

1 A. I do remember that.

2 Q. Something happened since yesterday and today that makes
3 you change your recollection as to whose property this actually
4 was?

5 A. Well, we have a grant deed here.

6 Q. Well, there is a deed in front of you. But you remember
7 managing that property, correct, ma'am?

8 A. Yes.

9 Q. When you had to make a decision, who did you talk to?

10 A. Mr. and Mrs. Knock.

11 Q. And if there was -- either you needed money for something
12 or money was generated from rental income, who did those
13 matters -- who dealt with those money matters?

14 A. Mr. and Mrs. Knock.

15 Q. Now, did you also manage a piece of property at 7565
16 Sonoma Highway?

17 A. Yes.

18 Q. And was this the property where Dana Jaffee stayed at one
19 point?

20 A. She was the tenant for a while.

21 Q. And you know that Ms. Jaffee is Naomi Knock's sister,
22 correct?

23 A. Yes.

24 Q. And did you know that this property was initially in the
25 name of a foreign corporation called Cardgrace?

1 A. I don't believe I recall knowing that.

2 Q. Okay. And whose property was this as you understood it?

3 A. My understanding was that the -- without knowing
4 technically who is the legal owner, that it was the Knock's.

5 Q. Okay. So you say you are not positive what was on the
6 deed, but it was your understanding that it was the Knock's
7 property?

8 A. Yes.

9 Q. And, in fact, the same situation with the Melita
10 property. If you had some decision to be made, who would you
11 talk to?

12 A. Either Mr. or Mrs. Knock. But sometimes Dana Jaffee.

13 Q. Because she was Ms. Knock's sister?

14 A. Yes, that's correct.

15 Q. And, in fact, at some point in time, wasn't this Sonoma
16 property put in your name as trustee?

17 A. My understanding is that it was put into the name of a
18 revocable trust.

19 Q. With you as trustee?

20 A. For Aaron Knock, their minor son, of which I was trustee.

21 It was the rest of the trust.

22 Q. Okay. I beg your pardon?

23 A. It was the rest of the trust.

24 Q. Of the trust?

25 A. Yes.

1 Q. During time that you knew the Knocks, did you come to
2 meet a person named Claude Duboc?

3 A. I met a person named Claude, yes.

4 Q. Where did you meet this person named Claude?

5 A. In France.

6 Q. And approximately when was this?

7 A. Early 1990.

8 Q. And --

9 A. I believe.

10 Q. And how did you happen to meet this fellow named Claude?

11 A. At a ski resort in France.

12 Q. And who had invited you on this ski trip?

13 A. Naomi.

14 Q. And that is Naomi Knock?

15 A. Yes.

16 Q. And who else was present on this ski trip in France?

17 A. Mr. Knock, their son, Aaron, Claude's wife, and one or
18 two other couples that I don't recall.

19 Q. Okay. And do you remember what Claude's wife's name was?

20 A. No.

21 Q. Was it obvious in this ski trip that this person named
22 Claude and Mr. Knock were familiar with each other?

23 A. Yes.

24 MR. HANKINSON: If I could have one second.

25 That is all I have, Your Honor.

1 THE COURT: Mr. Kennedy.

2 CROSS-EXAMINATION

3 BY MR. KENNEDY:

4 Q. Good afternoon, Ms. Goodman. The son of Naomi and John
5 Knock is Aaron Knock; is that correct?

6 A. That's correct.

7 Q. And he is now approximately nine years old; is that
8 correct?

9 A. That's correct.

10 MR. KENNEDY: Thank you. Nothing further.

11 MR. DAAR: No, thank you.

12 THE COURT: Government.

13 MR. HANKINSON: Nothing further.

14 THE COURT: Thank you, ma'am.

15 MR. HANKINSON: We would call Namoi Knock to the
16 stand.

17 THE COURT: Mr. Sheppard, if you would like to come
18 and find you a more comfortable place to sit, sir.

19 Mr. Sheppard is the attorney for Mrs. Knock.

20 MR. SHEPARD: Thank you, Your Honor.

21 (Witness sworn.)

22 THE CLERK: Please be seated.

23 And, ma'am, for the record state your full name and
24 spell your last name.

25 THE WITNESS: Naomi Phillips Knock. K-N-O-C-K.

DIRECT EXAMINATION

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BY MR. HANKINSON:

Q. It is my understanding that you are the wife of the defendant in this case; is that correct?

A. Yes.

Q. Okay. Ms. Knock, do you remember back in 1996 picking up a briefcase of money from your sister, Dana Jaffee?

A. Yes, I do.

Q. And where did you pick up that briefcase?

A. I don't remember.

Q. Okay. What was in the briefcase?

A. \$60,000.

Q. And what did you do with this \$60,000?

A. I paid attorneys fees and lived on it.

MR. HANKINSON: If I might approach, Your Honor.

THE COURT: Uh-huh.

Q. Ms. Knock, I have placed before you two documents that have been marked for identification as Government Exhibit 175 and 176.

Would you look at those documents, please, ma'am.

A. Do you want me to read them?

Q. I'm going to ask you a question. I wanted to give you a chance to look at them first.

Are those letters that you wrote?

A. Yes, they are.

1 Q. Okay.

2 MR. HANKINSON: I would offer into evidence
3 Government Exhibit 175 and 176.

4 MR. KENNEDY: In addition to the previous objection I
5 made, there is relevance. There is no basis to show relevance.

6 THE COURT: They will be received.

7 (Government Exhibits 175 and 176 admitted.)

8 MR. HANKINSON: I would ask permission to publish a
9 portion of Government Exhibit 176, Your Honor.

10 THE COURT: Yes, sir.

11 Q. All right. And we are on page 2 of the letter that has
12 been identified as Government Exhibit 176. I think it's about
13 half way down the page probably.

14 Do you see the paragraph that starts with the second
15 area?

16 A. Yes. The second area.

17 Q. Okay. Could you read that paragraph starting with the
18 second area there please, Ms. Knock?

19 A. The second area that needs to be addressed are fees.
20 Michael has heard from me at least three times where the wall
21 is. This needs to be affirmed again by you. The wall is at
22 2.5. This is the blanket that needs to be worked within. This
23 is more than ample to cover all concerns and then some.

24 People get into this and see all of the money
25 floating around and then see how much they can grab. I feel

1 this -- I feel there is more than enough for those guys to
2 grab. I'll affirm this again with him when I go over expenses
3 and accounting.

4 Q. Okay. And were, in fact, two and a half million dollars
5 made available in attorneys fees?

6 A. I'm not sure. You would have to ask Mr. Kennedy that.

7 Q. Well, you see up here that 2.5 has been made available,
8 and this is the blanket.

9 Is that what you say?

10 A. Yes. That is what I say. But that is not exactly what
11 is meant.

12 Q. Okay. Well, you are referring to 2.5 million dollars
13 here; are you not?

14 A. Yes, I am.

15 Q. And you are talking about money that was generated for
16 attorneys fees; are you not?

17 A. Yes. But I never had control of those fees.

18 Q. Okay. Well, did you, in fact, have control of some
19 money?

20 A. No.

21 Q. Did you not, in fact, provide some money to Steve
22 Abelman?

23 A. Not directly.

24 Q. Okay. How did you provide money to Steve Abelman?

25 A. I released money to another gentleman that gave it to

1 him. It was my understanding, but I was never involved.

2 Q. Who was the other gentleman that you released it to?

3 A. His name was Lou.

4 Q. Lou Samuel?

5 A. I have no idea.

6 Q. But an individual named Lou that you released money to?

7 A. Correct.

8 Q. Where did you do this?

9 A. In Europe.

10 Q. Okay. Do you remember what country in Europe?

11 A. No, I do not.

12 Q. And was it a million dollars that you released to

13 Mr. Samuels?

14 A. I'm not sure what -- how much was released, because I
15 didn't ever have control over any of it.

16 Q. How did you arrange that Mr. Samuels would get this
17 money?

18 A. I didn't arrange.

19 Q. Okay. Well, you indicated that you had released some
20 money to Mr. Samuels. Isn't that what you indicated?

21 A. My husband was living with Lou at the time. And they
22 had already had it set up. I was asked if I -- it could be
23 released. And I said yes.

24 Q. So you agreed to release the money to Lou Samuels?

25 A. Yes, I did.

1 Q. Okay. Was there discussion about how much you were
2 releasing to him?

3 A. Yes, there was.

4 Q. And how much were -- did you agree to release to him?

5 A. I don't remember. I'm sorry.

6 Q. Well, was it in the neighborhood of this 2.5 million
7 dollar figure that you are writing to your husband about?

8 A. No, it was not.

9 Q. Okay. Was it the million dollar figure that I asked you
10 about earlier that Mr. Abelman ended up with?

11 A. I don't know how much it was.

12 Q. But you are -- if there was testimony that Mr. Abelman
13 ended up with a million dollars, would that be inconsistent
14 with your recollection of how much money was released?

15 A. That would probably be consistent. But I don't know who
16 took what.

17 Q. And you indicated that you knew this money was going to
18 be passed on to Mr. Abelman, correct?

19 A. Yes, I did.

20 Q. And how did you know that?

21 A. Because I was told that.

22 Q. Okay. By whom?

23 A. By Lou. And that it was a request that I was honoring to
24 my husband.

25 Q. And for what purpose was this money released to

1 Mr. Samuels to be passed on to Mr. Abelman?

2 A. It was to help out with John's defense and things in
3 Europe.

4 Q. Okay. So this was after your husband's arrest in April
5 of '96?

6 A. Correct.

7 Q. And where was this money coming from?

8 A. I'm not exactly sure.

9 Q. Well, what were you told about where the money was coming
10 from?

11 A. I didn't ask.

12 Q. Who asked you if you would release this money?

13 A. I don't think I was asked. I was honoring a -- a request
14 by my husband. And I passed the information on.

15 Q. You passed what information on?

16 A. There was a request to release -- I was told to release
17 the money, and I passed on that it was okay to release the
18 money, that they could use that money.

19 Q. Okay. My question was: Who asked you to release this
20 money?

21 A. My husband asked me to release the money.

22 Q. Okay. And then you passed on to Mr. Samuels that it was
23 okay for this money to be released to him?

24 A. Correct.

25 Q. Okay. But you don't have any idea where this money was

1 located?

2 A. No, I don't.

3 Q. You didn't go to Luxembourg and take part in trying to
4 arrange a wire transfer or get money wired in to you in
5 Luxembourg?

6 A. I didn't try to get money wired to me in Luxembourg.

7 Q. Okay. So you had no involvement in the transaction
8 itself?

9 A. No.

10 Q. And you have no idea where this money came from?

11 A. Well, I have an idea. But that is an assumption.

12 Q. Okay. It was money that your husband was aware of then?

13 A. Yes. But that is also an assumption.

14 Q. Well, I believe you said that he had asked you to release
15 this money, correct?

16 A. Correct.

17 Q. And pass that release on to Mr. Samuels?

18 A. Correct.

19 Q. And you did so?

20 A. Yes, I did.

21 Q. And it's your belief that Mr. Samuels obtained money that
22 was then passed on to Mr. Abelman?

23 A. That is my belief.

24 Q. Okay. It would not be inconsistent with your
25 recollection that it was in the neighborhood of a million

1 dollars?

2 A. Correct.

3 MR. HANKINSON: If I could have just a moment, Your
4 Honor.

5 THE COURT: Surely.

6 Q. You indicated that the sum of money was for John's
7 defense and for things in Europe I think I recall you saying.
8 What things in Europe are you referring to?

9 A. My husband had an apartment, and I had to pay rent on
10 that apartment. And keep those things -- his belongings stored
11 and those kind of issues.

12 Q. An apartment where?

13 A. In Amsterdam.

14 Q. And do you know where the rest of this 2.5 million
15 dollars came from?

16 A. No, I don't. But I have assumptions.

17 Q. Okay. Well, where did this 2.5 million dollar figure
18 come from?

19 A. By me minding somebody else's business.

20 Q. Well, where did you hear the figure 2.5 million dollars
21 paid his attorney fees?

22 A. That is what I was trying to negotiate and was paying
23 attention to this business that was not mine.

24 Q. Well, here isn't it pretty clear that this amount has
25 been agreed to?

1 A. I don't think that it was agreed to. That is business
2 between my husband and his attorney, and I had no
3 business putting my nose where it didn't belong.

4 Q. There is mention in here of initials K. D., that there is
5 a problem with K. D. Who is K. D.?

6 A. K. D. is an old person that was in this world. I met him
7 a couple of times. He has history.

8 Q. Okay. And his name is actual Jeffrey Kagle?

9 A. I have no idea.

10 Q. Okay. You just knew him as K. D.?

11 A. Correct.

12 Q. Okay.

13 MR. HANKINSON: That is all that I have, Your Honor.

14 THE COURT: Mr. Kennedy.

15 MR. KENNEDY: Thank you, Your Honor.

16 CROSS-EXAMINATION

17 BY MR. KENNEDY:

18 Q. Good afternoon, Ms. Knock.

19 A. Good afternoon.

20 Q. Are you not testifying --

21 THE COURT: Let me see the lawyers a minute.

22 (At the bench.)

23 THE COURT: This morning you told me that you had
24 instructions not to cross-examine this woman. And I don't want
25 to -- you know, that is fine, but you do anything you want.

1 But your client, you know, can't come back here later
2 now and say you went against his instructions and
3 cross-examined his wife, because now I know you told me as a
4 lawyer that you are not supposed to do this.

5 MR. KENNEDY: That's correct. And I can tell you
6 exactly what --

7 THE COURT: I don't want to know what you're going to
8 do, but that is -- just want it on the record.

9 MR. KENNEDY: You are entitled, because that is
10 exactly what I said. That is absolutely right. There are two
11 questions I was going to ask. One is: Are you testifying
12 voluntarily, or as a result of court ordered compulsion?

13 And, number 2, have I represented your husband since
14 June of 1996?

15 That is it.

16 THE COURT: I don't care what you ask her. But I
17 mean -- the only reason I brought you up here is because you
18 told me that you were instructed specifically not to ask her
19 any questions.

20 MR. KENNEDY: Correct.

21 THE COURT: All right.

22 MR. KENNEDY: Absolutely, Your Honor.

23 THE COURT: We'll be right back.

24 (Back in open court.)

25 15 minutes, folks.

1 (Jury out.)

2 (Recess taken).

3 THE COURT: Jury in.

4 (Jury in.)

5 THE COURT: Just be seated, folks.

6 Okay, Mr. Kennedy.

7 MR. KENNEDY: No questions, Your Honor.

8 THE COURT: Mr. Daar.

9 MR. DAAR: No, Your Honor.

10 THE COURT: Thank you, ma'am. That is all.

11 THE WITNESS: Thank you.

12 THE COURT: Government.

13 MR. DAVIES: Heberto Rodriguez.

14 (Witness sworn.)

15 THE CLERK: Please be seated.

16 And, sir, for the record state your full name and
17 spell your last name.

18 THE WITNESS: My name is Heberto Julian Rodriguez.
19 R-O-D-R-I-G-U-E-Z.

20 DIRECT EXAMINATION

21 BY MR. HANKINSON:

22 Q. Have you gone by the name Julian Rodriguez?

23 A. Yes, I have.

24 Q. Would you tell the ladies and gentlemen of the jury your
25 age, please?

1 A. I'm 42 years old.

2 Q. What is your level of education?

3 A. I have had a couple of years of college.

4 Q. And where are you from, Mr. Rodriguez?

5 A. I was originally born in Tennessee, but I lived most of
6 my life in Miami.

7 Q. Have you previously trafficked in narcotics?

8 A. Yes, I have.

9 Q. What type of narcotics?

10 A. Mostly marijuana; but cocaine as well.

11 Q. And are you incarcerated for trafficking narcotics?

12 A. Yes, I am.

13 Q. Have you already been sentenced?

14 A. Yes, I have.

15 Q. Who was the judge that handled your case and your
16 sentencing?

17 A. His Honor, Maurice Paul.

18 Q. What sentence did you receive?

19 A. Fifteen years.

20 Q. It's your understanding that for the judge to reduce your
21 sentence, the government has to file what is called a Rule 35
22 motion with him?

23 A. Yes, it is.

24 Q. What guarantees do you have that a Rule 35 motion will be
25 filed on your behalf?

1 A. I have none.

2 Q. If a Rule 35 motion is filed, who will decide how much,
3 if any, your sentence gets reduced?

4 A. His Honor.

5 Q. It's up to the judge?

6 A. Yes, sir.

7 Q. Mr. Rodriguez, around the spring of 1987 did you move
8 from Miami, Florida to Spain?

9 A. Yes, I did.

10 Q. Do you know who Jim Baker is?

11 A. Yes, I do.

12 Q. Would you tell the jury who Jim Baker is?

13 A. Jim Baker was an American living in Marbella, Spain where
14 I was living. He was -- he and his family were in the casino
15 business. And I got to know him when I was living near his
16 home there in Marbella.

17 Q. Did you meet any other members of his family?

18 A. Yes, I met his children. I was particularly close with
19 one of his sons, Jodi, who was about my age.

20 Q. And what all did Jodi do for a living?

21 A. Jodi worked in the casinos most of the time. When he
22 wasn't just you know hanging out in Spain.

23 Q. Were those casinos that the Baker family owned?

24 A. They were family-owned, yes.

25 Q. And did you and Jodi get to know each other such that you

1 became friends?

2 A. Yes. We became quite close friends.

3 Q. Did Jodi Baker ever introduce you to a person named Blue?

4 A. Yes, he did.

5 Q. Would you tell the jury about your introductions and your
6 meeting with Blue?

7 A. Initially I was introduced to him -- Jodi had -- he
8 wanted to locate some arms for some kind of deal. So I was
9 introduced to them as an arms dealer.

10 Q. And what about Blue? How did you get to know Blue?

11 A. Yes, I mean over time, because, he'd come to Spain some
12 times. And when I went to Amsterdam after I had met him with
13 Jodi, I would stay at his house.

14 Q. Stay at Blue's house?

15 A. At Blue's house.

16 Q. And where was Blue's house?

17 A. In Amsterdam.

18 Q. Did you ever learn from Blue that he was involved in the
19 drug business?

20 A. Yes, I did.

21 Q. And would you describe Blue to the ladies and gentlemen
22 of the jury, please?

23 A. He is probably 6-2, 6-3. Well over -- probably over 300
24 pounds. He is a big, big man.

25 Q. And about what age was he when you met him?

1 A. Oh, I want to say he was probably in his 40s. But I
2 really don't know exactly how old he was.

3 Q. And approximately when was it that you met Blue?

4 A. Maybe 1990 or '89.

5 MR. DAVIES: May I approach, Your Honor?

6 THE COURT: Uh-huh.

7 Q. Mr. Rodriguez, let me show you what is in evidence as
8 Government Exhibit 213A. Do you recognize the man in that
9 photograph?

10 A. Yes. That is Blue.

11 Q. Can you see the screen from where you are sitting?

12 A. If there is something on it, I can't see it.

13 Q. It's not on there yet. But it's 213.

14 A. That is the photograph of Blue.

15 Q. Okay. Where was that photograph taken?

16 A. That was at the Baker's house right next to the pool.

17 Q. Where was the Baker's house again?

18 A. It was on -- it was on a mountain overlooking the
19 Mediterranean in Marbella.

20 Q. What is Blue doing with a beer bottle on his head?

21 A. I think he had a few drinks too many and he is posing for
22 the camera.

23 Q. Thank you.

24 Mr. Rodriguez, did you ever meet a person named
25 Kathleen?

1 A. Yes, I did.

2 Q. And where was that that you met her?

3 A. About a half a block from where that picture was taken.

4 Q. In Spain?

5 A. In Spain.

6 Q. Do you now know Kathleen's true name to be Julie Roberts?

7 A. Yes, I do.

8 Q. You should have some more pictures up in front of you,

9 213B, C and D?

10 A. Yes.

11 Q. Is Julie Roberts in any or all of those pictures?

12 A. She is in all of those pictures.

13 MR. DAVIES: Your Honor, I would request to publish

14 213B.

15 THE COURT: Surely.

16 Q. And there -- is the picture in front of you a little bit
17 clearer than the blow-up on the screen?

18 A. Yes, it is.

19 Q. Can you point out to the jury where Julie Roberts is on
20 the picture?

21 A. The blond-haired girl right in the middle.

22 Q. Yes.

23 A. Right behind her. That is her right there. That is her
24 head, where you put the little red dot.

25 Q. If you go to the next picture.

1 Is Julie Roberts in this picture?

2 A. Yeah. She is sitting on the sofa to the right.

3 Q. And whose children are these here?

4 A. Those are my children.

5 Q. If you go to the next picture.

6 And are those your children again with Julie Roberts
7 on the sofa?

8 A. Yes, sir.

9 Q. And where were those pictures taken?

10 A. In our house in Marbella.

11 Q. How was it that you got to meet and got to know Julie
12 Roberts? Where did you meet her?

13 A. You know that -- the original photograph that you showed
14 at, that was a riding stable. My children were learning to
15 ride horses and her child was also there at the same time.
16 That is when we met.

17 Q. Did you become friends with Julie Roberts?

18 A. Yes. We became pretty close friends.

19 Q. Did you learn she was involved in narcotics trafficking?

20 A. Yes.

21 Q. And how was Julie Roberts involved in drug trafficking?

22 A. She told me that she worked for some people who were
23 major movers of marijuana and hashish.

24 Q. Did she ever mention to you a boyfriend she had that was
25 involved with marijuana or hashish?

1 A. She mentioned a French man that -- I don't know. She
2 never said the name.

3 Q. Besides the French man, did she ever talk about a man
4 that she had gone out with or any sons of his that had been
5 involved in narcotics trafficking?

6 A. Oh, are you talking about -- I considered that her
7 husband.

8 Q. Okay.

9 A. No, she did tell me about that where -- that her and
10 her -- I guess it was boyfriend, not husband were involved in
11 trafficking narcotics.

12 Q. Did she say where?

13 A. Well, she told me of -- she talked about -- she told me
14 of a specific incident in California where they had gotten
15 busted.

16 Q. And who was they?

17 A. Her husband or boyfriend and his sons and the whole bunch
18 of people.

19 Q. And you mentioned something also about a Frenchman?

20 A. Yes, Frenchman.

21 Q. What did Julie Roberts tell you about a Frenchman?

22 A. Just that that is who she had worked for.

23 Q. And did Julie Roberts ever tell you where her people
24 worked?

25 A. Yeah. Mostly she said in Canada and the United States,

1 which is where she worked with them.

2 Q. And did there come a time when you set up a meeting
3 between Julie Roberts and Blue?

4 A. Yes, there did.

5 Q. When was that?

6 A. I have to estimate, because this is really a long time
7 ago. But I believe say probably the spring or summer of 1990
8 or something like that.

9 Q. That's your best approximation?

10 A. I think that is pretty close.

11 Q. And what happened with regard to this meeting that you
12 set up between Julie and Blue?

13 A. I met Julie in Amsterdam. Where she -- she met with Blue
14 and another person that was a representative of her
15 organization. And they discussed the possibility of
16 bringing -- initially bringing hashish to Amsterdam.

17 Q. This other person that was a member of Julie's
18 organization, did you catch a name or a nickname for him?

19 A. They called him Shrimp.

20 Q. Would you describe him?

21 A. He was -- he was very short. And he is French. He
22 spoke -- he spoke perfect English, but he was French. And dark
23 hair. I would say in his early 50s.

24 Q. Was it ever discussed what role the Shrimp had in the
25 organization?

1 A. Well, from what I understand, he was initially a captain
2 and then he moved up in the organization to be the kind of
3 manager/organizer of the shipments.

4 Q. So you introduced Blue to Julie and the Frenchman, the
5 man nicknamed the Shrimp. Was that all that happened?

6 A. Well, they discussed, you know, what -- you know, what
7 they could do, what one could do. And Blue had told me that he
8 had connections in Canada and the U.S. and Australia, and
9 Amsterdam, and Canada, I mean England. Where he had people who
10 could move this product.

11 And they met for about an hour or so, I would say,
12 and then after comparing all of the notes, the Frenchman went
13 back, said he had to go back to Paris to confer with his boss.

14 Q. What happened after that?

15 A. Well, after that, they decided to do a load into
16 Australia as opposed to Holland. Which, the problem with
17 Holland at the time was that the weather conditions weren't
18 conducive for bringing a ship from that far away into Holland.

19 So they figured that they could do a trip into
20 Australia, which was a market that they had never been in
21 before. And so they wanted to do that.

22 Q. Were there ever any discussions about the organization
23 looking for new workers?

24 A. That was one of the initial conversations that Kathleen
25 told me about.

1 Q. What was that?

2 A. That they were looking for new markets.

3 Q. In addition to the United States and Canada?

4 A. In addition to the United States and Canada.

5 Q. Was this load delivered to Australia?

6 A. Yes, it was.

7 Q. Tell the jury about that.

8 A. Well, they -- they took about probably 6 or 8 months for
9 them to get down to initially doing it from when we initially
10 talked. But they brought in about 15 tons of hashish into
11 Australia. And they had a transfer offshore someplace, I don't
12 know exactly, several hundred miles offshore. And they brought
13 it into Australia.

14 Q. Were you ever told that there were some problems with the
15 load?

16 A. Well, that was -- that was when I got a lot more
17 information about what was going on, when they had a problem.
18 Apparently most or more than 50 percent of the merchandise was
19 wet. And they said it wasn't saleable.

20 Q. Who was saying that?

21 A. Whoever was on the Australian end.

22 Q. What happened then?

23 A. Well, what had happened was that Blue had already
24 delivered I think 12 million dollars to them in Hong-Kong. So
25 they felt they had already --

1 Q. When you say Blue had delivered 12 million dollars to
2 them in Hong-Kong, who was them?

3 A. Julie -- Kathleen's people.

4 Q. Go ahead.

5 A. I think it was to Kathleen herself.

6 Q. Go ahead?

7 A. But I mean I wasn't --

8 Q. Go ahead.

9 A. So a conflict arose because they had overpaid, they felt,
10 like two million dollars for the load. And also, of course,

11 initially they didn't believe that the merchandise was damaged.

12 But Kathleen was supposed to fly down to -- to
13 Australia and verify that it was damaged. But, apparently, the
14 same ship that had dropped the load off in Australia had gone
15 on to Canada and a load was dropped off in Canada, and the
16 Canadians said the same thing, that most of the merchandise was
17 bad.

18 So then they decided, since they had a long
19 relationship with the people in Canada, that they didn't need
20 her to go down, so they just accepted that, and said that they
21 would make it up. Well, they wanted their money back. But
22 they said that they would make it up at another time.

23 Q. Let me ask you here, Mr. Rodriguez. Are you aware of how
24 much of an undertaking it is to import, offload and distribute
25 30 or more pounds of marijuana?

1 A. I have a pretty good idea, yes.

2 Q. What is necessary to do that? What type of effort does
3 that take?

4 A. It takes quite a big effort. From what Blue told me, he
5 said the -- says that they had to shut down a town in Australia
6 in order because of the activity that it created in order to
7 offload it safely.

8 So, I mean, it takes not only a lot of vehicles and
9 manpower, I mean just -- just moving that amount of tonnage
10 from one spot to another, say on the high seas once, and then
11 on land again, and then into warehouses, and inventorying it
12 and getting it distributed, it's a major effort.

13 Q. Mr. Rodriguez, was there later an importation of
14 narcotics into Amsterdam?

15 A. Yes, there was.

16 Q. And what were you told about that?

17 A. Well, normally I wasn't told anything. It was only when
18 something went wrong that I was contacted.

19 Q. Who contacted you and what were you told?

20 A. Well, I contacted Julie actually. I was living in Spain
21 at the time, and I contacted her. I mean just not for any
22 specific reason, just to say hello. That is when I found out
23 that a load had been taken into Amsterdam; that it had gotten
24 busted.

25 Q. Do you know the size of that load?

1 A. It was 20 tons.

2 MR. DAVIES: Thank you. No further questions.

3 THE COURT: Mr. Kennedy.

4 MR. KENNEDY: Thank you, Your Honor.

5 CROSS-EXAMINATION

6 BY MR. KENNEDY:

7 Q. Good afternoon, Mr. Rodriguez.

8 A. Hello.

9 Q. The load into Australia, you had nothing to do with it,
10 did you?

11 A. You mean hands-on? No, I didn't.

12 Q. Nor did you receive any of the money from it?

13 A. No, sir.

14 Q. The load into Amsterdam, you didn't have anything to do
15 with, did you?

16 A. No.

17 Q. Nor did you receive any of the money for that?

18 A. No.

19 MR. KENNEDY: Thank you. Nothing further.

20 THE COURT: Mr. Daar.

21 MR. DAAR: Thank you, Your Honor.

22 CROSS-EXAMINATION

23 BY MR. DAAR:

24 Q. Good afternoon, Mr. Rodriguez.

25 A. Good afternoon.

1 Q. You've had some experience smuggling, correct?

2 A. Yes, sir.

3 Q. And you had some problems with the Northern District of
4 Florida back in the '80s, correct?

5 A. Correct.

6 Q. And that is why you were in Spain, to avoid those
7 problems, correct?

8 A. That's correct.

9 Q. And eventually you were caught?

10 A. Also correct, obviously.

11 Q. Obviously.

12 Now, you were charged with various federal violations
13 of federal drug laws, correct?

14 A. Yes.

15 Q. And you had a lawyer that advised you?

16 A. Yes, I did.

17 Q. Okay. And your lawyer explained to you the guidelines
18 and the minimum mandatories?

19 A. Not really. But I had an idea what they were.

20 Q. You knew the bottom line, though, didn't you?

21 A. Yes, sir.

22 Q. You understood that unless you provided substantial
23 assistance to the government, you would be facing a minimum
24 life sentence, correct?

25 A. That's correct.

1 Q. And that would be life with no parole?

2 A. No parole.

3 Q. Which means you die in prison?

4 A. Deceased.

5 Q. And it was your understanding that the only way that
6 unless you were acquitted, the only way you would not receive a
7 life sentence was if the government asked the Court to give you
8 less based on substantial assistance, correct?

9 A. That's correct.

10 Q. Now, in an effort to avoid that life sentence, you tried
11 to do many things for the government, correct?

12 A. That is also correct.

13 Q. You provided information about Claude Duboc and about
14 this load to Australia, correct?

15 A. Yes, I did.

16 Q. You provided information to Australian law enforcement,
17 correct

18 A. That is also correct.

19 Q. Your wife was also charged, correct?

20 A. My wife was charged.

21 Q. And the two of you together convinced a third person to
22 assist in an undercover money laundering investigation,
23 correct?

24 A. The two of us together? No. I convinced somebody who
25 was a close friend of my wife's. And she agreed to help in an

1 undercover money laundering operation in order to help my wife.

2 Yes.

3 Q. To help your wife. That only helped her, not you?

4 A. It didn't help either of us.

5 Q. Excuse me.

6 A. It didn't help either of us.

7 Q. Okay. And you also assisted in the forfeiture of a
8 Canadian shopping center?

9 A. Yes.

10 Q. And that was owned by your former business partner,
11 Mr. Lалуze?

12 A. Yes.

13 Q. You also assisted in the apprehension of a fugitive,
14 correct?

15 A. That's correct.

16 Q. You testified in the trial of that fugitive?

17 A. Yes, I did.

18 Q. And you urged the fugitive's wife to turn over to the
19 government letters which her husband had written to her?

20 A. That's correct.

21 Q. You were prepared to testify against defendant Kevin
22 Lacey?

23 A. That's also true.

24 Q. And you indicated your willingness to testify in this
25 trial here?

1 A. Yes, sir.

2 Q. And in exchange for all of that, you received a 15-year
3 sentence?

4 A. No, sir.

5 Q. What sentence did you receive?

6 A. I didn't -- none of that was in exchange for a 15-year
7 sentence.

8 Q. What was that in exchange for?

9 A. That was in exchange for -- I might not be correct in
10 saying none of that -- because, see, some of that was the
11 presentence, some of that was after sentence. Presentence I
12 testified in a trial in Switzerland; a major money laundering
13 trial which had international implications.

14 Q. What were you ultimately sentenced to?

15 A. Fifteen years.

16 Q. All right. And those things that you did before and
17 after the sentencing were all designed to minimize your
18 exposure, correct?

19 A. Yes, sir.

20 Q. All right. What controlled substances were you involved
21 in smuggling?

22 A. Marijuana.

23 Q. What was the quantity?

24 A. The total that was on my case was 100,000 pounds.

25 Q. What method did you use? Boats? Air?

1 A. Sailboats.

2 Q. Sailboats?

3 Where did the marijuana come from?

4 A. Jamaica.

5 Q. Came into Florida?

6 A. Came into Florida.

7 Q. How many loads does a hundred thousand pounds represent,
8 or how many smuggles?

9 A. Well, this was between two and 3,000 pounds a trip. So
10 you can do the math.

11 Q. So 40 or 50 trips?

12 A. Some were larger than that. But the majority were about
13 that size.

14 Q. Maybe 30 trips?

15 A. Maybe.

16 Q. And it is a coincidence that you meet this gentleman Blue
17 unrelated to your previous life as a smuggler?

18 A. Well, I wouldn't say it was a coincidence. It's not
19 quite much of a coincidence. There is a lot of people like him
20 and like myself in Marbella. You run into each other.

21 Q. All right. Blue was a person that was involved in
22 distributing drugs; marijuana, hashish, all over the world?

23 A. Yeah, apparently. I really thought that he was a
24 mercenary. He was South African defense force. And initially
25 I thought that he was -- that is what he was. He was one of

1 those guys that works for the CIA in Angola and all of that
2 stuff. But, as time went by, he had a coffee shop under his
3 house, which it is legal to sell marijuana in Amsterdam. And
4 he was a heavy smoker. And one thing led to another and you
5 get into conversations, and he opened up to me.

6 Q. Did you open up to him?

7 A. Yes, I did.

8 Q. So he knew that you were a fugitive?

9 A. Yes. Well, yes, he knew that I had a problem.

10 Q. Okay. You initially were introduced to him as an arms
11 dealer?

12 A. As an arms dealer. Yes.

13 Q. Why did Jodi tell Blue that you are an arms dealer?

14 A. Not me. He was an arms dealer.

15 Q. I'm sorry?

16 A. I was just along for the ride.

17 Q. She was trying to buy arms from him?

18 A. He. Jodi is a man. He was selling arms to Jodi.

19 Q. And you were along for the ride?

20 A. Jodi had someone that wanted some kind of military radar
21 system. And he wanted Blue to see if he could locate it.

22 Apparently Blue did locate it. But I don't know what happened.

23 Q. Were you part of that conspiracy to --

24 A. No, sir. I was going along for the ride, just to visit
25 Amsterdam. Jodi wanted me to see it. He had worked there for

1 years, and he said it was a year earlier.

2 Q. And Jodi is a he?

3 A. Is a he.

4 Q. He wanted someone with him?

5 A. Yes.

6 Q. Because he felt a little more comfortable?

7 A. Well, I mean he wasn't doing anything illegal. Yeah, he
8 felt more comfortable, yes.

9 Q. Was this person Blue intimidating, physically?

10 A. Physically he is intimidating, yes.

11 Q. Now, you must have been aware that he kidnapped Julie's
12 daughter?

13 A. I didn't find that out until much, much later. I was in
14 prison.

15 Q. You were in prison?

16 A. It doesn't surprise me, though, that he did that.

17 Q. Why doesn't it surprise you?

18 A. Because he -- his initial reaction to things was to
19 attack.

20 Q. Now, in this world of smugglers, when you introduce a
21 representative of an importer, which is Julie, to a
22 distributor, it is normal that you get some sort of fee for
23 making the introduction, correct?

24 A. That's correct.

25 Q. Did you get such a fee?

1 A. No, I didn't.

2 Q. Did you negotiate for such a fee?

3 A. I never negotiated for a fee.

4 Q. Why not?

5 A. He offered me something. I never asked him for anything.

6 Actually what I actually wanted to do was go down to Uruguay,
7 which was something he had talked to me of before. And Uruguay
8 is where he was going to -- he wanted to do a lot of real
9 estate development down there and this reforestation project
10 which I found very interesting.

11 Q. So you figured rather than asking for something, if they
12 just took care of you out of good will --

13 A. Well, it was -- I think the -- the initial meeting that I
14 took -- took them to was more to ingratiate myself with them.

15 Yes.

16 Q. Okay.

17 So in the first meeting it was Julie, Blue, yourself
18 and the small person, the Shrimp.

19 A. Yes.

20 Q. And the discussion between Julie and the Shrimp seemed to
21 relate to the same entity, correct?

22 A. Correct.

23 Q. And the discussion was between Julie and the Shrimp and
24 Blue, as to what would happen, where it would happen, how much
25 would be brought in, and what it would cost and who would do

1 what basically?

2 A. Yes.

3 Q. And this is a form of negotiation not dissimilar to
4 negotiation in a business transaction, correct?

5 A. I would say, yes.

6 Q. Okay. And each side had certain issues that they were
7 concerned with, certain prices and certain acts, correct?

8 A. Yes, sir.

9 Q. So this was a negotiation process?

10 A. Correct. Yes, it was.

11 Q. And I think you said this first meeting, that it took 6
12 to 8 months before it actually started to happen?

13 A. Yes. Because I don't think that it actually happened --
14 that was in the spring or summer. And I don't think it
15 actually happened until the next year.

16 Q. Okay. Was that the only meeting you attended?

17 A. That was the only meeting that I attended with those
18 players.

19 Q. Did you attend any other meetings pre-delivery that you
20 discussed the importation?

21 A. I wouldn't call them meetings. I met with Blue all of
22 the time. I was working with him.

23 Q. All right. So you would meet with Blue and he'd advise
24 you of the progress?

25 A. Well, yeah. He was very security conscious. I was cut

1 out of the loop of information almost immediately.

2 Q. Was it your understanding that this was an ongoing
3 negotiating process going on between Blue, Julie and the
4 Shrimp?

5 A. I don't know. I don't know if I can answer that
6 correctly. To my -- it was told to me at one point that it's
7 on.

8 Q. All right. So we'll get there. But if I remember one
9 moment, there was talk of trying to bring it to Amsterdam?

10 A. That was at that initial meeting.

11 Q. So at some point you find out from Blue that those people
12 that have been meeting and negotiating came to an agreement and
13 the load was on, correct?

14 A. Yes, sir.

15 Q. Okay. Now, were you part of this conspiracy?

16 A. I guess I was.

17 Q. Now, you indicated on direct that you got the impression
18 that those persons behind Julie and the Shrimp were looking for
19 a new market; is that correct?

20 A. That's correct.

21 Q. And in the world of smugglers, that would mean that that
22 entity or person -- that person had the raw product but didn't
23 have persons that would buy it from them and then distribute
24 it, correct?

25 A. Well, in the kind of business we are in, it could be that

1 the persons that they normally work with are out of business,
2 or that they have saturated the market and are looking for a
3 new market just like any other kind of product.

4 Q. But, they had product, and then the inability to get
5 people to give them money and distribute it, that is why they
6 are looking for someone to do that, correct?

7 You mean they had more product than they could get
8 rid of?

9 A. Yes. Yes. I expect that that would be correct.

10 Q. So there -- this entity, this person that Julie and the
11 Shrimp were representing appeared to have product that he
12 wanted to move, and had an inability to move it to the channels
13 that he had previously moved it?

14 A. No, I wouldn't say that, no.

15 Q. No. Okay.

16 The person had certainly more product than they had
17 customers for?

18 A. I can't answer that. I wasn't there. I never saw how
19 much he had.

20 Q. Okay.

21 A. But it doesn't necessarily mean that he had more product,
22 it means that he had the ability to get more product to make
23 more money to hit more markets.

24 Q. Okay. So we don't know what it is, but we know that that
25 is what he wants?

1 A. That is what he wants.

2 Q. Okay. That is fair. Now, you were aware at the time
3 about the conflict about the wet hashish, correct?

4 A. That's true.

5 Q. Around the time that it was discovered, how did you
6 become aware?

7 A. I was in Uruguay working on this project of Blue's there.
8 And either I guess that Blue got a call -- he might have been
9 there at the time. And -- when they found out about that. And
10 he -- he kind of -- he went nuts on me.

11 Q. He went nuts on you?

12 A. Yes. Well, because now, since I'm the introduction guy,
13 now it's my fault, even though I've been cut out of the loop.
14 Now they are my friends. Do you know what I mean? He spent
15 more time than I have, and now they are my friends, because I
16 made the introduction. So it then became my problem to settle.

17 Q. What did you do about your problem?

18 A. Not much. I just talked to Kathleen about it. And they
19 didn't have any problem with it. They said, you know, we
20 just -- they were willing to work it out, whatever it was. But
21 Blue went ballistic at first. And so he starts talking about
22 hurting people, and they just weren't into that. They just
23 wanted to fix it.

24 Q. All right. So you talked to Kathleen, and you explained
25 the problem. And was Blue unable to contact Kathleen?

1 A. No, I think that he had already talked to her, but he
2 threatened her.

3 Q. He threatened who?

4 A. I think that he had threatened them.

5 Q. And you were following up by talking to Kathleen?

6 A. I was following up, yeah.

7 Q. Now, when you decided to introduce Kathleen to Blue, you
8 felt that Kathleen was credible as a person involved in
9 smuggling large quantities, correct?

10 A. Yes, I did.

11 Q. You were impressed by her presence as such a person,
12 correct?

13 A. She had the knowledge.

14 Q. Okay. She struck you as an astute businesswoman in this
15 particular world?

16 A. I don't know how astute she was. But she knew what she
17 was talking about.

18 Q. Now, you contacted Kathleen. She said we are going to
19 try to work it out. What happens next between you and Blue?

20 A. Between me and Blue?

21 Q. Yeah.

22 A. I don't know what happened next between me and Blue.
23 They decided to work it out, to pay it off on another deal or
24 to make it up on another load.

25 Q. So once that decision was made, Blue no longer expressed

1 dissatisfaction to you?

2 A. No. he was still pretty dissatisfied, but he was willing
3 to go along with that.

4 Q. So in the second load that comes into Amsterdam to
5 placate Blue, it is ripped off, I mean is found by the police.
6 What happens then with respect to Blue?

7 A. Well, I wasn't even in contact with Blue at that point.
8 You see, I've got to go back a little bit now on the story.
9 When I was in Uruguay, I was contacted from my eventual
10 attorney about turning myself in.

11 Q. So you worked out a surrender which disconnected you from
12 Blue?

13 A. Well, exactly. In order to -- to get away from Blue, I
14 had told them why I was leaving, because he is not a person
15 that just lets you walk away. So I told him that I was going
16 to turn myself in so that I could help my brothers. And I
17 separated from him.

18 Q. Did you ever --

19 A. And so I was really not in contact with him except for
20 maybe one or two phone calls in that almost year's time.

21 Q. Okay. Did you -- were you ever in contact with Kathleen
22 again?

23 A. Yes, I called her a couple of times.

24 Q. And did you speak to her after the load was seized in
25 Amsterdam?

1 A. Yes, I did.

2 Q. And what did you talk about in that conversation?

3 A. Well, she told me what had happened, which I had no -- I
4 didn't even know about the load at all at that point, until
5 that point. And then she asked me not to tell Blue where she
6 lived. I told her that I wouldn't.

7 Q. That was it?

8 A. That was the last time that I talked to her.

9 Q. Okay. Did you ever meet my client, Albert Madrid,
10 sitting at the end of the table there in the brown jacket?

11 A. No, sir.

12 Q. Did his name ever come up in negotiations?

13 A. Not that I recall.

14 Q. Was he ever mentioned by the Shrimp or by Kathleen as
15 being part of this endeavor?

16 A. I don't recall any names being mentioned.

17 MR. DAAR: Okay. Thank you.

18 THE COURT: Government.

19 REDIRECT EXAMINATION

20 BY MR. DAVIES:

21 Q. Mr. Rodriguez, did Julie Roberts, the Shrimp and Blue
22 meet and plan to import drugs?

23 A. Yes, they did.

24 Q. And you said you were part of that conspiracy. Is that
25 because you assisted it by setting up the meeting?

1 A. Yes. Well, I have to say at the time I didn't really
2 understand what a conspiracy was.

3 Now, my understanding of what conspiracy is, I was
4 obviously a part of it. I didn't think by, you know, just
5 playing an introduction that that was a conspiracy; but it is.

6 Q. You also said that there were a hundred thousand pounds
7 of marijuana total in your case. Did you personally smuggle a
8 hundred thousand pounds of marijuana?

9 A. No, I did not.

10 Q. Were you held responsible for your co-conspirators'
11 actions as well as your own in your case?

12 A. Yes, I was.

13 Q. For how many years did you and the others involved with
14 your smuggling and narcotics -- for how many years did you all
15 smuggle and traffic narcotics?

16 A. Smuggled for three years, traffic probably 8 or 9.

17 Q. Were the exact same people involved every year?

18 A. No. Changing all of the time.

19 Q. Was it the same amount of drugs every year?

20 A. No, sir.

21 Q. Was your role the same every year?

22 A. No. That changed quite a bit too.

23 Q. Did you know every other defendant in your indictment?

24 A. No, I did not.

25 Q. Did the drugs go to the same place every year?

1 A. No, they didn't.

2 Q. You were asked about whether you knew Al Madrid. Did you
3 introduce Julie to Blue?

4 A. Yes, I did.

5 Q. Did you know everybody else involved in the organization
6 that Julie and Blue worked for?

7 A. I hardly knew anybody.

8 Q. Was Julie or Blue very open about naming the names of who
9 they worked for?

10 A. No. They were very conscious of that; of not naming.

11 Q. Do drug traffickers usually go around listing everyone
12 that they are involved with?

13 A. No. That is usually something that is held pretty close.

14 MR. DAVIES: Thank you. I have no further questions.

15 THE COURT: Thank you, sir.

16 MR. HANKINSON: We call Randy Frazey.

17 (Witness sworn.)

18 THE CLERK: Please be seated.

19 Sir, for the record state your full name and spell
20 your last name.

21 THE WITNESS: Randy L. Frazey. F-R-A-Z-E-Y.

22 DIRECT EXAMINATION

23 BY MR. HANKINSON:

24 Q. And how are you employed, Mr. Frazey?

25 A. United States Marshal Service.

1 Q. And how long have you been with the marshals service?

2 A. Going on 12 years.

3 Q. And what does the marshals service do in terms of
4 transporting prisoners? Are you responsible for transporting
5 prisoners?

6 A. Yes, sir. That is one of our functions.

7 Q. Okay. And back in 1999, were you one of the ones that
8 transported Mr. Knock back from Paris, France?

9 A. Yes, sir, I was.

10 Q. And when did you do that?

11 A. I believe it was on January 28th of 1999.

12 Q. And where did you originally pick up Mr. Knock?

13 A. Mr. Knock was the -- we took him into custody, I believe,
14 at Charles DeGaul Airport in Paris, France.

15 Q. And when Mr. Knock was turned over to you, did the police
16 have some property with them?

17 A. Yes, sir, they did.

18 Q. What did they have with them?

19 A. Several fairly large boxes of -- four or five boxes --
20 large boxes.

21 Q. Okay. And did the French corrections people ask you to
22 bring those boxes back with you to the United States?

23 A. Yes, sir, they did.

24 Q. And did you agree to do that?

25 A. No, we did not.

1 Q. Why not?

2 A. It was getting close to our departure time. We had to
3 preboard the aircraft, and we didn't normally bring property,
4 take prisoner property.

5 Q. Now, I assumed you flew back from France to the United
6 States?

7 A. Yes, sir, we did.

8 Q. And where were you seated in terms of proximity to
9 Mr. Knock?

10 A. I sat next to Mr. Knock. He sat by the window, I was on
11 the aisle the whole trip.

12 Q. And did you tell Mr. Knock anything when you started this
13 trip?

14 A. Yes, sir. I told him -- identified myself, told him I
15 was a Deputy United States Marshal. That I -- I did not want
16 to talk to him about his case. Do not talk to me about your
17 case.

18 Q. Why did you tell him not to talk to you about his case?

19 A. Because I was subject to be a witness if he did.

20 Q. And did you tell Mr. Knock that?

21 A. Yes, sir, I did.

22 Q. What did Mr. Knock say in response to that?

23 A. Mr. Knock said something to the effect of, I'm not going
24 to tell you anything you don't already know.

25 Q. Now, during the course of the trip back to the United

1 States, did Mr. Knock make any comments about a person named
2 Claude Duboc?

3 A. Yes, sir, he did.

4 Q. Okay. How did that come up?

5 A. Mr. Knock had asked me if I had been to Mr. Duboc's -- I
6 believe he said chalet house. I told him that I had seen
7 photos of Mr. Duboc's Mediterranean chalet. He said, no, the
8 ones in Paris.

9 Q. Okay. Now, you said plural there. Did he indicate that
10 there was more than one residence in Paris?

11 A. Yes, sir. My understanding is there was one out on the
12 country, or out in the countryside and a house or an apartment
13 inside the city limits of Paris.

14 Q. And that was the comments by Mr. Knock?

15 A. Yes, sir.

16 Q. Okay. Did he say anything specific about something that
17 was present at one of those residences?

18 A. Yes. He mentioned that he couldn't believe that the
19 United States Government had given up the wine collection that
20 Mr. Duboc had at his house outside of Paris. It was quite
21 substantial.

22 Q. During the course of this trip, did Mr. Knock say
23 anything about having previously gone to France?

24 A. Yes, sir, he did.

25 Q. And what did he say about that?

1 A. He stated that some people weren't being treated right
2 and the communications that he and Mr. Duboc had been having
3 weren't adequate and he wanted to go -- was to go to France to
4 have a face-to-face with Mr. Duboc.

5 Q. Okay. And the reason he wanted to have a face-to-face
6 with Mr. Duboc was what? I didn't quite follow.

7 A. To get things straightened out, because some of the
8 people weren't being treated right.

9 Q. Weren't being treated by whom?

10 A. I assumed by Mr. Duboc.

11 Q. You assumed that because he said he wanted to meet with
12 Mr. Duboc; is that correct?

13 A. Yes, sir.

14 Q. Now, was -- was Mr. Knock arrested here in the Northern
15 District of Florida after he was returned here to the United
16 States?

17 A. Yes, sir.

18 Q. Okay. That would have been on what date?

19 A. We returned to Paris via Atlanta to Tallahassee on the
20 28th of January, 1999.

21 Mr. Duboc -- I'm sorry, Mr. Knock was given to --
22 when we arrived in Tallahassee, he was transported to
23 Gainesville via deputy marshal.

24 Q. And during the routine booking process, is one of the
25 questions asked of an arrestee is what his citizenship is?

1 A. Yes, sir.

2 Q. And what did Mr. Knock indicate his citizenship was?

3 A. I did not process him into the system. I do have
4 documents that state he is a United States citizen.

5 Q. Have you looked at records that are maintained by the
6 U.S. Marshals Service on a regular basis as to information
7 provided by Mr. Knock?

8 A. Yes, sir, I have.

9 Q. And what did he indicate as to his citizenship?

10 A. United States citizen.

11 MR. HANKINSON: That is all the questions that I
12 have.

13 THE COURT: Cross.

14 MR. KENNEDY: Thank you, Your Honor.

15 CROSS-EXAMINATION

16 BY MR. KENNEDY:

17 Q. Good afternoon, Marshall Frazey.

18 A. Yes, sir.

19 Q. You are aware, are you not, that Mr. Knock was arrested
20 in Paris on the 17th day of April, 1996?

21 A. Yes, sir. I'm not sure about the exact date, but --

22 Q. Sounds about right?

23 A. Yes, sir.

24 Q. And that, in fact, he has been in custody every day from
25 that day to this; has he not?

1 A. As far as I know, yes, sir.

2 Q. And when he is talking about a face-to-face with
3 Mr. Duboc, that was -- that conversation was as he was being
4 transported in custody from Paris to the United States,
5 correct?

6 A. Yes, sir.

7 Q. You were aware in January of '99 that Mr. Duboc had
8 actually been arrested in April of 1994; were you not?

9 A. That sounds about right. I'm not sure of the exact date.

10 Q. Generally about right?

11 A. Yes, sir.

12 Q. So that as of this date, Mr. Duboc has been in jail for
13 over four years, correct?

14 MR. HANKINSON: Objection as to relevance, Your
15 Honor.

16 THE COURT: He can ask.

17 A. Yes, sir. Mr. Duboc is still in custody as far as I
18 know.

19 MR. KENNEDY: Thank you.

20 MR. DAAR: No questions, Your Honor.

21 THE COURT: Government?

22 MR. HANKINSON: Nothing further, Your Honor.

23 THE COURT: Thank you, sir.

24 Next witness.

25 MR. HANKINSON: May we approach, Your Honor?

1 THE COURT: Yes, sir.

2 (At the bench.)

3 THE COURT: The jury has got you figured out. They
4 are starting to smile.

5 MR. HANKINSON: Is this a suitable place to stop for
6 the day?

7 THE COURT: This is.

8 MR. HANKINSON: This would be a suitable place for us
9 to stop.

10 THE COURT: Are you all going to be ready to do
11 something Monday afternoon?

12 MR. DAAR: Yes.

13 THE COURT: Mr. Kennedy wants to slip in here.

14 MR. KENNEDY: Thank you.

15 I don't want the Court to have any down time. Over
16 this weekend, there are two or three people whose interviews
17 I'm going to complete. They may or may not go on. I doubt
18 that under any circumstances my presentation on Monday is going
19 to consume the entire afternoon.

20 So I want the Court to know that, because I will be
21 ready for a charging conference.

22 THE COURT: Well, Mr. Daar may have some.

23 MR. KENNEDY: I wanted to speak first.

24 THE COURT: On this one you all owe me some sort of
25 response.

1 MR. DAAR: Monday.

2 MR. KENNEDY: It's coming.

3 THE COURT: Okay. I didn't think you would forget
4 it.

5 MR. DAAR: Similarly, I'm going to examine some
6 issues and make some important decisions this weekend. I will
7 be in a position Monday morning to advise the Court as to how
8 long I'm going to take.

9 I will be prepared Monday afternoon if necessary to
10 deal with jury instructions.

11 THE COURT: Good. And I'll advise everyone Monday
12 morning what my schedule is.

13 MR. DAAR: I've got some major decisions to make.

14 THE COURT: Well, it looks like we'll go to a jury
15 the first part of the week.

16 All right. 9:30.

17 MR. DAVIES: Your Honor, after you excuse the jury if
18 you could stay around for a couple of minutes there may be one
19 legal issue.

20 THE COURT: Sure.

21 (Back in open court.)

22 THE COURT: You were right. 9:30 Monday morning.

23 I can tell you a little bit about -- I can tell you a
24 little bit about what was said up here. The case will probably
25 be submitted sometime next week for your consideration. Don't

1 know when. But we are thinking -- that is what they were
2 talking to me about, trying to line up their witnesses.

3 Remember not to discuss this case among yourselves,
4 with anyone, or permit them to discuss it in your presence. Do
5 not read, listen to, or watch any news accounts. 9:30 Monday
6 morning.

7 (Jury out.)

8 THE COURT: Mr. Davies indicated that he had some
9 matters to take up. Mr. Davies.

10 MR. DAVIES: Judge, I just wanted to advise the Court
11 we filed a memorandum of law in response to your May 16th
12 order.

13 THE COURT: Uh-huh.

14 MR. DAVIES: We have some proposed jury instructions
15 with regard to proposed jury instruction number 2. The United
16 States would withdraw that. And part of the memorandum deals
17 with instruction number 2, which is Section 2, which is page 4,
18 the bottom of page 4 to the top of page 12. We would withdraw
19 that.

20 THE COURT: All right. That may help you when you
21 are trying to work out your response.

22 MR. KENNEDY: We are grateful for the information.

23 THE COURT: Anything else you all want to bring up
24 here before we quit?

25 MR. DAAR: No, Your Honor.

MR. KENNEDY: No, Your Honor.

THE COURT: See you all Monday morning.

(Court stood in recess.)

(3:39 p.m.)

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STATE OF FLORIDA)
COUNTY OF ALACHUA)

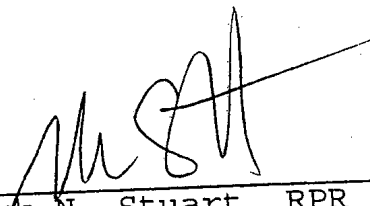
I, Mark N. Stuart, RPR, United States Court Reporter
in Gainesville, Florida, do hereby certify as follows:

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 123, 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

1

2

3

MR. HANKINSON: We would call Naomi Knock to the stand.

4

5

THE COURT: Mr. Shepherd, if you would like to come and find you a more comfortable place to sit, sir.

6

Mr. Shepherd is the attorney for Mrs. Knock.

7

MR. SHEPARD: Thank you, Your Honor.

8

(Witness sworn.)

9

THE CLERK: Please be seated.

10

And, ma'am, for the record state your full name and spell your last name.

11

12

THE WITNESS: Naomi Phillips Knock. K-N-O-C-K.

13

DIRECT EXAMINATION

14

BY MR. HANKINSON:

15

Q. It is my understanding that you are the wife of the defendant in this case; is that correct?

16

17

A. Yes.

18

Q. Okay. Ms. Knock, do you remember back in 1996 picking up a briefcase of money from your sister, Ms. Jaffey?

19

20

A. Yes, I do.

21

Q. And where did you pick up that briefcase?

22

A. I don't remember.

23

Q. Okay. What was in the briefcase?

24

A. Sixty thousand dollars.

25

Q. And what did you do with this \$60,000?

1 A. I paid attorneys fees and lived on it.

2 MR. HANKINSON: If I might approach, Your Honor.

3 THE COURT: Uh-huh.

4 Q. Ms. Knock, I have placed before you two documents that
5 have been marked for identification as Government Exhibit 175
6 and 176.

7 Would you look at those documents, please, ma'am.

8 A. Do you want me to read them?

9 Q. I'm going to ask you a question. I wanted to give you a
10 chance to look at them first.

11 Are those letters that you wrote?

12 A. Yes, they are.

13 Q. Okay.

14 MR. HANKINSON: I would offer into evidence
15 Government Exhibits 175 and 176.

16 MR. KENNEDY: In addition to the previous objection I
17 made, there is also relevance. There is no basis to show
18 relevance.

19 THE COURT: They will be received.

20 (Government Exhibits 175 and 176 admitted.)

21 MR. HANKINSON: I would ask permission to publish a
22 portion of Government Exhibit 176, Your Honor.

23 THE COURT: Yes, sir.

24 Q. All right. And we're on page 2 of the letter that has
25 been identified as Government Exhibit 176. I think it's about

1 halfway down the page probably.

2 Do you see the paragraph that starts with: The
3 second area?

4 A. Yes. The second area.

5 Q. Okay. Could you read that paragraph starting with the
6 second area there, please, Ms. Knock?

7 A. The second area that needs to be addressed are fees.
8 Michael has heard from me at least three times where the wall
9 is. This needs to be affirmed again by you. The wall is at
10 2.5. This is the blanket that needs to be worked within. This
11 is more than ample to cover all concerns and then some.

12 People get into this and see all of the money
13 floating around and then see how much they can grab. I feel
14 this -- I feel there is more than enough for those guys to
15 grab. I'll affirm this again with him when I go over expenses
16 and accounting.

17 Q. Okay. And were, in fact, two and a half million dollars
18 made available in attorneys fees?

19 A. I'm not sure. You would have to ask Mr. Kennedy that.

20 Q. Well, you see up here that 2.5 has been made available,
21 and this is the blanket.

22 Is that what you say?

23 A. Yes. That is what I say. But that is not exactly what
24 is meant.

25 Q. Okay. Well, you are referring to 2.5 million dollars

1 here; are you not?

2 A. Yes, I am.

3 Q. And you're talking about money that was generated for
4 attorneys fees; are you not?

5 A. Yes. But I never had control of those fees.

6 Q. Okay. Well, did you, in fact, have control of some
7 money?

8 A. No.

9 Q. Did you not, in fact, provide some money to Steve
10 Abelman?

11 A. Not directly.

12 Q. Okay. How did you provide money to Steve Abelman?

13 A. I released money to another gentleman that gave it to
14 him. That was my understanding, but I was never involved.

15 Q. Who was the other gentleman that you released it to?

16 A. His name was Lou.

17 Q. Lou Samuel?

18 A. I have no idea.

19 Q. But an individual named Lou that you released money to?

20 A. Correct.

21 Q. Where did you do this?

22 A. In Europe.

23 Q. Okay. Do you remember what country in Europe?

24 A. No, I do not.

25 Q. And was it a million dollars that you released to

1 Mr. Samuels?

2 A. I'm not sure what -- how much was released, because I
3 didn't ever have control over any of it.

4 Q. How did you arrange that Mr. Samuels would get this
5 money?

6 A. I didn't arrange.

7 Q. Okay. Well, you indicated that you had released some
8 money to Mr. Samuels. Isn't that what you indicated?

9 A. My husband was living with Lou at the time. And they
10 had already set up -- I was asked if I -- if it could be
11 released. And I said yes.

12 Q. So you agreed to release the money to Lou Samuels?

13 A. Yes, I did.

14 Q. Okay. Was there discussion about how much you were
15 releasing to him?

16 A. Yes, there was.

17 Q. And how much were -- did you agree to release to him?

18 A. I don't remember. I'm sorry.

19 Q. Well, was it in the neighborhood of this 2.5 million
20 dollar figure that you are writing to your husband about?

21 A. No, it was not.

22 Q. Okay. Was it the million dollar figure that I asked you
23 about earlier that Mr. Abelman ended up with?

24 A. I don't know how much it was.

25 Q. But you are -- if there was testimony that Mr. Abelman

1 ended up with a million dollars, would that be inconsistent
2 with your recollection of how much money was released?

3 A. That would probably be consistent. But I don't know who
4 took what.

5 Q. And you indicated that you knew this money was going to
6 be passed on to Mr. Abelman, correct?

7 A. Yes, I did.

8 Q. And how did you know that?

9 A. Because I was told that.

10 Q. Okay. By whom?

11 A. By Lou. And that it was a request that I was honoring to
12 my husband.

13 Q. And for what purpose was this money released to
14 Mr. Samuels to be passed on to Mr. Abelman?

15 A. It was to help out with John's defense and things in
16 Europe.

17 Q. Okay. So this was after your husband's arrest in April
18 of '96?

19 A. Correct.

20 Q. And where was this money coming from?

21 A. I'm not exactly sure.

22 Q. Well, what were you told about where the money was coming
23 from?

24 A. I didn't ask.

25 Q. Who asked you if you would release this money?

1 A. I don't think I was asked. I was honoring a -- a request
2 by my husband. And I passed the information on.

3 Q. You passed what information on?

4 A. There was a request to release -- I was told to release
5 the money. And I passed on that it was okay to release the
6 money; that they could use that money.

7 Q. Okay. My question was: Who asked you to release this
8 money?

9 A. My husband asked me to release the money.

10 Q. Okay. And then you passed on to Mr. Samuels that it was
11 okay for this money to be released to him?

12 A. Correct.

13 Q. Okay. But you don't have any idea where this money was
14 located?

15 A. No, I don't.

16 Q. You didn't go to Luxembourg and take part in trying to
17 arrange a wire transfer or get money wired in to you in
18 Luxembourg?

19 A. I didn't try to get money wired to me in Luxembourg.

20 Q. Okay. So you had no involvement in the transaction
21 itself?

22 A. No.

23 Q. And you have no idea where this money came from?

24 A. Well, I have an idea. But that is an assumption.

25 Q. Okay. It was money that your husband was aware of then?

1 A. Yes. But that is also an assumption.

2 Q. Well, I believe you said that he had asked you to release
3 this money, correct?

4 A. Correct.

5 Q. And pass that release on to Mr. Samuels?

6 A. Correct.

7 Q. And you did so?

8 A. Yes, I did.

9 Q. And it's your belief that Mr. Samuels obtained money that
10 was then passed on to Mr. Abelman?

11 A. That is my belief.

12 Q. Okay. It would not be inconsistent with your
13 recollection that it was in the neighborhood of a million
14 dollars?

15 A. Correct.

16 MR. HANKINSON: If I could have just a moment, Your
17 Honor.

18 THE COURT: Surely.

19 Q. You indicated that the sum of money was for John's
20 defense and for things in Europe, I think I recall you saying.
21 What things in Europe are you referring to?

22 A. My husband had an apartment. And I had to pay rent on
23 that apartment and keep those things -- his belongings stored
24 and those kind of issues.

25 Q. An apartment where?

1 A. In Amsterdam.

2 Q. And do you know where the rest of this 2.5 million
3 dollars came from?

4 A. No, I don't. But I have assumptions.

5 Q. Okay. Well, where did this 2.5 million dollar figure
6 come from?

7 A. By me minding somebody else's business.

8 Q. Well, where did you hear the figure 2.5 million dollars
9 paid his attorney fees?

10 A. That is what I was trying to negotiate and was paying
11 attention to this business that was not mine.

12 Q. Well, here isn't it pretty clear that this amount has
13 been agreed to?

14 A. I don't think that it was agreed to. That is business
15 between my husband and his attorney, and I had no
16 business putting my nose where it didn't belong.

17 Q. There is mention in here of initials K. D.; that there is
18 a problem with K. D. Who is K. D.?

19 A. K. D. is an old person that was in this world. I met him
20 a couple of times. He has history.

21 Q. Okay. And his name is actual Jeffrey Kagel?

22 A. I have no idea.

23 Q. Okay. You just knew him as K. D.?

24 A. Correct.

25 Q. Okay.

1 MR. HANKINSON: That is all that I have, Your Honor.

2 THE COURT: Mr. Kennedy.

3 MR. KENNEDY: Thank you, Your Honor.

4 CROSS-EXAMINATION

5 BY MR. KENNEDY:

6 Q. Good afternoon, Ms. Knock.

7 A. Good afternoon.

8 Q. Are you not testifying --

9 THE COURT: Let me see the lawyers a minute.

10 (At the bench.)

11 THE COURT: This morning you told me that you had
12 instructions not to cross-examine this woman. And I don't want
13 to -- you know, that is fine. But -- you do anything you want.

14 But your client, you know, can't come back here later
15 now and say you went against his instructions and
16 cross-examined his wife, because now I know you told me as a
17 lawyer that you're not supposed to do this.

18 MR. KENNEDY: That's correct. And I can tell you
19 exactly what --

20 THE COURT: I don't want to know what you're going to
21 do. But that is -- just was on the record.

22 MR. KENNEDY: You're entitled, because that is
23 exactly what I said. That is absolutely right. There are two
24 questions I was going to ask.

25 One is: Are you testifying voluntarily, or as a

1 result of court-ordered compulsion?

2 And, number 2: Have I represented your husband since
3 June of 1996?

4 That's it.

5 THE COURT: I don't care what you ask her. But I
6 mean -- the only reason I brought you up here is because you
7 told me that you were instructed specifically not to ask her
8 any questions.

9 MR. KENNEDY: Correct.

10 THE COURT: All right.

11 MR. KENNEDY: Absolutely, Your Honor.

12 THE COURT: We'll be right back.

13 (Back in open court.)

14 THE COURT: 15 minutes, folks.

15 (Jury out.)

16 (Recess taken).

17 THE COURT: Jury in.

18 (Jury in.)

19 THE COURT: Just be seated, folks.

20 Okay, Mr. Kennedy.

21 MR. KENNEDY: No questions, Your Honor.

22 THE COURT: Mr. Daar.

23 MR. DAAR: No, Your Honor.

24 THE COURT: Thank you, ma'am. That is all.

25 THE WITNESS: Thank you.

C E R T I F I C A T E

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STATE OF FLORIDA)
COUNTY OF ALACHUA)

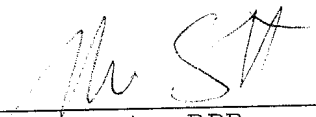
I, Mark N. Stuart, RPR, United States Court Reporter
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THAT I correctly reported in computer-aided machine
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and place stated in the caption thereof;

THAT I later reduced my shorthand notes to
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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 23rd DAY OF May, 2000.



Mark N. Stuart, RPR
United States Court Reporter