to obtain at least enough money for
17 us to close the lease on it rather than lose it.

18 Q. Did you have any conversation with Nicholas Grenhagen
19 that day, June 4th?

20 A. I did. I hadn't spoken to him for quite some time, so I
21 told him that I was successful in finding a potential crew in
22 Miami, and I was waiting for a phone call to arrange a meeting.

23 I thought it would be a good idea that if he would
24 accompany me to the meeting in Miami.

25 Q. Did Ms. Vacca say anything more about transporting money

1 for Mr. Larkin at that June 4th meeting?

2 A. She said that she would be making another trip for
3 Mr. Larkin on June 7th, and returning from Singapore on the
4 11th, and she said that Nicholas might be joining her if she
5 had enough work.

6 Q. Okay. Before she left on June 7th, on June 7th, did you
7 have a meeting with her?

8 A. It would have been on June 7th, that we also met in
9 Matthew's office. And Sonya advised that for Matthew and I to
10 submit a list of our expenses that we had incurred up to that
11 point trying to establish the business with the offloading
12 organization, that she would present it to Mr. Larkin for
13 reimbursement.

14 Q. And did you present her an accounting of expenses that
15 you wanted to get reimbursed for?

16 A. I did.

17 Q. How much in expenses did you ask for?

18 A. 5,000 dollars,

19 Q. Did you ultimately get paid 5,000 dollars for those
20 expenses?

21 A. I did.

22 Q. That same meeting on the 7th, did Matthew Martenyi talk
23 any more about the fishing companies?

24 A. We discussed the amount of money needed for the North End
25 Fish Company, and the amount of money we would need to cover

1 the business expenses for a short period of time.

2 Q. And you said you turned yourself into DEA on June 18th of
3 1993?

4 A. Yes.

5 Q. Back in May of '93, did you know that you were under
6 indictment?

7 A. Quite sure. I wasn't positive but I was quite sure.

8 Q. Where were you quite sure you were under indictment?

9 A. In Northern Florida some place.

10 Q. Around May of '93, did you contact an attorney in San
11 Francisco?

12 A. Actually might have even been before May. I contacted an
13 attorney in San Francisco. He advised me that he was not
14 interested in working with a cooperating witness. And also
15 that it would be better served to contact an attorney in the
16 state of Florida as that was where my indictment was probably
17 from.

18 Q. This was a defense attorney that you are speaking of?

19 A. It was.

20 Q. Did you ultimately retain a defense attorney in Florida?

21 A. I did.

22 Q. And did your defense attorney ultimately contact the U.S.
23 Attorney's office in Gainesville?

24 A. He did.

25 Q. Why was that?

1 A. Why?

2 Q. Yes.

3 A. At my direction I requested that he contact the US
4 Attorney or the DEA to arrange for my surrender.

5 Q. Then you ultimately surrendered and entered a plea
6 agreement that we discussed?

7 A. I did.

8 Q. You talked about having to locate your assets to turn
9 them over to the government. How long were you traveling
10 around trying to get up and locate all of your assets.

11 A. Probably a good part of the week.

12 Q. That is toward the end of June of '93?

13 A. Yes, sir.

14 Q. On July 1st of 1993, did you have occasion to meet with
15 Matthew Martenyi at another location?

16 A. We did. Matthew flew to Orlando and rented a car and
17 drove up to Gainesville where we met at the Hilton Hotel with
18 Matthew Martenyi, special agent Carl Lilley, and police officer
19 Jeff Nordberg.

20 Q. And for the record, is that Gainesville, Florida here in
21 Alachua County in the Northern District of Florida?

22 A. It is.

23 Q. And who -- and who all was present at that meeting?

24 A. Matthew Martenyi, myself, Carl Lilley, and Jeff Nordberg.

25 Q. And, in brief, what was discussed at that meeting?

1 A. Matthew had come to ascertain from Carl Lilley if he'd be
2 interested in becoming -- taking part in the offloading of
3 narcotics from the Pacific into California.

4 Q. And did they discuss that for 30 minutes, an hour, or
5 more?

6 A. At least an hour.

7 Q. Did you keep in touch with Sonia Vacca after this July
8 1st, 1993, meeting in Gainesville?

9 A. I did. I called every few days at the most.

10 Q. And on August 13th of 1993, did you meet with Matthew
11 Martenyi again?

12 A. I did. I had flown back to San Francisco, met with
13 Matthew at his office. And he gave me a check for 5,000
14 dollars for my reimbursement of my travel expenses and any
15 expenses that I had incurred trying to put together the
16 organization up to that time.

17 Q. And did you deposit that check?

18 A. I did.

19 Q. Mr. Brown, showing you what I've marked for
20 identification as Government Exhibit 5. Is this a copy of the
21 deposit ticket?

22 A. It is.

23 MR. DAVIES: Your Honor, I would offer Government
24 Exhibit 5 into evidence.

25 THE COURT: Without objection.

1 (Government Exhibit No. 5 admitted.)

2 Q. So at this time, Mr. Brown, a member of the organization
3 paid you for work you had done for the organization?

4 A. That's correct.

5 Q. Mr. Brown, on August 16th of 1993, did you have another
6 conversation with Matthew Martenyi?

7 A. I did. He told me about his plans to fly to Singapore
8 with Sonia again transporting more money.

9 Q. And on September 1st, 1993, did you speak to Sonia Vacca
10 again?

11 A. Yes, sir. We met at Matthew's office, said that she
12 would be traveling for Mr. Larkin again that Saturday and
13 returning Wednesday. She asked me to stay at her house while
14 she was gone.

15 And that she was going to call Nick and ask about his
16 plans to meet me in Miami. And I gave her my beeper and my
17 cell number, so that she and and/or Nicholas could contact me
18 there.

19 Q. Did you speak to Matthew Martenyi on September 1st of
20 1993?

21 A. I did. We talked in his office about meeting with a
22 Patrick unknown last name. At that time, Matthew mentioned
23 that he spoke with Sonia about how Larkin had become the new
24 chief executive of the main company, because the present bosses
25 were planning to retire, and Larkin was supposed to be the heir

1 apparent.

2 Apparently this was the reason for the delay of the
3 shipment. And he said that could have a complete accounting of
4 the books up to that point. We also talked about the
5 possibility of using Patrick, Patrick's friend Steve, about his
6 joining the offloading crew or bidding on him taking the entire
7 activity over.

8 Q. So is that -- as of September 1st of 1993, Matthew
9 Martenyi indicated that all of the members of the organization
10 were still active in it?

11 A. Yes.

12 Q. On September 4th, 1993, did you travel anywhere with
13 Matthew Martenyi?

14 A. He took me to the airport for my flight to Miami. And he
15 talked about his and Sonia's business of transporting money.
16 He mentioned that during the times that he was involved that as
17 a courier dollar amounts ranged anywhere from four and a half
18 to 5.6 million dollars.

19 Q. During this time period, Mr. Brown, did you have access
20 to Sonia Vacca's home and her office at work?

21 A. Yes.

22 Q. I believe you said you would house-sit for her and watch
23 her house?

24 A. Yes.

25 Q. What would you do when you house-sat for her?

1 A. She had four rare cats, I guess. And they always needed
2 to have someone there to care for them. So that was kind of my
3 job as a friend, to watch over her cats while she was out of
4 town.

5 Q. Did she give you access to her house and to her desk at
6 work?

7 A. Complete access.

8 Q. Showing you what I've marked for identification as
9 Government Exhibit 30. Can you identify that?

10 A. This is a letter that I discovered in Sonia's property.
11 It's addressed: Alexandria. Sonia, as an aside, was born to
12 Russian parents. And I believe her interest in the culture of
13 her homeland was a bit more than some people might have.
14 Alexandria I believe is part of the Czar of Russia, part of
15 her -- an alias which may be appropriate for her.

16 Q. When is the letter dated?

17 A. December 19th.

18 Q. And you started talking to her about the drug
19 organization in February?

20 A. Yes.

21 MR. DAVIES: Your Honor, I would offer Government
22 Exhibit 30 into evidence.

23 THE COURT: Without objection.

24 (Government Exhibit No. 30 admitted.)

25 MR. DAVIES: I would request to publish it to the

1 jury and publish copies to the jury, Your Honor.

2 THE COURT: Surely.

3 Q. Have you reviewed that document before, Mr. Brown?

4 A. I have.

5 Q. Are there a couple of words in there that you can't read?

6 A. It's handwritten. There are a couple that are very hard
7 to read. It's a copy.

8 Q. If you would go ahead and publish it.

9 A. It's dated December 19th. Dear Alexandra. The name is
10 so regal. Thanks for your recent letter, it was a pleasure as
11 always to hear from you. Your letter stated some facts which
12 were helpful but not complete. Though the hundred and twenty
13 foot length sounds about the right size, now we have to
14 establish what kind of vessel, its principal commercial
15 activity and or license, plus its cubic capacity.

16 Additionally, please find out if his activities
17 taking up his time until January is not business related and if
18 so where.

19 I don't want to draw any flies from any recent
20 contracts and again most important, make sure that the person
21 who knows him has had a long relationship with this man. And I
22 can't read that word too easily. And that he hasn't been
23 turned recently to work for the opposition in order to clean
24 up -- I can't read that word too easily -- he may have back in
25 the past.

1 I'll read that sentence again. I don't want to draw
2 in flies from any recent contracts. And again, most important,
3 make sure that he, the person who knows him, has had a long
4 relationship with this man.

5 And, again, I don't know that word. That he hasn't
6 been turned recently to work for the opposition in order to
7 clean up -- again, I don't know that word either -- he has --
8 he may have had in the past. I prefer to lose the 70 rather --
9 excuse me. I prefer to lose the 70 than push it.

10 Unfortunately, I will not be able to see you, see
11 your sister prior to our -- prior to your -- I can't read that
12 word.

13 I will be in the Far East after January the 15th.
14 And prior -- I have my kids for two weeks skiing, the only time
15 in the year I can spend any sustained vacation with them.

16 Thus, if your something something is working, could
17 we meet in Hong-Kong from January 23rd to January 30th at the
18 Regent Hotel? Telephone numbers. I will be staying with
19 Mr. Bernard Yates.

20 Merry Christmas. Have -- you something, not to
21 something. caviar, Vacca. Looks like love as always. Love,
22 Simpson.

23 Q. And, again, Christmas would be about two months before
24 you yourself even started talking about drug importation with
25 Sonia Vacca?

1 A. That's correct.

2 MR. DAVIES: Thank you, sir.

3 THE COURT: Cross.

4 CROSS-EXAMINATION

5 ~~BY~~ MR. KENNEDY:

6 Q. What was it that you thought you were facing in terms of
7 time in prison when you made your deal with the authorities?

8 A. Pretty substantial time. I have no idea exactly.

9 Q. You mean you pled without any anybody telling you the
10 substantial time that you had?

11 A. I guess you could say so.

12 Q. You were -- in terms of your own mind, it could have been
13 as much as life in prison?

14 A. Well, this was a preguidelines case, meaning prior to
15 '87. I believe that they did have that severe of a sentence in
16 that time. I'm not knowledgeable of it, though.

17 Q. Well, you had charges not only here in the Northern
18 District of Florida, but also in Illinois; did you not?

19 A. That's correct.

20 Q. And in Illinois, you also only pled to a deal here in the
21 Northern District of Florida where you faced at least 20 years
22 in prison; is that correct?

23 A. Could have been.

24 Q. Well, could have been is not as helpful as I need. Give
25 me the best answer that you can.

1 A. Okay. I'm sorry. Once again, I'm not real knowledgeable
2 on the laws of the sentencing. And for me to tell you how many
3 years would be a lie.

4 Q. Well, it was your deal, wasn't it?

5 A. What I was facing?

6 Q. Yes.

7 A. I had no idea what I was facing, sir, in time.

8 Q. Didn't you plead to a deal that could sentence you up the
9 to 20 years here in Florida?

10 A. Yes, sir.

11 Q. And didn't you also face 20 years in Illinois?

12 A. I believe so. Yes, sir.

13 Q. So that was at least 40 years you are looking at,
14 correct?

15 A. Okay.

16 Q. How old are you?

17 A. Fifty.

18 Q. How old were you then?

19 A. Forty-three.

20 Q. Facing 40 years. You were actually sentenced to six; is
21 that correct?

22 A. Yes, sir.

23 Q. Of the six, how many did you have to do?

24 A. Four.

25 Q. And for the -- for the deal you made with the

1 authorities, they dropped a number of other charges against
2 you; did they not?

3 A. Yes, sir.

4 Q. So in addition to the -- the Florida charge and the --
5 and the Illinois charge, you could actually have been charged
6 with additional counts that could have taken you even beyond 40
7 years as far as you know?

8 A. As far as I know.

9 Q. Now, you have been looking at, for purposes of refreshing
10 your recollection, a copy, I believe, of your notes. Is that
11 correct, Mr. Brown?

12 A. That's correct.

13 Q. Thank you. Just so that you and I are on the same page,
14 would be kind enough to -- actually I'll put them back together
15 for a moment. Would you be kind enough to make a quick
16 comparison to my copy so we know we're looking at the same
17 document.

18 A. It appears to be,

19 Q. Thank you. You are satisfied?

20 A. Yes, sir.

21 Q. At the time of those events you took notes; did you not?

22 A. Say again, please.

23 Q. At the time of these events in your notes you were taking
24 notes?

25 A. Yes, sir.

1 Q. You didn't type them up this way?

2 A. I had a small computer I was working at on the law firm,
3 and I kept them on the computer.

4 Q. Fine. So this is -- these are actually your notes as you
5 typed them onto the computer and subsequently printed them out
6 from the computer?

7 A. That is correct.

8 Q. Now, when -- when you would take Sonia Vacca to the
9 airport on the occasions that you described, she was flying off
10 to Canada; was she not?

11 A. On about at least one occasion I knew that she was going
12 to Montreal and Vancouver. On other occasions, I wasn't
13 knowledgeable of where she was flying. On one occasion I think
14 she told me that she was going to Vancouver or Singapore. **She**
15 told me the flight and the number.

16 Q. At some point did Sonia Vacca tell you that this -- this
17 Mr. Larkin -- strike that.

18 By the way, do you know, is Mr. Larkin Mr. Simpson or
19 the same person?

20 A. I've never met Mr. Larkin.

21 Q. Or Mr. Simpson?

22 A. No.

23 Q. So the letter that -- with the Dear Alexandria that is
24 signed Mr. Simpson, you don't know who wrote that?

25 A. No, I don't.

1 Q. You never asked anybody?

2 A. No.

3 Q. When did you first see that letter?

4 A. Probably in February or March, perhaps even April.

5 Q. Under what circumstances did you see that letter?

6 A. I believe it was in her office.

7 Q. She showed it to you?

8 A. No.

9 Q. You went into her office, rummaged through the things and
10 found it yourself?

11 A. No. She invited me to use her office at any time that I
12 wanted. My desk was right outside her office. And my desk was
13 in the secretarial area if you will of the firm. She offered
14 me the -- invited me to use her desk and office any time, I
15 ever wanted.

16 Q. Where on her desk was this letter?

17 A. Perhaps in the drawer. I don't have the exact
18 recollection.

19 Q. So you go into the drawer and you pull out this Dear
20 Alexandria letter; is that correct?

21 A. Yes.

22 Q. And turn it over to the authorities, correct?

23 A. Yes.

24 Q. Did you have -- did you think that you had her permission
25 to go into her drawer and take out her correspondence?

1 A. I had total access to her office and desk.

2 Q. Did she give you permission to go into other drawers and
3 take out her correspondence.

4 A. When I saw --

5 MR. DAVIES: I object, Your Honor.

6 THE COURT: No. He can answer it yes or no.

7 A. Yes.

8 Q. You had her permission to go into her desk drawer and
9 took out her private correspondence? Yes or no.

10 A. No. I had permission to go into her desk.

11 Q. And take out her private correspondence?

12 A. If she gives you permission to go into someone's desk,
13 you -- I guess I have permission to go in your desk, I can do
14 anything that I want.

15 Q. As far as you were concerned, Sonia Vacca gave you
16 permission to go do anything with her personal affairs that you
17 felt like?

18 A. In her desk?

19 Q. Yes.

20 A. And when she invited me into her house she never told me
21 not to go into certain areas or not to look in certain areas
22 also.

23 Q. And Sonia Vacca told you that this **Mr.** Larkin liked to
24 have multiple organizations to choose from in his work, did he
25 not -- did she not say that to you?

1 A. I believe she might have mentioned that. At least two,
2 perhaps.

3 Q. As a matter of fact, you testified under oath that
4 previously that Larkin liked to have multiple organizations is
5 what Ms. Vacca said to you; did you not?

6 A. Could have been.

7 Q. All right. You don't recall?

8 A. No, sir.

9 Q. Yes, I'm referring to the transcript of Mr. Brown's
10 direct examination in the Grenhagen trial. It's actually page
11 120. Page 120, beginning at line 12.

12 I'm placing in front of you what is a copy made by a
13 court reporter of your testimony in the Grenhagen trial.

14 And I would like you just to read to yourself. You
15 can read the entire page, if you want to get the context,
16 Mr. Brown. But I'd like to specifically read the question at
17 line 10 and the answers at line 12 and 13.

18 A. Question. Did she indicate to you whether or not that
19 played -- whether or not that played any role in them having
20 set up another offload organization?

21 Answer: No. I asked her about that also.

22 She said that Mr. Larkin liked to have multiple
23 organizations available to choose from.

24 Q. And you were under oath at the time?

25 A. Yes, sir.

1 Q. And attempting to give the best testimony, the most
2 truthful testimony that you could; is that correct?

3 A. Yes.

4 Q. So Sonia Vacca did tell you that Mr. Larkin did like to
5 have multiple organizations available to choose from?

6 A. That is right.

7 Q. And do you recall testifying, sir, that Sonia Vacca
8 said -- strike that.

9 Do you recall Sonia Vacca saying to you that Larkin
10 had said that he was putting his organizations through major
11 change and did not want to enter into any new business until
12 his accounting had been completed?

13 A. Yes.

14 Q. And you also recall Sonia Vacca saying that the
15 organization would be reorganizing, reshuffling, and was to be
16 put on hold.

17 A. Reshuffling of the organization, yes.

18 Q. If you refer to your notes, **again**, please, Mr. Brown. On
19 April 12 you have a note that she -- excuse me -- while I wait
20 for you to find it?

21 A. Do you have a page number?

22 Q. April 12. The page number is 3 on my copy.

23 A. Okay.

24 Q. I'm referring to the April 12 reference, and it's the
25 second line. She, referring to Sonia, said: Lately she has

1 been unable to employ any additional people because of a
2 reduction in the amount of money being transported; is that
3 correct?

4 A. Yes, sir.

5 Q. And that is what she told you?

6 A. I believe so.

7 Q. Thank you. Did she give you any reason or any
8 explanation for the reduction in the amounts being transported?

9 A. No, sir. I have -- I have an opinion on it but 1/11 wait
10 if you want me to --

11 Q. No. I respect your opinion, but you can keep it to
12 yourself.

13 A. Very good.

14 Q. Now, on April 16th, you have her -- excuse me. On April
15 12th, you have a meeting in Matthew's office where you are
16 entering into negotiations for the purchase and lease of the
17 fishing company, correct?

18 A. Yes.

19 Q. Those negotiations never ultimately resulted in a -- in a
20 deal, in a contract, in a lease or anything of that sort, did
21 they?

22 A. As far as I know, no.

23 Q. Now, on April 16th, you take Sonia to the San Francisco
24 airport where she is going to take a flight to Montreal and
25 after that Vancouver and then on to Singapore, correct?

1 A. That's correct.

2 Q. Was it not your understanding that she was courtering
3 money for Mr. Larkin on that occasion?

4 A. As far as I understand.

5 Q. On April 23rd, the -- your notes continue on to page 4.

6 And you are talking about -- do you have that spot,
7 sir?

8 A. April 23rd. April 24th.

9 Q. Yeah. April 23rd. And moving on to page 4.

10 You continue your notes with reference to the April
11 23rd meeting, do you not?

12 A. Well, I have the April 23rd.

13 Is there a section of the next page where the witness
14 refers to that because it's a different day entirely, so is
15 there a connection?

16 Q. Well, the -- you tell me. I'm sorry. I was covered up.
17 It is covered up on mine. Thank you, Mr. Brown.

18 A. Okay.

19 Q. On April 24th beginning at the top of page 4.

20 A. Okay.

21 Q. Sorry about that.

22 There is an attempt to agree on a figure to present
23 to Larkin as a request for funds; is that correct?

24 A. Top of the page, April 24th.

25 Q. Correct?

1 A. Yes.

2 Q. All right.

3 And reading on further. You advised the other people
4 that you are going to try to recruit those people from Miami to
5 come to San Francisco; is that correct?

6 A. That's correct,

7 Q. Throughout June, and if you look through your notes there
8 -- if you see that June 7th, and June 3rd and 4th, there
9 are repeated references, I see in the notes, to your people in
10 Miami, your potential crew in Miami and what have you; is that
11 correct?

12 A. Yes.

13 Q. Up to that point, there has been no mention of
14 Gainesville, had there?

15 A. No.

16 Q. It had all been Miami from your standpoint, correct?

17 A. That was my attempt to enter the government in the
18 future. If and with -- if I could make some kind of deal with
19 the government, it was my entry.

20 Q. But it was in Miami, wasn't it?

21 A. It was.

22 Q. And the idea of Gainesville which appears for the first
23 time in your notes on June 28th, that idea actually came from
24 agent Carl Lilley; did it not?

25 A. Yes.

1 Q. On August 25th, that is page 9, **Mr.** Brown, there is a
2 reference there to you quoting a price per pound for pot. That
3 is marijuana, I gather?

4 A. Yes, sir.

5 Q. Do you see that?

6 A. Yes, sir.

7 Q. And the price was 600 dollars per pound in volume; is
8 that correct?

9 A. That's correct.

10 Q. Did you just make that figure up or did that figure come
11 from your experience or some other source?

12 A. I believe at this point, this was the proposal coming to
13 Carl Lilley to take part in the activity. And, as I recall,
14 there was some kind of thought that Carl had access to
15 narcotics to sell to the organization if they wanted to buy it,
16 Sonia through Patrick, and Steve, I believe were interested in
17 buying marijuana here in this country.

18 And I believe that what we were trying to do there
19 was to make arrangements for them to be able to buy from Carl
20 Lilley.

21 Q. Thank you for that, sir. What was the source of the 600
22 dollars per pound that you quoted?

23 A. I believe it came from Carl Lilley, but I'm not positive
24 on that.

25 Q. That is your best recollection?

1 A. My best.

2 Q. Now, do your notes reflect whether or not there -- these
3 proposals, those negotiations were ever taken off hold and put
4 back on?

5 A. Say that again, please.

6 Q. Yes. Your notes reflect that the entire operation was
7 put on hold by Mr. Larkin?

8 A. Correct.

9 Q. Your notes reflect that. Were you ever told that it was
10 taken off hold?

11 A. Well, the -- the hold was --

12 Q. Excuse me. Do you understand my question?

13 A. Yes.

14 Q. Do your notes reflect whether or not the operation was
15 ever taken off hold?

16 A. The hold was more of a delay until spring.

17 MR. DAVIES: I object to --

18 MR. KENNEDY: Straight answer.

19 MR. DAVIES: I object to Mr. Kennedy cutting the
20 witness off. He is trying to answer the question.

21 THE COURT: Just ask your question, Mr. Kennedy and
22 let him answer.

23 MR. KENNEDY: Yes, Your Honor.

24 Q. My question is -- answer it yes or no -- and then explain
25 if you wish.

1 Do your notes reflect that in fact the operation and
2 the negotiation, the ongoing efforts had been put on hold; do
3 they not?

4 A. Yes.

5 Q. Do your notes reflect if this operation, these
6 negotiations, those efforts, were ever taken off hold? ✓

7 A. Yes. That spring the load would be forthcoming in the
8 spring, and that we should look to try to proceed with the goal
9 of doing the offloading in the spring. I call that a delay,
10 that hold immediately, because we were put on an immediate
11 push, I believe in April. Mr. Larkin said: We need to move
12 fast and move very speedily to get it done very quickly.

13 Then subsequently we were put on kind of a hold or if
14 you will a delay until the preceding spring. It was not a
15 stop, if you would say.

16 Q. But your reference to being put on hold is on June 4th;
17 is it not?

18 A. I believe so.

19 Q. So what you are talking about is -- is what, the spring
20 of '93 or the spring of '94?

21 A. It would have been the spring of '94.

22 MR. KENNEDY: Thank you. Nothing further.

23 THE COURT: Mr. Darr.

24 CROSS-EXAMINATION.

25 BY MR. DAAR:

1 Q. Did you continue to take notes after September 9th, the
2 last date on the Government's Exhibit?

3 A. September 9th?

4 Q. Yes.

5 A. I have -- yes.

6 Q. You did continue to take notes?

7 A. Yes.

8 Q. When did your notes end?

9 A. October 14th.

10 Q. And anywhere in your notes do you indicate that an
11 agreement was reached with your partner, Mr. Larkin?

12 A. An agreement in which regard?

13 Q. An agreement between your partners and Mr. Larkin as to
14 what you are going to do, when you are going to do it, and how
15 much you are going to be paid?

16 A. The amount paid, yes. As far as I understand, I never
17 met Mr. Larkin myself. But I was told in the initial contact
18 back in February what the payment would be. Came through from
19 Sonia Vacca.

20 Q. So it's your testimony that there is an agreement in
21 February with Mr. Larkin as the defendant?

22 A. From what I was told from Sonia, we would be paid 12
23 percent. 10 percent from Mr. Larkin, two percent to Sonia
24 Vacca, which in turn would go to the partners for a total of 12
25 percent.

1 Q. But didn't Mr. Lilley want 20 percent?

2 A. I don't remember what he wanted.

3 Q. And there was never an agreement made as to where this
4 was going to occur specifically?

5 A. Right.

6 Q. And there was never an agreement as to when this was
7 going to occur?

8 A. Not a date, no.

9 Q. And there was never an agreement as to exactly who was
10 going to participate, correct?

11 A. Well, the four partners were in agreement.

12 Q. The four partners hoped that their proposal would be
13 adopted, correct?

14 A. Correct.

15 Q. But that had not yet occurred?

16 A. At that point, no.

17 Q. Did Mr. Albert Madrid's name come up at any time?

18 A. Never heard it before.

19 MR. DAAR: Thank you.

20 THE COURT: Government.

21 MR. DAVIES: Your Honor, I would offer into evidence
22 Government Exhibit 22, which is the plea and cooperation
23 agreement between the United States of America and Clifton
24 Brown.

25 MR. KENNEDY: I don't see any basis. I object.

REDIRECT-EXAMINATION

13Y MR. DAVIES:

Q. Mr. Brown, did you serve a six-year prison term?

A. I was sentenced to a six-year prison term. Yes, sir.

Q. Who imposed that six-year term?

A. Judge Paul.

Q. Did you testify at the trial of Nicholas Grenhagen?

A. I did.

Q. Had you been sentenced before you testified?

A. No, sir.

Q. Were any promises made to you about what sentence you would receive if you testified at that trial?

A. None.

Q. Was it explained to you that whatever sentence you received would be imposed by Judge Paul?

A. Yes, it was.

Q. Was Judge Paul presiding over the Nicholas Grenhagen trial?

A. Yes, sir.

Q. If you lied there in court at that trial what break on your sentence, if any, did you expect Judge Paul to give you if you lied?

MR. DAAR: Objection, Your Honor.

1 THE COURT: Sustained.

2 Q. Was your testimony at the Grenhagen trial the same as it
3 has been here?

4 A. Yes, sir.

5 Q. You were asked about these negotiations with Sonia Vacca
6 and Matthew Martenyi. When a drug deal is being negotiated, is
7 it usually finalized, everything there at the very first
8 meeting?

9 A. No.

10 MR. DAAR: Objection, Your Honor.

11 THE COURT: Overruled.

12 Q. It's typical for there to be negotiations and some plans
13 made?

14 A. Yes.

15 Q. Mr. Kennedy referred to your testimony at **the** Grenhagen
16 trial. And page 120, line 10, there is a question. And line
17 12 there is an answer?

18 A. Yes, sir.

19 Q. Would you read that question and answer again, please.

20 A. Did she indicate to you whether or not that played any
21 role in them having set up another offload organization?

22 Answer: No. I asked her about that also. She said
23 that Mr. Larkin liked to have multiple organizations available
24 to choose from.

25 Q. **So** when Sonia Vacca referred to organizations was she

1 referring to several offload organizations?

2 MR. KENNEDY: Objection, Your Honor.

3 THE COURT: He can state his understanding of that.

4 A. I believe that is what she meant.

5 Q. Were you and Carl Lilley one potential offload crew?

6 A. I believe we were.

7 Q. Did you understand that there had been other offload
8 organizations before you?

9 A. Yes.

10 Q. You mentioned that Sonia Vacca said that she was
11 reshuffling the organization?

12 A. Yes.

13 Q. Was this in 1993 that she talked about there being
14 reshuffling?

15 A. Yes.

16 Q. You talked about the load being postponed. Did anyone
17 ever say that Mr. Larkin had decided to never do the load?

18 A. No,

19 Q. Was your understanding that the load might be postponed
20 but that it would be done in the spring?

21 A. Yes.

22 Q. Mr. Brown, did Matthew Martenyi meet with you and Carl
23 Lilley in Gainesville, Florida?

24 A. Yes.

25 Q. Did Matthew Martenyi interview Carl Lilley to assist in

1 the importation of marijuana?

2 A. Yes.

3 Q. And did Mr. Larkin make a payment of five thousand
4 dollars to you through Matthew Martenyi for work you had done
5 for the organization?

6 A. He did.

7 Q. Was that after you requested it?

8 A. Yes.

9 Q. And Mr. Larkin agreed with your request and paid you
10 3,000 dollars?

11 A. Yes.

12 MR. DAVIES: I have no further questions.

13 THE COURT: You may step down.

14 Let's take a break, folks. About 15 minutes.

15 (Jury out.)

16 (Recess taken).

17 (Jury in.)

18 THE COURT: Be seated, folks.

19 Government ready?

20 MR. DAVIES: Yes, sir.

21 THE COURT: Call your next witness, please.

22 MR. DAVIES: Louis Acevedo.

23 (Witness sworn.)

24 THE CLERK: You may be seated. Spell your last name
25 for the record.

1 THE WITNESS: A-C-E-V-E-D-O.

2 DIRECT EXAMINATION

3 BY MR. DAVIES:

4 Q. Would you tell the ladies and gentlemen of the jury where
5 you work, please?

6 A. I work for the Gainesville Police Department.

7 Q. What is your rank there?

8 A. I'm a sergeant.

9 Q. What are your duties now at GPD?

10 A. I'm in charge of the FOCUS unit, a special operations
11 group.

12 Q. How long have you been a police officer?

13 A. Twenty-two years.

14 Q. Does the GPD at times have officers cross assigned to the
15 DEA office here in Gainesville?

16 A. Yes, sir.

17 Q. Back in the summer of 1993, what was your assignment with
18 the Gainesville Police Department?

19 A. I was assigned as a sergeant to the Gainesville DEA. I
20 was cross-assigned to the police department to the Drug
21 Enforcement Administration.

22 Q. How long had you been cross assigned to DEA here in
23 Gainesville as of 1993?

24 A. Since 1988, until 1997. Approximately nine and a half
25 years.

1 Q. Did you ever do undercover work when you were working
2 with DEA?

3 A. Numerous times.

4 Q. In this case that is on trial here did you work
5 undercover?

6 A. Yes, I did.

7 Q. And what role did you play in your undercover work with
8 regard to this case?

9 A. I played the son of a large scale Colombian based
10 organization that -- the drug lord of that organization.

11 Q. Was Carl Lilley, DEA special agent Carl Lilley also
12 working undercover?

13 A. Yes.

14 Q. And what was your undercover relationship with Carl
15 Lilley, if any?

16 A. Carl Lilley who was known as Earl Kelly, ran the
17 undercover role as my brother-in-law.

18 Q. And what name did you use in your undercover role?

19 A. Louka.

20 Q. Did you ever meet with Nicholas Grenhagen when you were
21 acting undercover with special agent Carl Lilley?

22 A. Yes, I did,

23 Q. When was that?

24 A. On the 13th of September, as well as the 3rd of October
25 of 1993.

1 Q. Was it you, Agent Lilley and Nicholas Grenhagen there for
2 both of those meetings?

3 A. Yes.

4 Q. Where did the meeting on September 13th, 1993 take place?

5 A. It occurred at the Hilton Hotel in the 2700 block of
6 Southwest 13th Street here in Gainesville. It's now known as
7 the Sheraton Hotel.

8 Q. And where did the October 3rd meeting with yourself,
9 Mr. Grenhagen and Agent Lilley take place?

10 A. It occurred two blocks south of the Hilton, also on
11 Southwest 13th Street at the Residence Inn,

12 Q. What did Nicholas Grenhagen discuss with you all at the
13 September 13th meeting?

14 A. We discussed his participation in an organization,
15 international drug smuggling organization, interested in
16 importing 30 tons of hashish and 30 tons of marijuana to the
17 northwest Pacific area of the Continental United States.

18 Q. And did you and Carl Lilley talk to Mr. Grenhagen about
19 expenses at that meeting?

20 A. Yes, sir.

21 Q. What did you all talk about with regard to that?

22 A. We talked about transportation cost, we talked about the
23 fact that our boat was docked in the Pacific, its primary
24 purpose was for drug trafficking lease, and we were unable to
25 use it pending his participation.

1 And we had expenses that we had already incurred with
2 the -- designated crew members with -- in charge of the
3 offloading, and we needed to pay them. And we requested
4 approximately a hundred thousand dollars from them.

5 Q. Is that a down payment for the expenses?

6 A. Yes, sir.

7 Q. Did Nicholas Grenhagen say whether or not he would let
8 his partners know about your request for expenses?

9 A. Yes, he did.

10 Q. What did he say?

11 A. He said that they would be meeting approximately the 17th
12 3% September between Martenyi, Larkin and Vacca.

13 Q. And did Nicholas Grenhagen get in touch with you by phone
14 on September 18th the day after the meeting was scheduled for?

15 A. Yes, he did.

16 Q. Did he say whether or not he had met with Vacca and
17 whether Vacca and Larkin had met?

18 A. Yes. He stated that they had, in fact, met.

19 Q. Then on your October 3rd meeting here in Gainesville at
20 the Residence Inn, did Mr. Grenhagen talk more about the 9/17,
21 the September 17 meeting that had been held?

22 A. Yes, sir.

23 Q. And what did he tell you about that September 17th
24 meeting when he met with you in person on October 3rd?

25 A. He verified that Martenyi, Vacca and Larkin had, in fact,

1 met. And that he conveyed our request for the hundred thousand
2 dollars transportation fee.

3 Q. Did he convey to you that the group would **look** at
4 you-all's boats in January?

5 A. Yes.

6 Q. At that October 3rd, 1993, meeting here in Gainesville,
7 did Mr. Grenhagen discuss money laundering at all?

8 A. Yes, he did.

9 Q. What did he discuss with you about that?

10 A. He -- he told us that he could take care of any elicit
11 moneys that we had already incurred, as well as any new drug
12 moneys. And he was in contact with people in Singapore and
13 Hong Kong who could provide us with money laundering services
14 and he'd charge us three to twelve percent.

15 MR. DAVIES: Thank you. I have no further questions.

16 THE COURT: Any cross?

17 MR. KENNEDY: No, Your Honor.

18 MR. DAAR: No, Your Honor,

19 THE COURT: Thank you.

20 Your next witness, please.

21 MR. HANKINSON: We call Julie Roberts to the stand.

22 (Witness sworn.)

23 THE CLERK: Please be seated. State your name and
24 spell your last name.

25 THE WITNESS: Julie. Last name is spelled Roberts.

1 R-o-b-e-r-t-s.

2 DIRECT EXAMINATION

3 BY MR. HANKINSON:

4 Q. If you would get that microphone where you can kind of
5 speak to that. I think it would probably help everyone. That
6 chair doesn't move, so you just kind of work around a little
7 bit.

8 Tell us your name one more time, please.

9 A. My name is Julie Roberts. Again, last name is
10 R-O-B-E-R-T-S.

11 Q. And where -- what city are you currently living?

12 A. In -- currently I'm living in Las Vegas, Nevada.

13 Q. Okay. And what are you doing for a living at this time?

14 A. Right now I'm running a lingerie shop called the New
15 Boudoir Boutique meaning the bedroom shop.

16 Q. The what?

17 A. The bedroom shop in French.

18 Q. And how long have you been involved in that business?

19 A. Eight months.

20 Q. Back in the mid '80s were you involved with an individual
21 named Gary Vance?

22 A. Yes. I lived with him for two years, approximately.

23 Q. And how long had you known Mr. Vance?

24 A. I actually knew him for quite a few years through my
25 childhood growing up through some other friends of mine.

1 Q. And it's fair to say in the mid '80s he became -- it
2 became a boyfriend-girlfriend relationship?

3 A. Yes, sir.

4 Q. And roughly when did that start?

5 A. That started probably in about 1985, '86, approximately.

6 Q. Okay.

7 And were you aware that Gary Vance had been involved
8 in marijuana trafficking prior to that time?

9 A. Yes, I did,

10 Q. And were you aware of two plane loads of marijuana that
11 he was involved with in the mid '80s?

12 A. Yes. I believe coming from Thailand.

13 Q. And did you have some peripheral role in those plane
14 loads?

15 A. Excuse me, I'm sorry. You might be -- I don't know if
16 you are talking about the Colombian load.

17 Q. Right.

18 A. Yes, I did.

19 Q. And about when were those Colombian loads that you are
20 referring to?

21 A. These Colombian loads were coming over by aircraft. One
22 of them which was successful and the other one which did not
23 make it, were probably in about 1985, '86. I might be a little
24 bit off on my months, but it's very difficult for me to
25 recollect those dates,

1 Q. Okay. Doing the best you can, go back 15 years and give
2 us a date and time,

3 A. The one that got seized which was not successful, were
4 the pilots working for America West airlines. It was a vice
5 president of American West Airlines and two captains of flight
6 operations that worked for American West Airlines. I believe
7 that was probably in 1986. Let me reflect back. I have to
8 look at some of my notes.

9 MR. DAAR: For the record, Your Honor, can we have
10 those notes identified?

11 THE COURT: You can look at them when you
12 cross-examine her.

13 A. It might be in the early months of 1987. ✓ (SL) ✓

14 Q. All right?

15 A. But I'm not sure about that.

16 Q. Right. Around this same time, did you come to meet a
17 fellow named John Knock?

18 A. Yes, I did.

19 Q. And how did you meet Mr. Knock?

20 A. I met Mr. Knock through Wizard, which I know him as, and
21 his real name is Buxton.

22 Q. Fellow named Richard?

23 A. Yes.

24 Q. And you knew him as the Wizard?

25 A. Yes, I did.

1 Q. And how long had you known Mr. Buxton?

2 A. It wasn't me that had known Mr. Buxton for quite a few
3 years, it was Gary Vance, the man that I lived with that knew
4 him for quite a few years. And we both got introduced to John
5 Knock through Mr. Buxton.

6 Q. And where did that take place?

7 A. If I recollect properly, it was -- there was a meeting
8 set up -- I don't know that Richard was present. But there was
9 an arrangement where we would meet John Knock in the
10 Placerville airport. And Gary and I met him there. John Knock
11 had flown his twin engine airplane into the airport where we
12 met up.

13 Q. Where is Placerville?

14 A. Placerville is located in northern California. It's very
15 close to Tahoe.

16 Q. Now, the arrangement with Buxton, was he supposed to be
17 paid for introducing you to John Knock?

18 A. It wasn't that he was going to be paid for the
19 introduction. He'd be -- at a further date, he would be paid
20 for the project that we would have put together, which would
21 amount to 400,000 USD.

22 Q. And you are talking about a project. What kind of
23 project are we talking about?

24 A. It's a hash project.

25 Q. So when you met with Mr. -- when you and Gary Vance met

1 with Mr. Knock, it was for the purpose of arranging a hashish
2 load?

3 A. Yes, it was.

4 Q. Tell us what happened at the Placerville airport.

5 A. It was a very general discussion between John Knock and
6 Gary Vance with regard to if we could put an offload crew
7 together which would bump up with the mother ship, the mother
8 ship being that it was a very large vessel carrying hashish to
9 somewhere -- at some point in the middle of the ocean.

10 And an offload boat is a boat that would go pick up
11 and meet this boat out in the middle of the ocean, would then
12 deliver the product to a dock. And then from that point on it
13 escalates.

14 Q. And you mentioned a couple of terms. Let's clarify. You
15 said bump up. What did you mean by bump up?

16 A. Bumping up meaning the mother boat and the offload boat
17 tie up together, and one product, the hashish is then delivered
18 to the offload boat. And then from there, the offload boat
19 carries on to being docked somewhere, wherever the location may
20 be.

21 Q. And you indicated that you and Mr. Vance were going to
22 arrange an offload crew. Is that what I understood?

23 A. Yes.

24 Q. What does that mean?

25 A. Offload crew meaning that we would gather a person or

1 and/or individuals that would be capable of putting a project
2 like this together. Meaning that this boat would have to be
3 large enough to accept a 30 ton, 30 tons of hashish. It would
4 have to have people aboard that vessel to be able to handle
5 that load.

6 And also we would have to put our transportation
7 together, meaning that we would have to hire the two guys that
8 would have trucks that were anywhere from 40 feet long in order
9 to carry this product to a warehouse.

10 Q. Now, was that the last meeting you had with John Knock?

11 A. No, it was not.

12 Q. And roughly how much later was it that you next met with
13 him?

14 A. It could have been a month later. I'm not very accurate
15 on my month dates. It could have been a month later. John
16 Knock and Claude Duboc. Now, again Mr. Knock's twin engine
17 airplane flew into Placerville airport.

18 Q. Had you ever met Claude Duboc before this?

19 A. No, I had not.

20 Q. And at this meeting what was discussed?

21 A. This size of the load that would be coming from the
22 mother boat, which would be approximately 30 tons of hash.
23 Just more in-depth details.

24 Q. What did you know about Knock and Duboc at this point in
25 time?

1 A. I really didn't know much about them. Other than we were
2 just going to go forward putting this project together. I knew
3 nothing of their past history, had never met either one of them
4 before.

5 Q. Now, was there any discussion about, you know, specifics
6 of equipment that would be needed, that was discussed at this
7 second meeting?

8 A. Yes. We -- during that time, Gary and I were doing some
9 research with regards to putting his own vessel together. And
10 also doing some research as far as putting a possibility of a
11 tug, of a tug and barge together.

12 Q. Okay. That wasn't crystal clear to me. You said
13 something that he was researching getting his own vessel and
14 then researching a tug and barge. Explain what you mean by
15 that.

16 A. Gary -- we had a figure of a size of a load that we had
17 to bring into the United States. Therefore, Gary wanted to go
18 out and buy his own boat, because we had just presently
19 finished working and getting paid for the success of the
20 marijuana that had come over from Columbia.

21 So, therefore, we had some of our own financing,
22 meaning we had our own cash to go out and purchase a vessel.
23 So, therefore, we had gone to Jacksonville, Florida, and ✓
24 purchased -- I don't know -- I don't really remember what size
25 of a boat. But it was a small boat.

1 At that time, Gary had realized that it was not a fit
2 nor did it have the capacity to fulfill the needs or -- excuse
3 me -- fulfill the load that was coming through. And,
4 therefore, I believe that Gary had discussed that with John and
5 Claude. And we realized then that we were going to need a
6 larger vessel. That is when we went and found out who would
7 have a tug and barge.

8 Q. Okay. So let me make sure I'm clear on what is going on
9 here. First, Gary -- and when we are talking about Gary,
10 talking about Mr. Vance, right?

11 A. Yes.

12 Q. Looked into the possibility of purchasing his own boat?

13 A. Yes, he did.

14 Q. Okay. And, in fact, purchased a boat, if I understood
15 you right, in Jacksonville, Florida?

16 A. Yes, we did.

17 Q. Did you go with him?

18 A. I was with him when he purchased the boat.

19 Q. And what kind of boat was that?

20 A. I don't remember if it was a 30 foot boat. I really
21 don't recall. I'm sorry.

22 Q. But like a sailboat?

23 A. It was always a sailboat.

24 Q. Okay. All right. So you purchased this sailboat in
25 Jacksonville. And then, if I understand right, later found out

1 that wasn't going to be big enough?

2 A. Correct.

3 Q. How much was the boat supposed to be able to carry?

4 A. To be able to carry? 30 tons of hashish.

5 Q. And if I understood right, in this second meeting the
6 first one that Duboc attended, you are discussing those
7 logistics, is that what I understood?

8 A. Yes. Exactly what we would need to accommodate 30 tons
9 of hash.

10 Q. And was it -- you mentioned a tug and barge. What was
11 discussed about a tug and barge?

12 A. I think on a later date, probably the second time Claude
13 and John had -- we had met with them, again at Placerville
14 airport, I think by that time which would have been a whole
15 another month later, we had been able to locate a person. His
16 name was Calvin Robinson.

17 He had a -- a tug boat and a barge. A tug boat was
18 called the RUBY R.

19 Q. We kind of jumped ahead. Let's kind of keep it in order.
20 We'll have everyone confused.

21 A. Sorry.

22 Q. So first you have a meeting with John Knock, right?

23 A. Yes.

24 Q. At the airport. And I believe you indicated there was
25 some fairly general discussions, correct?

1 A. General, yes.

2 Q. And then you have the second meeting which is when Mr.
3 Duboc comes in, correct?

4 A. Yes.

5 Q. And at that meeting, let's stick to what is discussed at
6 this second meeting.

7 A. And they wanted a vessel that could carry 30 tons of
8 hashish, 25 to 30 tons of hashish.

9 Q. And did you -- did you have any discussions about heavy
10 equipment during this meeting?

11 A. **No.** Because Gary could put all of the heavy equipment
12 together.

13 Q. What do you mean by that?

14 A. Heavy equipment meaning a crane, also equipment meaning
15 the transportation.

16 Q. Why would you need a crane?

17 A. A crane? The reason why you need a crane is to take off
18 the product, and/or if you are going to take off a container
19 off of a barge on to the dock, so that it can be loaded from
20 that point in time to a truck.

21 Q. So those loads were so big you needed a crane to unload
22 them?

23 A. They were big projects, yes.

24 Q. How was it left after the second meeting and the meeting
25 where you meet Claude Duboc and you talked with John Knock for

1 the second time?

2 A. Everyone felt good about going on with the project.

3 Q. Now, I believe you indicate that subsequently you have a
4 third meeting with Mr. Knock. How much later was that?

5 A, It probably was a month later. I believe that Claude
6 surfaced again, and we had met them in Northern California at a
7 sushi restaurant, and I could be off a month or two, I'm not
8 sure here. But --

9 Q. Now, you say we met them. Who are you talking about?

10 A. Gary, the man I was living with. I, myself, John Knock,
11 and Claude Duboc.

12 Q. Okay. You met at this sushi restaurant?

13 A, Yes.

14 Q. Do you remember what area that was in?

15 A. It's in northern California outside of San Francisco.
16 I'm really not sure of the town. It was a very small town.
17 It might be San Rafael. I'm not sure. One of those small
18 towns.

19 Q. Small town outside of San Francisco?

20 A. Yes.

21 Q. And where did you indicate -- I think that Mr. Duboc had
22 flown in? Is that what I understand you to say?

23 A. He'd -- at that time I believe that he was flying in
24 about every month into the United States. He was quite excited
25 about the possibility of us putting this project together.

1 Q. Where was he flying in from?

2 A. From Europe,

3 Q. Do you know where at that point in time?

4 A. France.

5 Q. So he'd fly in from France to California and have those
6 meetings?

7 A. I didn't know exactly where in France he lived, But,
8 yeah, from France.

9 Q. And was anything more discussed at this third meeting?

10 A. No. It was a go project, meaning it was a go. Yes, we
11 were going to take on the project.

12 Q. And exactly what were you and Gary Vance going to be
13 responsible for in this project, as you understood it, after
14 this third meeting?

15 A. Our responsibility was to gather the group of people, or
16 and/or men that would have the tug boat, the barge, get the
17 transportation. Which would mean that two different
18 individuals who would bring in their trucks.

19 To be able to -- when the hash was at the dock, it
20 would be loaded on the trucks and then taken into storage.

21 Q. And who would be responsible for storing it?

22 A. I didn't know at that point in time who was responsible
23 for storing it.

24 Q. That wasn't your responsibility?

25 A. That was not our responsibility.

1 Q. So your responsibility was to get it off -- or I guess
2 get it onto the tug and barge, and then get it off the tug and
3 barge on to land and move it into the storage area?

4 A. Yes,

5 Q. Now, in your discussions with Mr. Knock and Duboc, how
6 did it appear as to, you know, what their roles were, how they
7 related to each other?

8 A. In my eyes, in the relationship between John Knock and
9 Claude Duboc, they were business partners.

10 Q. And based on your understanding, what was going on in
11 these meetings? Were you dealing with underlings or dealing
12 with the bosses?

13 A. Definitely dealing with -- if you call them the bosses.

14 Q. Well, what would you call them?

15 A. I don't know. I don't have a name. Just that they are
16 definitely running the show.

17 Q. And --

18 A. I've always hated labels.

19 Q. So and I guess the point I'm trying to get to is: You --
20 did you get the idea that there was anybody over them?

21 A. Absolutely not. No, there wasn't.

22 Q. Now, in terms of you and Gary Vance, were you all the
23 people that were going to organize this or were you reporting
24 for somebody else?

25 A. Gary and I were the ones that were organizing our side of

1 the project.

2 Q. Is that typical in a major drug smuggle like this, to
3 kind of separate the division of responsibility?

4 A. Yes, it is. It -- it just keeps all of the different
5 people that you work with separated in the sense that people
6 don't at a later date jump connections and get greedy when they
7 see all of this, those big beautiful green dollar bills.

8 Q. Jump connections. What do you mean by that?

9 A. Meaning like if I were to introduce the transportation to
10 the tug boat people, and/or if I was to introduce the
11 transportation, for example, to John Knock and Claude Duboc.

12 It would be -- and they exchanged phone numbers, it
13 would be very easy for them to just go ahead and call the
14 transportation, and then we are out of the picture. And then
15 both parties work together and it looks like they get busted
16 when they do that, that has happened time after time.

17 Q. Okay. Is it unusual for the, you know, various people in
18 the organization not to necessarily even know the other people
19 that are involved?

20 A. Within this group, yes. It was a very, very good group
21 of people working together.

22 Q. Okay. But, you know, I guess we have someone that is
23 bringing this ship in off the ocean from the source country. I
24 guess at the other end we have someone selling it on the
25 street. Normally do all of those people know each other?

1 A. No, they don't. It's all very separated.

2 Q. Is there any particular reason why you don't
3 want everyone to know each other other than the jumping
4 connections that you talked about?

5 A. Yes. A very good reason, because that is a security
6 leak.

7 Q. Now, you mentioned a fellow named Calvin Robinson that
8 had a tug boat, if I understand?

9 A. Yes, he did.

10 Q. What was he supposed to do?

11 A. Calvin Robinson had -- and he is currently in prison for
12 the rest of his life. He had a tug boat and a barge.

13 Q. And what role was he going to take in the --

14 A. He was going to be aboard the tug boat and he was going
15 to go and pick up the load from the mother ship.

16 Q. And were there any other people involved in this process
17 that you were aware of?

18 A. Yes. I was aware of every individual on that project.
19 First of all, we had put our own captain on. Now, Calvin
20 Robinson, could have captained his own vessel. But we felt for
21 security purposes, where no one would know the longitude and
22 Latitude of both the vessel meeting out in the ocean, that we
23 would put our own captain on board so that he would set up the
24 coordinates to be able to meet with the mother ship and pick up
25 the load and be secure and be able to come back into the United

1 States.

2 Q. And who was your own captain?

3 A. He was a personal friend of mine. His name was Dude
4 Burger.

5 Q. How would you spell Dude?

6 A. D-O-O-D. There is another way to spell it.

7 Q. Do you know what his real name was?

8 A, Robert Burger.

9 Q. So you put him on Calvin Robinson's tug boat. Is that
10 what I understand?

11 A. Yes. Gary and I did,

12 Q. And he was the one that would know where to meet up with
13 the mother ship?

14 A. Yes. He had the longitude and latitude and all of the
15 coordinate codes in order to meet up with them.

16 Q. Okay. And would Calvin Robinson have that information?

17 A, No, he did not.

18 Q. Now, who provided that information to Mr. Burger?

19 A. Gary did.

20 Q. And where did Gary Vance get that information?

21 A. John Knock.

22 Q. Who else was involved in your part of this project?

23 A. Also Calvin's I believe nephews were onboard that vessel,
24 Bill Lyttle, his cousin, was helping out on this project.

25 He actually did not go on the vessel. But, he was

1 there when it docked. When it came -- when it picked up the
2 load and came back and docked.

3 Q. Did -- I'm sorry. Give me that name again?

4 A. Bill Lyttle was Calvin Robinson's cousin.

5 Q. Did he have any particular role?

6 A. His role was to rent a crane. So that when the tug and
7 barge docked, he'd have that available in order to move the
8 containers off the tug.

9 Q. Had you had involvement with Calvin Robinson before in
10 drug smuggles?

11 A. No.

12 Q. What about Robert Burger?

13 A. No. But, let me -- hang on. Maybe only with his father.

14 Q. Did you continue to have contact with Mr. Knock?

15 A. Gary did, yes.

16 Q. What about with Mr. Duboc?

17 A. No.

18 Q. All right.

19 And now during this period of time did you come to
20 know a fellow named Ken Cowles?

21 A. Afterwards. After the project.

22 Q. Okay.

23 All right. Well, let's -- did this load of 30 tons
24 come in?

25 A. Yes, it did.

1 Q. And where did it come into?

2 A. Pittsburgh, .California.

3 Q. And what happened when it came in?

4 A. It was docked in Pittsburgh. And my job was to -- excuse
5 me. Let me back up a little bit. Gary and I had gotten the
6 transportation together, Dallas Nelson and his son. And we
7 were waiting for the vessel to dock.

8 So when the vessel was docked, we then arranged for
9 the two trucks to go up.

10 But there are a couple of phases before that.

11 Q. Okay. Explain that to us.

12 A. I had Gary Vance's two boys with me. And I was to
13 deliver them to the dock where it had been docked.

14 And the two boys were very upset. They did not want
15 to do this but their father insisted. So I dropped off the two
16 boys. And I also at the same time had picked up the captain,
17 my friend Burger, and put him in my car. And then I delivered
18 Dude Burger to the airport.

19 Q. So you were down there when the tug boat and the barge
20 actually came in?

21 A. Yes, I was. I was there for about ten minutes.

22 Q. Okay. And you went down there and dropped off Tom and
23 Dan Vance?

24 A. Yes, I did.

25 Q. And picked up whom?

1 A. He was a captain, the one that I gave all of the -- well,
2 that was given the longitude and latitude of where to bump up
3 with the mother ship. I picked him up.

4 Q. And how long did you stay there at the scene?

5 A. Probably 15 to 20 minutes.

6 Q. Okay. Well, was there any particular reason why you
7 wouldn't hang around there?

8 A. I didn't want to hang around there.

9 Q. What happened when you left?

10 A. When I left, I proceeded to drive the captain to the
11 airport. And as I was leaving, about five minutes down the
12 road, I seen John Knock and Al Madrid driving in a white Ford
13 pickup towards the dock.

14 Q. Did that surprise you to see Mr. Knock going towards the
15 scene of the offload?

16 A. No. He was -- that was his project. So --

17 Q. Now, you mentioned Mr. Madrid. Had you met Mr. Madrid
18 before?

19 A. I think on one occasion somewhere with -- Gary and I had
20 met him once with John Knock.

21 Q. Hadn't done any business with him before?

22 A. Never.

23 Q. Up to that point, did you have any knowledge that Al
24 Madrid was involved in this load?

25 A. No, I did not.

1 Q. Now, the -- do you recall the name of the tug boat that
2 was being used?

3 A. The RUBY R.

4 MR. HANKINSON: If I might approach, Your Honor?

5 THE COURT: Uh-huh.

6 Q. Let me show you what has been marked for identification
7 as Government Exhibit 83A and B.

8 A. Uh-huh.

9 Q. I ask you if you recognize that.

10 A. I recognize it very well.

11 Q. And what is that?

12 A. That is the tug boat. It's called the RUBY R.

13 Q. Is that the tug boat that was used in this hashish
14 smuggle?

15 A. This was the tug boat that I went aboard and I seen the
16 crew. And I seen them all leave the dock when they went out to
17 meet the mother boat.

18 Q. This was Calvin Robinson's boat?

19 A. Yes, it was.

20 MR. HANKINSON: I would offer that into evidence,
21 Government Exhibit 83A and B.

22 THE COURT: Without objection.

23 (Government Exhibits 83A and B admitted.)

24 MR. HANKINSON: If I could, Your Honor, I would like
25 to publish this at this point.

1 THE COURT: You may do so.

2 MR. HANKINSON: If you could pull up 83, please.

3 Q. Are you able to see the photo up here?

4 A. Yes, I am.

5 Q. Okay. And that is the -- the tug boat. Was the hashish
6 actually loaded on this tug boat?

7 A. No. It was loaded on to a barge that was attached to the
8 tug boat.

9 Q. Okay. And then they would pull that barge along with
10 this tug boat?

11 A. Yes, they would.

12 Q. Okay. And you were at this scene when the tug boat was
13 brought in?

14 A. I was at the scene when the tug boat left to go meet the
15 mother ship. And I was at the scene when the tug boat arrived
16 to dock in Pittsburgh, California.

17 I did not step aboard the vessel, but I did go into
18 the area that it was sitting in.

19 Q. Okay. And you saw John Knock and Albert Madrid driving
20 toward this location?

21 A. Yes, I did.

22 Q. Let me go back in time. One area I forget to cover. Had
23 you had any contact with the RUBY R in Hawaii?

24 A. Yes. Gary and I did.

25 Q. Okay. Tell us about that.

1 A. Gary and I had flown to Hilo, Hawaii, where we registered
2 under **one** of his false identities. His name then was George
3 Kanna. It was another one of his false identities. And we
4 registered at the Kona Village Inn. This way, we were very
5 close to Hilo and when the RUBY R arrived in Hilo, they docked,
6 they fueled up, and we gave them money to provision the boat,
7 meaning that we gave them money to fill up and put food aboard
8 the vessel.

9 Q. And where did you understand that the tug boat and barge
10 were going to meet with the mother ship. Do you have some idea
11 where that was going to be?

12 A. I didn't know exactly the longitude and latitude of where
13 they were going to bump up. But it was right outside of Hawaii
14 somewhere.

15 Q. So they would take a tug boat like that out in the middle
16 of the ocean?

17 A. Yes, they would.

18 Q. Now, you mentioned that this load came in I believe to
19 Pittsburgh, California. Is that what you indicated?

20 A. Yes.

21 Q. Where is that?

22 A. That is in right outside of San Francisco in northern
23 California.

24 Q. Now, were there any problems after the load got in?

25 A. No. The only problem we had, which is a very minute

1 problem, was that the crane that Bill Lyttle had rented was not
2 working properly. So they -- they had to go out and rent
3 another crane,

4 Q. How long did it take to solve that problem?

5 A. Approximately two days.

6 Q. Now, I believe you indicated you were also -- you and
7 Mr. Vance were also responsible for getting the hashish from
8 that location to a storage area. Is that my understanding?

9 A. Yes, Gary was. And that was where Don and Dallas Nelson
10 were the transportation that worked with us. And they were the
11 ones that were the -- after the boat docked, they would then --
12 everyone would help and put the product aboard the two trucks.
13 At that point in time, the two trucks would take it into
14 storage.

15 Q. Now, once it was placed in storage, were you responsible
16 for it any more or was Mr. Vance responsible for it any more?

17 A. No, we were not. John Knock was responsible for it.

18 Q. Now, you indicated that -- I believe earlier -- that at
19 the time you didn't know who the hashish was being distributed
20 to*

21 Did you make some assumption as to who it was being
22 distributed to? What was your understanding?

23 A. Well, first of all, I can't really make any type of
24 assumption if -- I wasn't there and present and didn't see it
25 taking place. So this is only an assumption. I just --

1 assumed that Buxton would have taken over the distribution,
2 John Knock and Buxton. But I really don't know.

3 Q. Okay. But why did you assume that?

4 A. Just later on through the years of seeing who actually
5 was in charge or who was actually moving the product.

6 Q. Okay. Now, was Mr. Vance's sons involved with the drugs
7 any after it was unloaded as you understand it?

8 A. No. But they were there to take inventory.

9 Q. What do you mean take inventory?

10 A. Where when the product arrives in storage, then there is
11 an accounting for exactly how much product is in that storage.

12 Q. At that point in time, did you know where the -- where
13 the drugs were being stored?

14 A. No, I did not.

15 Q. Okay. Did you later find out from people involved in
16 this project where it was stored?

17 A. Probably about six years later I found out.

18 Q. From whom?

19 A. From Dallas Nelson.

20 Q. Was that when you were back involved with Dallas Nelson
21 in another smuggle?

22 A. Yes.

23 Q. Okay. And what did Mr. Nelson tell you?

24 MR. DAAR: Objection hearsay.

25 THE COURT: What time are we talking about here?

1 MR. HANKINSON: I'll clarify.

2 Q. Give us your best approximation of when this offload of
3 the RUBY R occurred, Ms. Roberts?

4 A. September 21st of 1987 is when the load was docked in
5 Pittsburgh, California.

6 Q. Okay.

7 A. Approximately.

8 Q. Okay. So we are talking about September of '87?

9 A. Yes, '87,

10 Q. You indicated this was in conversation with Mr. Nelson
11 that would have occurred?

12 A. Years later.

13 Q. In 1993?

14 A. Somewhere around there.

15 Q. In 1993 was Mr. Nelson involved working with you in this
16 same capacity that he had been involved in in 1987?

17 A. Yes, he was.

18 Q. Again, he was providing trucks to move drugs?

19 A. Yes, he was.

20 Q. Okay. And in the course of that operation, what did he
21 tell you about where the RUBY R load had been stored?

22 MR. DAAR: Same objection.

23 THE COURT: Overruled.

24 Q. In the course of that project, what did Dallas Nelson
25 tell you about where the RUBY R load had been stored?

1 A. On Al Madrid's property.

2 Q. Did you ever actually go visit that property?

3 A. Never **seen** it.

4 Q. Now, did you about this time become apprehensive about
5 some problems with the police after this load had come in?

6 A. Yes, I was.

7 Q. And tell us about that.

8 A. Because Gary had -- the man that I was living with, we
9 had just finished up a project, the Colombian project. The
10 authorities were coming after Gary Vance with regards to that
11 project.

12 Q. What did you see to make you think this was happening?

13 A. We lived out in Placerville, California again. And we
14 lived out -- five miles outside of the main highway, way back
15 where no one could really find us. I had airplanes flying
16 over. I had authorities coming -- there was one gate that you
17 had to go through to get back to the five -- to the five miles
18 where we had lived. And the authorities were at the **gate**.

19 Q. What did you do after you saw the authorities?

20 A. I tried to contact Gary. Which -- he was in storage with
21 John Knock, when they were taking inventory. And I had called
22 John Knock on his cellular phone.

23 Q. And what did you tell them?

24 A. I had told them that I wanted to speak to Gary, it was
25 quite urgent.

1 Q. What did you tell Mr. Vance?

2 A. I told Gary Vance that the authorities were all over the
3 place. And I needed to talk to him urgently.

4 Q. What did he indicate?

5 A. Of course he did not want to hear that. He thought that
6 I was hallucinating. But I had convinced him that he should
7 come out and talk to me.

8 Q. Now, I believe you have indicated so far the people
9 involved were Robert Berger, Dallas and Doug Nelson, Calvin
10 Robinson and Billy Lyttle, are people that you have named as
11 being involved. Correct?

12 A. Yes.

13 Q. And who were those four people working for?

14 A. Gary and I.

15 Q. Okay. And whose responsibility was it to pay those
16 people?

17 A. Gary and I.

18 Q. Okay. And did you pay those people?

19 A. Yes, we did,

20 Q. And about how much were those people paid?

21 A. Robert Berger was paid 250,000 USD. Dallas and Doug
22 Nelson were paid 200,000 USD. Gary Vance's two sons were paid
23 25,000 each.

24 Q. What about Bill Lyttle. Was he paid something?

25 A. Yes. Bill Lyttle was paid 50,000 USD.

1 Q. And did you receive any money from this project?

2 A. Yes, we did.

3 Q. And who did you receive the money from?

4 A. We received the money from John Knock.

5 Q. And how much did you receive from John Knock?

6 A. I might be off a figure or two, but we had received --
7 and I'm still trying to recollect because it was so long, I
8 cannot remember right now, if we had actually given Calvin
9 Robinson a million, because Calvin Robinson, having the tug
10 boat and the barge, was to be paid one million.

11 But on one occasion, I believe that we received one
12 million. On another meeting with John Knock we received three
13 million, in cash, in hundred dollar notes. And then at a later
14 date I received one other million on February 14th.

15 Q. Let's stop there just a second. Is there some confusion
16 in your mind about the money as to exactly the sequence of it?
17 Is that what you are confused about?

18 A. No. The confusion is that I cannot recollect if we were
19 actually the ones that paid Calvin Robinson and/or if I told
20 John Knock to pay Calvin Robinson. Because of the commotion of
21 the authorities chasing after us for the Colombian project.

22 Q. Was there any confusion in your mind that Calvin Robinson
23 was owed a million dollars?

24 A. Absolutely not.

25 Q. You are just a little confused as to who directly paid

1 him?

2 A. That's correct.

3 Q. But you recall receiving at least one payment from

4 Mr. Knock of roughly three million dollars, is that --

5 A. Yes. I know that I received -- I think Gary and I
6 received one million. On another incident we received three
7 million. And then at a later date, I received personally from
8 John Knock another million.

9 Q. Okay. Let's talk first about the three million that you
10 received. How did you receive that?

11 A. It was given to us in cash, one hundred dollar notes.

12 Q. And by whom?

13 A. By John Knock.

14 Q. And where did that take place?

15 A. In Northern California again. I do not know those little
16 towns over there. But it was northern California. And we had
17 met him at like an old gasoline station, 7-Eleven type, and he
18 had his white Ford pickup.

19 Q. And just gave the money to you in cash?

20 A. Yes, he did.

21 Q. And I believe you've indicated it was in hundred dollar
22 bills. Is that what I understand?

23 A. It was all in hundred dollar notes, U.S. currency.

24 Q. And what was done with that money, the three million
25 dollars?

1 A. The three million dollars, Gary and his two sons, Tom and
2 Dan Vance, had buried it on the Placerville property somewhere.

3 Q. Were you aware of where they were burying it?

4 A. I was not aware of where they buried it. I didn't care.

5 Q. They just told you that they were burying it?

6 a. Yes.

7 Q. Now, around this time did Mr. Vance have a problem?

8 A, Yes, he did. Many.

9 Q. And, in fact, did he get arrested?

10 A. November 20th, approximately, he got arrested from
11 authorities,

12 Q. November 20th of what year?

13 A. Of 1987.

14 Q. Okay. So November of 1987, Mr. -- your boyfriend at the
15 time, Mr. Vance was arrested?

16 A. Yes, he was.

17 Q. And what was he being arrested for at that time?

18 A. He was being arrested for organizing the pilots of the --
19 with regards to picking up product in Colombia. It was the
20 airplane project.

21 Q. You mentioned earlier?

22 A. Excuse me.

23 Q. It's the airplane smuggle that you mentioned earlier?

24 A. Yes.

25 Q. All right.

1 Did you ever have occasion to provide any of the
2 books from the smuggle aboard the RUBY R to Mr. Knock?

3 A. Yes. As a matter of fact, Gary was not the one that was
4 taking care of the books. I was the one that took care of the
5 books. And after Gary had gotten arrested, I handed over those
6 books to John Knock.

7 Q. What did the books consist of?

8 A. Basically it was a piece of paper that told John exactly
9 what everyone was owed on this project. Gary Vance and I were
10 owed 13 million. The -- Dude Burger, excuse me for a second.

11 Calvin Robinson was to be paid one million. That is
12 where I get confused, if we had paid him or John Knock had --
13 was going to pay him at a later date.

14 Dallas and Doug 200,000, and Gary Vance's two boys
15 25,000, and Bill Lyttle 50,000. That was what was on that
16 piece of paper that I handed to them.

17 Q. Okay. So there was money still owed to those people?

18 A. They had already been paid. Gary and I were the ones
19 that were definitely owed the money, the 13 million.

20 Excuse me. That would be minus what we already had
21 received.

22 Q. I'm sorry. You confused! me with that.

23 A. If we were owed 13 million, we had already received
24 approximately 4 million.

25 Q. So what was owed to you, at that point, was roughly 9

1 million if I'm understanding?

2 A. Yes, sir. Uh-huh.

3 Q. Now, you mentioned receiving some more money in February
4 of '88; did you not?

5 A. Yes. I received another million from John Knock on
6 February 4th of 1988.

7 Q. Now, how do you remember that date?

8 A, Because it was given to me on Valentines Day. For what
9 reason, I don't know.

10 Q. And how did that delivery take place?

11 A. John Knock had given me a call. We had each others phone
12 numbers. And he wanted me to meet him in northern California,
13 somewhere either in Sonoma -- I'm not sure. I do not
14 recollect. But it was off the side of the road, off of a
15 highway. And I had a friend with me at the time. His name was
16 Steven Hurt.

17 Q. H-U-R-T?

18 A. Yes.

19 Q. Okay. And how was the money given to you? In what form
20 was it in?

21 A. Again, it was given to me in hundred dollar notes; a
22 million dollars cash,

23 Q. When Mr. Knock gave this money to you, did he give you
24 any explanation of where it was coming from?

25 A. There was no explanation of where it was coming from and

1 there was no explanation of why it was given to me.

2 Q. Okay. That was --

3 A. I was quite surprised.

4 Q. So you didn't expect that million at that point in time?

5 A. I guess it was a gift.

6 Q. What did you do with that money?

7 A. I took that money, and I was traveling with a friend
8 because I was completely exhausted from the last year and a
9 half of working, mentally exhausted.

10 My friend had talked me in to burying it under my
11 parent's property, their house. And which we did for a while.

12 Q. Let me clarify. One thing is a little confusing to me.
13 You had earlier said that Mr. Knock still owed you nine million
14 dollars, right?

15 A. Yes.

16 Q. And then you indicated that you considered this million
17 dollars to be a gift. Why didn't you connect those two things
18 together?

19 A. I had no idea what the purpose was that -- what that
20 million dollars was for. I guess maybe now that I recollect on
21 it, it was to keep me quiet and calm.

22 Q. Why did you think that -- why did you not connect that as
23 being a million off your nine?

24 A. I didn't because my mind doesn't work like that.

25 Q. All right. Did you become aware that Mr. Knock was

1 involved in planning another drug smuggle the next year?

2 A. I was not aware of it, but I certainly got a call that
3 they wanted to put another project together.

4 Q. Okay. And who did you call -- get a call from?

5 A. John Knock.

6 Q. What did he ask you to do?

7 A. He wanted me to arrange a meeting with Calvin Robinson,
8 which, he is the owner of the RUBY R and Bill Lyttle.

9 Q. And what did Mr. -- why did Mr. Knock want you to
10 introduce them to those people?

11 A. So that he could put another project together. And I
12 didn't have to be involved.

13 Q. Well, why wasn't he asking you to assist him?

14 A. I definitely wanted to leave the country. The
15 authorities were wanting to question me. So I had to get out
16 of the country.

17 Q. Okay. So you didn't want to be involved in this one?

18 A. No. I did not want to be involved.

19 Q. Okay. Now, did you help him make contact with Calvin
20 Robinson and Bill Lyttle?

21 A. Yes, I did.

22 Q. And how did you do this?

23 A. John Knock had told me, and I believe this is correct,
24 that he wanted to meet in San Francisco on the wharf on the
25 pier, on one of the piers over there.

1 Q. Okay. And did -- did that meeting occur?

2 A. Yes. That meeting occurred with Billy Lyttle, Calvin
3 Robinson, and John Knock and myself was there.

4 Q. Now, did -- did Mr. Knock know Robinson and Lyttle by
5 this time?

6 A. I would imagine he probably had a little bit, because
7 they were in Pittsburgh on the dock with the project previous
8 to this meeting.

9 Q. I'm a little confused as to why you would have to have
10 any say in this?

11 A. Because again you try to keep all of the different groups
12 separated.

13 Q. So you were in contact with Robinson and Lyttle?

14 A. Yes. Gary and I were.

15 Q. Now, at this point was Gary involved in this?

16 A. No, he had been arrested. So there was no involvement,
17 Gary did not know that John Knock and Claude Duboc wanted to
18 put another project together.

19 Q. Did you take part in this meeting between Knock, Robinson
20 and Lyttle?

21 A. The only participation that I was involved in was the
22 introduction to each of them, and then I took a walk while they
23 had their meeting.

24 Q. Now, you indicated that at this point you were kind of
25 nervous and trying to stay out of the way if I understand you,

1 right?

2 A. Yes, you did.

3 Q. What did you do after this?

4 A. During this period, I -- well, John Knock had their phone
5 numbers. He knew from that point in time how to contact Bill
6 Lyttle and Calvin Robinsons with regard to putting this next
7 project together.

8 So I was basically hanging out with a friend, Steve
9 Hurt, the one that was with me there when I picked up the
10 million on February 14th from John Knock. And he was helping
11 me get some identities in order for my daughter and I to leave
12 the country.

13 Q. Okay. Legitimate identity?

14 A. Yes, legitimate identity.

15 Q. Okay.

16 Did you also have a meeting with Claude Duboc that
17 related to new identities?

18 A. Yes, I did.

19 Q. Where did that take place?

20 A. In San Francisco in a hotel. He had asked me to go get a
21 picture that would be the size that would fit an Irish passport
22 identity.

23 Q. And what -- for what purpose was he getting this picture?

24 A. He'd -- Claude Duboc previous, before all of this, he
25 also got a picture of Gary, the man I was living with, so that

1 he could get these Irish passports in order for me to be able
2 to set up an offshore account overseas.

3 Q. Okay. Now, was that Irish passport going to be in your
4 real name, as you understood it?

5 A. It was never my real name. It was -- those Irish
6 passports came with birth certificates, drivers license, and
7 they were true identities of real people living in Ireland.

8 Q. All right. I believe you indicated Mr. Hurt was also
9 helping you get some identification; is that correct?

10 A. Yes, it's correct.

11 Q. Okay. Now, you said you stayed with a friend. Where did
12 you go from there?

13 A. Well, the friend is Steve Hurt. And he had rented an
14 apartment in Virginia. And from there he had brought me two
15 different birth certificates. One was named Kathleen Evans,
16 and the other was a daughter -- her daughter Faith McDaniel.
17 And with those birth certificates, he had also given me the
18 social security number to Kathleen Evans.

19 Therefore, I could take that identity and I could go
20 up to Washington, D.C., and apply for two brand new passports.

21 And prior to that, I had to open up a bank account.
22 Also had to get a drivers license in order to go through this
23 whole process and make it look very legal.

24 Q. Okay. Now, you weren't really Kathleen Evans, were you?

25 A. No, I'm not.

1 Q. Okay. So those were two new passports that you were
2 getting?

3 A. They were real passports, but they were phony because I
4 was the phony person behind the name.

5 Q. All right. And did you, in fact, get a Kathleen Evans
6 passport for yourself?

7 A. Yes, I did. And one for my daughter under the name of
8 Faith McDaniel.

9 Q. And give us some idea of when this is now that you are
10 living in Virginia, and you obtained a passport in the name of
11 Kathleen Evans?

12 A. It would have to be in 1988. Excuse me for a second.

13 It would have to be between February of 1988 and
14 April. March, April, yes. Because April of 1988 is when my
15 daughter and I get our passports and we leave the country. We
16 leave the United States.

17 Q. Okay. And where did you go from there?

18 A. April of 1988, I left the United States. And my daughter
19 and I flew into London.

20 Q. Did you meet up with anybody?

21 A. No. We stayed in London for two weeks. And then after
22 the two weeks we went into Paris, France and stayed a week or
23 two.

24 Q. Okay. Did you have any contact with anyone in Paris?

25 A. Yes, I did. I had contact with Claude Duboc.

1 Q. Now, did you find out anything from Mr. Duboc as to what
2 had happened back in the States with the load that Mr. Knock
3 had been working on?

4 A. Yes, I did,

5 Q. What did he tell you about the load?

6 A. I was staying in Paris at the hotel Krista. Any my
7 daughter and I, we were on the run. And Claude Duboc had
8 acknowledged the fact that that whole load that John Knock and
9 Claude Duboc had worked on with the RUBY R, Calvin Robinson had
10 gotten busted. That was anywhere from 50 to 57 tons of hashish
11 and marijuana.

12 Q. Now, had you made any predictions to Mr. Duboc about
13 whether that load was going to have a problem?

14 A. Yes, I did. And all throughout my source of my life of
15 being in the drug business, my instincts are usually about 99
16 point 9 percent accurate, and my intention on this one, when I
17 was right I was right. When I was wrong I was wrong, because I
18 dream a lot,

19 I had told him that it would not make it. And Claude
20 had acknowledged that I was right.

21 Q. So now you are in Paris with Mr. Duboc. Where did -- did
22 you have any discussions with Mr. Duboc about setting you up a
23 bank account in Luxembourg?

24 A. Yes, I did. The discussion from that point on was he
25 wanted to meet me in approximately a month or two to set up

1 a -- an account in Luxembourg under the name of Karen Fegarty,
2 which was the Irish passport that he was going to give me when
3 I would meet him in Luxembourg.

4 Q. Okay. So you don't have the Fegarty passport by this
5 time?

6 A. No, I did not.

7 Q. Had you ever had any involvement with **Mr.** Duboc in
8 banking business prior to this?

9 A. **No**, I did not.

10 Q. All right. Did you go to Luxembourg to set up an account
11 there?

12 A. Yes, I did.

13 Q. And what happened there?

14 A. I had met with Claude at the Intercontinental Hotel in
15 Luxembourg to set up an account. And basically he had flown in
16 that day and I had flown in the same day. This was probably in
17 the year of -- excuse me. This was in 1988. Let me see.
18 Could have been May or June of 1988 is when we met in
19 Luxembourg to open up this account.

20 He had -- we had went to dinner. And the next
21 morning, we had told me he'd collect me or meet him out front
22 of the hotel and he'd drop me off in front of the bank
23 institution.

24 The bank institution's name was the -- excuse me for
25 one second. Bank 'E Paris, I believe. Something like that.

1 He then that morning handed me my Irish passport
2 which was under the name of Karen Fegarty. It was an Irish
3 passport. So I had to memorize this Irish identity and become
4 this Irish woman within five minutes before I walked into the
5 bank. It was very nerve racking. But I went in and opened up
6 the account. He had also told me that within two days I'd have
7 \$500,000 in this account.

8 Q. Where was this money going to come from?

9 A. I didn't know where it was going to come from. But it
10 definitely arrived within a day and a half into the bank
11 account.

12 Q. And according to Duboc, who was providing the money?

13 A. Claude Duboc.

14 Q. Okay.

15 Now, do you recall with who you were dealing with in
16 the bank? Did you have any particular person you were dealing
17 with?

18 A. Yes. He told me to see a bank manager. But the bank
19 manager was not present at the time. So I seen Tony Fais. He
20 was also an American that was residing in Luxembourg.

21 Q. Okay. Fais, at least phonetically, is F-A-I-S.

22 Were you also aware of an account under the name of
23 Patrick Conlan?

24 A. Yes, I was.

25 Q. And what did you know about the Patrick Conlan account?

1 A. Before Gary had gotten arrested, Claude wanted to,
2 because of this project that we were working on, he had always
3 suggested that any amount of money that we were going to make
4 from those projects, that it should be taken overseas in
5 Europe.

6 So, therefore, he had an Irish passport made up for
7 Patrick Conlan, which was Gary Vance. And he had that passport
8 before he got busted. And when he got busted, I took that
9 passport and gave it to Claude Duboc.

10 Q. Had any money been put into that account as you
11 understood it?

12 A. Yes. There was -- let me see here. I believe three
13 million was put into the Patrick Conlan Foundation. And it was
14 at the bank called Credit Lyonnais in Luxembourg.

15 Q. And how had that three million dollars gotten put into
16 the Patrick Conlan account?

17 A. I really don't know.

18 Q. I guess we have to go through that.

19 THE COURT: Excuse me a minute,

20 I didn't know it was after five o'clock.

21 MR. HANKINSON: This will be a fine place if you want
22 to stop.

23 THE COURT: This is a good place. Until 9:00 o'clock
24 in the morning, folks.

25 Remember not to discuss the case among yourselves,

1 with anyone. Don't read, listen to or watch any news accounts.
2 Have a good evening. See you all in the morning.

3 (Court stood in recess.)
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C E R T I F I C A T E

STATE OF FLORIDA)
COUNTY OF ALACHUA .)

I, Mark N. Stuart, RPR, United States Court Reporter
in Gainesville, Florida, do hereby certify as follows:

THAT I correctly reported in computer-aided machine
shorthand the foregoing transcript of proceedings at the time
and place stated in the caption thereof;

THAT I later reduced my shorthand notes to
computer-aided transcription, or under my supervision, and that
the foregoing pages numbered 1 through 232, both inclusive,
contain a full, true and correct transcript of the proceedings
on said occasion;

THAT I am neither of kin nor of counsel to any party
involved in this matter, nor in any manner interested in the
results thereof.

DATED THIS 1st DAY OF June, 2001.

Mark N. Stuart, RPR
United States Court Reporter