

UNITED STATES **COPY**

SECURITIES AND EXCHANGE COMMISSION

In the Matter:

File No. HO-3198

ITEX CORPORATION

Witness: MICHAEL RICHARD WHIPPLE

PAGES: 1 through 232

PLACE: Fort Worth, Texas

DATE: September 4, 1997

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

In the Matter of:

File No. HO-3198

ITEX CORPORATION

Thursday,
September 4, 1997

Securities & Exchange Commission
Suite 1900
801 Cherry Street
Fort Worth, Texas

The above-entitled matter came on for hearing, pursuant to notice, at
10:05 a.m.

APPEARANCES:

on behalf of the Securities & Exchange Commission:

WALTON S. KINSEY, JR. ESQ. GARY TODD, Accountant Securities & Exchange
Commission Division of Enforcement 450 Fifth Street, N.W. Washington,
D.C. 20549 (202) 942 -4537 on Behalf of the Witness: PRO SE

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I N D E X

WITNESS:
 Michael Richard Whipple
 EXHIBITS:

EXAMINATION:
 3
 DESCRIPTION

Commission's

	PAGE	DESCRIPTION
No.-460	16	Subpoena duces tecum and subpoena ad testificandum dtd 6/27/97 issued to Bankers Art Museum
No. 461	17	Subpoena issued to M. Whipple, et al
No. 462	23	Photographs of living quarters for Sky Jones
No. 463	149	Autobiography of Sky Jones, Book I and Book II

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P R O C E E D I N G S

(10:05 a.m.)

2
3 MR. KINSEY: We're on the record at 10:05,
4 September 4, 1997.

5 Whereupon,

6 MICHAEL RICHARD WHIPPLE (a/k/a SKY JONES)
7 having been first duly sworn, was called as a witness herein
8 and was examined and testified as follows:

9 THE WITNESS: Yes, sir, I do. I will not
10 willfully lie, if I can help it.

EXAMINATION

11 BY MR. KINSEY:
12 Would you please state your name and spell it for
13 the record.
14

15 A: Yes. I go Sky Jones, S-K-Y, J-0-N-E-S. My legal
16 name is Michael Richard Whipple, M-I-C-H-A-E-L, Richard,
17 R-I-C-H-A-R-D, Whipple, W-H-I-P-P-L-E. And then I also go
18 by... if I'm certifying my paintings, I go by either Art
19 Carter or Rich Dickens. A-R-T C-A-R-T-E-R. And it's a play
20 on words, if you don't get it. And Rich S. Dickens. R-I-C-H
21 S. Dickens, D-I-C-K-E-N-S. And I also go by Joe Banker,
22 which is the founder of the Banker Art Museum, as Joe, as in
23 Joe Mama, Banker as in B-A-N-K-E-R. So it's a play on words
24 too. This is your banker.

25 MR. KINSEY: Well, when we go through these

1 names, just so there's clarity, so I can understand how you
2 use those, and if you can explain to me the play on words.

3 Sky Jones. What do you use those ... when do you
4, use those ...

5 A: Sky is the limit. Jones is an anonymous Jones
6 represents all the artists on the planet. The person that's
7 sitting here in front of you is a representative of all the
8 artists on the planet and I carry their load and it's ugly.
9 It's ugly, it's ugly. I said it three times. It's ugly.
,10, That's four times. And I carry their load. That's who
11 Jones is. He's here to solve the problems of the artists of
12 the planet. And as far as the sky goes, well, you know, the
13 sky is the limit on the one hand. But on the other hand,
14 you know, it's a infinity designation.

15 Q: Now, this is the name that you paint under?

16 A: I paint under Sky Jones.

17 Q: Okay.

18 A: And I certify my art under Joe Banker, Art Carter
19 and Richard Dickens.

20 Q: Okay. Now, let's go to it's Art Carter, also
21 Arthur Carter?

22 A: Well, it's a play on words. Arthur Carter,
23 Richard Dickens.

24 Q: Let's go to Arthur Carter.

25 A: Okay.

1 Q: Tell me what that means.

2 A: Arthur Carter means the one who carts the art.
3 He's a carter. He's a carter. Okay. Now, Arthur is art.
4 So he's an art carter. Now, every'artist needs someone to
5 cartthe art. So I have Art Carter.

6 Now, you guys must have read this a half a dozen
7 timesin my writing. It's on the 800 number for the Banker
8 Art Museum, on their menu. Everybody knows. Don't be the
9 lastone to find out about this.

10 Q: Okay. Now, Richard Dickens. Tell us
11 about-well, first of all, let's go back to Arthur Carter.

12 A: Yeah.

13 ..Q: When do you use that signature?

14 A: only one time, and that's when I say my paintings
15 are valuable. Arthur I can use in curator, authorize to
16 suggest a -- well, what it is is a suggested retail price in
17 the market. That's what it is.

18 Q: For your artwork.

19 A: For my artwork, yeah. And these guys, rather
20 thanme, you see It is so tacky for me to say, "This is
21 a\$5,000 painting," when I should have another separate
22 person; a retailer, anybody but me, so it's embarrassing to
23 push your own work. So what I've had to do was I've had to
24 haveArt Carter, who carts the art

25 Q: Gotcha.

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1 A: Okay.

2 Q: Now, what about Richard Dickens?

3 A: He's "rich as the dickens.11

4 Q:- Okay. And how do you

5 A: "Rich as the dickens. Rich as the dickens.11

6 Q: And how do you use that name?

7 A: He also signs the certificates of authenticity

8 that I issue through the Banker Art Museum. So there's two
9 signatures in essence. Joe Banker really doesn't ... Joe
10 Banker is the overall concept. Joe as in Joe like "your."
11 Like Joe Mama. Except this is Joe Banker. This is "your
12 banker."

13 Hey, there's a message in there too. Bank in
14 art. And you see that's what this is. So I came up with
15 Joe Banker to establish the Banker Art Museum, you see, as a
16 service to Sky Jones and everything. And then I came up
17 with Rich Dickens, because I mean, you know, an artist has
18 to have somebody around as rich as the dickens, first of
19 all. Second of all, he's got to have around somebody to
20 cart the art. We've got to have an art carter. And every
21 artist has got to have ... has got to connect with Joe Banker.

22 Okay. Now, what I want it made very clear at
23 this point is that this is an art form that's being
24 explained to you. And that it is not meant to be
25 accepted ... well, I can't say it's not meant to be accepted

1 on any other level. I can't say that. However, it is an
2 art form.. The names were all chosen very cleverly for the
3 intention of putting together a package. The package would
4 be something that would go along with my paintings when they
5 went into the marketplace.

6 Now, so as not to defraud people about these
7 three names and use it to cheat people and take their money
8 and, you know, rob them of their house and all this type of
9 stuff, it was made very clear that Sky Jones, Michael
10 Whipple, Art Carter, Rich Dickens and Joe Banker are all the
11 same character communicated as an art form.

12 Q: Now, how was that made clear?

13 A: It was published in two art magazines. I've
14 already brought you the information on that. It was
15 published in... see, no, I'm hesitating. I think he
16 remembers.

17 Okay. It has been printed in the
18 certificate ... it has been printed in the 1150-Year
19 Retrospective Book," an approved book. It's on the Banker
20 Art Museum 800 number menu. So there has been no... I made a
21 big, big, big, big stink about making sure that the word got
22 out that I was this, because I knew if I didn't I would be
23 incriminated. It would be extremely incriminating to put
24 this out from the viewpoint of fraud. You know, I'm up
25 here. You know, I'm going to start this. And, you know,

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1 you can hurt people with that. So I made sure that when they
2 called that number on the inside of the book, they were
3 covered.

4 Also inside of the certificate of authenticity
5 there is a list of disclaimers right from the beginning,
6 right from the beginning.

7 Q: All right. Let's

8 A: We can go over that in a while.

9 Q: Let's go over some preliminary matters here.

10 A: okay.

11 Q: And then we're going to get back to the Bankers
12 Art Museum, but we're going to talk about the certificates
13 of authenticity and so forth.

14 A: Okay.

15 Q: First of all, let me introduce myself. I am
16 Walton Kinsey. I'm an attorney with the Commission. This
17 is Gary Todd. He is an accountant with the Commission. We
18 are both officers of the Commission for the purpose of this
19 proceeding.

20 A: Okay.

21 Q: This is an investigation by the United States
22 Securities and Exchange Commission in the matter of Itex
23 Corporation to determine whether there have been violations
24 of certain provisions of the federal securities laws.
25 However, the facts developed in this investigation might

1 constitute violations of other federal or state, civil or
2 criminal laws.

3 A: 'Uh-huh.

4 Q: Do you understand this?

5 A: If I've broken the law, send me to jail. I'll do
6 my penance and come back out and continue painting. They
7 have painting in jail. I have no fear of the U.S.
8 Government's penal system. If I need they don't come
9 around and say, "You're messing up. Let me teach you the
10 right way to do it." They put you in jail. And then they
11 say, "You figure it out." I'm ready to go. If I've made a
12 mistake, and I haven't covered my bite, you can bet next
13 time, I will because I'm going to paint until I'm dead.

14 Q: Now, prior to the opening of the record, you were
15 provided with a copy of the Formal Order of Investigation.
16 And I've shown you that.

17 Did you have an opportunity to look over the
18 Formal Order of Investigation?

19 A: Yes, sir, I did.'

20 Q: Do you have any questions regarding the Formal
21 Order of Investigation?

22 A: Yeah, what did they do?

23 Q:- **This order**

24 A: Well, it says you're investigating. That they
25 may have done something

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1 Q: Well, when you said, "What did they do?" This is
2 an order issued by the Securities and Exchange Commission
3 giving us authorization to conduct an investigation in the
4 matter of Itex Corporation. The fact that we're conducting
5 an investigation does not mean that anybody has done
6 anything wrong.

7 A: Oh, okay.

8 Q: This is a fact-finding mission. We're trying to
9 determine what, if anything ... what, if any, violations have
10 occurred. At this point, we're not suggesting that there
11 were.

12 A: Well, who are you guys then if the Securities and
13 Exchange Commission authorized you?

14 Q: Well, we are officers of the Commission. I'm an
15 attorney.

16 A: Oh, okay, okay.

17 Q: I work at the Commission.

18 A: Okay, okay. So you guys are the Commission then,
19 and you've authorized yourself to do this.

20 Q:, Well, there's a Commission

21 A: That sounds terrible but ... okay. I just .. you
22 know, I just had a question about that. I wasn't sure. if
23 you guys are the same as the ...

24 Q: Yes. We are employees of the Securities and
25 Exchange Commission.

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1 A: Okay, all right, all right. That makes sense to
2 me now.

3 Q: Okay. We've been appointed by the Commission to
4 conduct the investigation.

5 A: Okay, that makes sense.

6 Q: Now, also prior to the opening of the record, you
7 were provided with a copy of the Commission's Supplemental
8 Information Form 1662, which has been marked as Exhibit 1.

9 I ask you please to take a look at Exhibit 1.

10 A: Okay.

11 (Pause while the witness reviews the document.)

12 Q: Mr. Whipple, have you had an opportunity to read
13 Exhibit No. 1?

14 A: Yes, sir.

15 Q: Did you have any questions regarding

16 A: I did at first but we handled it in pre-..... you
17 know, I did have some questions about the perjury and that

18 was cleared up on the word "willfully," you know, and I

19 would not willfully tell a lie here. I'll do my very best

20 to cooperate.

21 Q: Okay.

22 A: We cleared that up before we started.

23 Q: . For purposes of this proceeding, you know, you do

24 go by a number of different names. How would you like

25 would you like me to address you as Mr. Whipple or Mr.

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1 Jones?

2 A: Whipple's dead. Whipple's dead.

3 Q: You don't use your given name?

4 A: Whipple is dead. That artist will never
5 resurrect, and the reason is is because the only good artist
6 is a dead artist. And Whipple is dead. Whipple has been
7 dead since 1984 when I put him to rest and sent him to
8 heaven.

9 The way I put him to rest and sent him to heaven
10 is I gave him everything that he wanted that he'd worked
11 here for, that he thought he should attain before he died.
12 And so then he passed on and he went to heaven.

13 Now, I am, per textbook definition, a mystic.
14 Per textbook definition, a mystic. That means if you open
15 up the dictionary and you look up the word "mystic," it's
16 "death of the false self and the birth of the true self."
17 That's right in the dictionary. All right.

18 Whipple was the false self. Sky Jones is closer
19 to the true self. But maybe not the whole true self. I can
20 draw upon Whipple and the Whipple experience and those
21 things if I want, but I prefer not to, and as far as legal
22 changes, hey, I didn't ask for that name. Somebody gave me
23 that name,.And if I don't take it myself, I don't have to
24 keep it.

25 Q: Okay. So we'll address you as Mr. Jones.

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1 A: Just call me Sky and I'll feel comfortable. I
2 don't like "Mr. Jones" either because it makes me feel like
3 I haven't got a personality. But I like Sky. It makes me
4. happy when people call me Sky.

5 Q: Okay. Sky, did you have any questions regarding
6 Exhibit 1?

7 A: No, sir. I feel okay about that here.

8 Q: Okay. Are you represented by counsel today?

9 A: Just my guardian angel. And helps over seeing if
10 he can talk God into backing me up on the truth for the
11 oath.

12 Q: You don't have an attorney representing you
13 today, - do you?

14 A: I don't need one. I don't believe in attorneys.
15 I believe is it okay if I say what I believe? Oh, I can
16 speak freely, right?

17 Q: Sure.

18 A: Uncensored? I think every single attorney that I
19 have ever met, and I hate to say it, I hate to say it, by
20 golly, I hate to say it, be cause they're an institution, so
21 I'm not going to say it, but you can fill it in, because you
22 know exactly what I'm going to say.

23 Q: Okay. So since you're not represented by
24 counsel, there are a number of issues that I need to discuss
25 with you.

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1 A: All right.

2 Q: You do have the right to be accompanied,
3 represented and advised by counsel.

4 A: Uh-huh.

5 Q: This means that you may have an attorney
6 present

7 A: I appreciate that.

8 Q: and your attorney can advise you before,
9 during and after your examination here today.

10 Do you, understand this?

11 A: Yes, sir.

12 Q: Do you understand that upon your request, these
13 proceedings will be adjourned so that you may obtain
14 counsel?

15 A: I'd rather just go to jail rather than talk to an
16 attorney. Now, I'm dead serious. I'm dead serious.

17 Q: That's fine.

18 A: I'm a severe individualist. I'm 50 years old.
19 Turn 50 October 3rd, next month. And I have found,
20 consistently and-continuously, in my dealings with you. The
21 law profession is that they are continuously, consistently
22 two~-faced liars and thieves.

23 . Now, I have a right to say what I want in this
24 America, I can say what I want. And that's what I've
25 observed. I don't trust them. In every single case I get

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1 cheated.

2 Now, I'm in a situation here where maybe I ought
3 to go get one. What? What? You've got to tell me. Just
4 go,over...why don't I just go slice my wrists?

5 Okay. I've said what I got to say.

6 Q: Well, that's

7 A: Thank you for listening. Thank you for
8 listening.

9 Q: That being said, you understand you have a right
10 to have one ...

11 A: I have a right to have one.

12 Q: You understand

13 A: I could have a case of fleas too, but I don't
14 bring them with me.

15 Q: You also understand that Exhibit No. 1 provides
16 criminal penalties for knowingly providing false testimony
17 or knowingly using false documents in connection with the
18 investigation.

19, A: I understand this.

20 Q: Okay., And you also understand that you may
21 assert your rights under the Fifth Amendment to the
22 Constitution and refuse to answer any question which may
23 tend to incriminate you.

24 A: I have done illegal things before, I admit. But
25 I'll try not to tell.

1 Q: But you understand that you've got that right.

2 A: Okay. I do have the right not to tell. I

3 understand.

4 Q: All right.

5 MR. KINSEY: Mr. Whipple, I want to hand you a

6 copy of a subpoena duces tecum and a subpoena ad

7 testificandum that was issued to the Bankers Art Museum

8 dated June 27, 1997, previously marked as Exhibit 460.

9 (The document referred to was
10 marked for identification as
11 Commission Exhibit No. 460.)

12 BY MR. KINSEY:

13 Q: I ask you to please take a look at that and tell
14 me if you received a copy of that subpoena?

15 A: Yes, sir. I did. I did receive a copy of this
16 and I did read it. I don't know that much about the
17 securities and stuff, but I realize that ...

18 Q: Excuse me. Is this a copy of the subpoena that
19 you're appearing pursuant to here today?

20 A: Yes, sir. It is.

21 MR. KINSEY: Okay. And I also want to hand You
22 another subpoena that is address to Mr. Michael Whipple,
23 also known as Sky Jones, Arthur Carter, Richard Dickens and
24 Joseph Banker, that has been previously marked as Exhibit
25 No. 461.

1 (The document referred to was
2 marked for identification as
3 Commission Exhibit No. 461.)

4 BY MR. KINSEY:

5 Q: Did you also receive a copy of that subpoena?

6 A: Apparently they're same one, different name.

7 Q: Well, it essentially asks for the same

8 information.

9 A: Same information, yes.

10 Q: One is address to the Bankers Art Museum care of
11 you ...

12 A: oh, okay.

13 ... and then the other one is for you
14 individually.

15 A: Oh, okay, yeah. All right. Yes, sir. I did
16 receive both of these and I instructed to...Imma Jean
17 Morgan, Artie Freestone, or Pamela Weston...

18 Q: That's Pamela Weston, W-E-S-T-O-N, for the
19 record.

20 A: Yeah. It went from Weston to Freestone.

21 Q: okay.

22 A: It was instructed by me to her many years ago to
23 send as much information as she could to you guys when you
24 first subpoenaed David Newren, and I found his ignored
25 subpoena in a box.

1 Q: All right. Let us clarify that for the record.
2 This case that we're talking about today involves
3 Itex Corporation.

4 A: Uh-huh.

5 Q: Now, you are talking about testimony or documents
6 in connection with another case involving Mr. David Newren.

7 A: I don't think so. I think it was this it was
8 Itex and it was David Newren.

9 No, it wasn't? It was somebody else, and another
10 investigatio n?- I'm sorry. Okay. Maybe it was, maybe it
11 was.

12 Q: Approximately how long ago was it, do you
13 remember?

14 A: Oh, it was like 194/95.

is Q: Okay.

16 all the documents that are called for under both of these
17 subpoenas?

18 A: Yes, sir. I have. As best as I have been able
19 to. Assuming, -of course, the Bankers Art Museum turned over
20 everything that they were instructed to. You see, that's my
21 paper house there.

22 Q: Could you describe who conducted the search for
23 the documents?

24 A: Pamela, Artie. I call her Artie, by the way,
25 just for the record.

1 Q Okay.
2 A: Artie.
3 Q: Did you search for any of the records?
4 A: Where? I don't keep records.
5 Q: Okay. So any records that the Bankers Art Museum
6 or any records that would relate to these subpoenas ...

7 A: She would have them, yeah.
8 Q: She would have had them?
9 A: She'd have them. I turned everything over to
10 her. The reason is is because ... I'll make it real clear.
11 I'm an artist. I'm not a businessman. Business makes me
12 sick. The people that are involved in business are
13 consistently running your product down and lying and
14 stealing from you and I don't want to have anything to do
15 with it and I never have, and I've found consistently that
16 this in fact is the case.

17 All right. Who am I? I'm a painter and I don't
18 want to have anything to do with anything else. Personal
19 crap, children, mothers, fathers, brothers, sisters, aunts,
20 uncles, nieces and nephews, I don't want them in my life. I
21 don't want that in my life.

22 Now, you have to understand, every single thing
23 you've got down here is an intent to do something. The guy
24 who's trying to survive, he'll tell you anything he can to
25 survive. I don't want it in my life. I paint. I make sure

1 my stuff is certified correctly. And that's all I want in
2 my life, because there is so much negativity out there.

3 I'm going to just tell one thing right now. if
4 the bird won't sing, it probably ought to go back to the pet
5 shop. Now, it doesn't take much to kill the song in a bird.

6 Q: Now, can we proceed

7 A: Oh, I'm sorry, I'm sorry. I got off course there
8 a little. Okay. Let's go ahead.

9 Q: If you don't mind

10 A: I'm sorry. I'm just blowing steam, you know, I'm
11 just blowing steam. I appreciate your patience.

12 Q: My only.... just for clarity of the record, all the
13 documents that were called for under these two subpoenas,
14 whatever documents were produced by Pamela Weston, those are
15 the only documents that you are aware of?

16 A: Yes, sir. And if any others come up that we find
17 that are listed here that we don't know about, we will make
18 sure that you have them...

19 Q: Thank you.

20 A: per our policy.

21 Q: Thank you. Now, let me get just a little
22 background information.

23 Could you please state the date and place of your
24 birth?

25 A: October 3, 1947. Salt Lake, at the hospital.

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1 Q: Salt Lake City?

2 A: Uh-huh.

3 Q: And what is your current residential address?

4 A: Oh, after I move out of 6396let me.. Illl just
5 kind of dig down here and see...I gave you some photos there
6 of this location.

7 Q: Let me have the photos, if you would please.

8 A: I do have that address of where that place is
9 right now written down. Let me give it to you. It's 6396
10 -Rolling.Wood Trail, in Lake Worth. And that is
11 76108 ..excuse me. 76101.

12 Q: And that's Lake Worth?

13 A: Yes, sir. Lake Worth, Texas.

14 Q: And you were describing the trailer, and I just
15 want to make sure for clarity, this is your residence here?
16 This picture?

17 A: That trailer you see there, yes, sir. I've been
18 sleeping inside of there. It has no electricity. It has no
19 running water. It's very close to Lake Worth and the
20 mosquitos are very heavy in that area. And August has been
21 nightmarish in that location. The people that come over
22 there to visit, only stay about five minutes before they
23 leave and'then they don't come back, and the reason they
24 don't come,back is because of the mosquitos.

25 Now, the person that lives in this little trailer

1 right here is a manic depressant psychotic methane
2 amphetamine dog abuser. Before I moved in, he had nine dogs
3 living in the trailer here and they crapped all through it
4 on the carpets and everything. All the windows were broken
5 out'and the plumbing was all disconnected and everything.
6 But I found I could get in there for free, and I didn't have
7 to come up with any cash.

8 So I went ahead and moved into the place.

9 Q: So you don't pay any rent?

10 A: No, I never do. I haven't paid rent for decades.

11 Q: How do you

12 A: I flatly refuse to pay rent or utilities or

13 electricity or water, and if somebody won't pay it for me, I
14 won't have it.

is Q: How do you

16 A: How did I wash up this morning?

17 Q: No.

18 A: With a hose.

19 Q: I guess my question is do you trade paintings

20 for ...how do you...

21 A: You can't get utilities on trade. Usually but
22 sometimes you can. But you have to talk somebody into
23 paying them for you, you know. I won't do it. I don't have
24 a banking account. I don't have any charge cards at all. I
25 don't have a savings account. I don't have any real estate

1 at all.

2 Q Okay.

3 A: I practice the philosophy of detachment.

4 MR. KINSEY: Can I get the Court Reporter .. would
5 you mark this photograph as an exhibit please.

6 THE WITNESS: Here. You get all of them. Here,
7 there's even a better one over here I think of the trailer.

8 MR. KINSEY: This one.

9 THE WITNESS: That one's a good one, yeah.

10 MR. KINSEY: This would be marked as Exhibit 462.
11 (The document referred to was
12 marked for identification as
13 Commission Exhibit No. 462.)

14 BY MR. KINSEY:

15 Q: Okay. So there's no phone at this address.

16 A: There's no nothing. No utilities at all.

17 Q: Okay. Are you going to be at this location for a

18 while?

19 A: No. I'm moving.

20 Q: Can you tell us where you're moving?

21 A: Yes, sir. I'm going to be sleeping in my car,

22 the back seat of my car, unless I can find another

23 situation, of course, which I will. I don't have ... I've had

24 a lot of offers right now floating around. This location is

25 very demeaning and degrading and it makes me feel bad to be

I there, even though I was very production in this location.

2 Q: What types of offers have you had?

3 A: Oh, now, there's a guy that's got a piece of
4 property he says he'll put a tent on it for me and they'll
5 run electricity to the tent. Okay. That'll free me up, you
6 know.

7 Q: What is he willing to do that for you?

8 A: Because I'm a great artist. You know, it takes a
9 tremendous of integrity and discipline to follow this path.
10 It's not an easy path. I'll probably be the only one you
11 meet in your life that's followed this path.

12 You can have all of these photos that go with
13 that location. But I've been in that location just about
14 two months. I think it was July... let's see. Just about
15 three months, just going on three months, and I'm just now
16 leaving that location. I'm just now leaving that location.

17 Q: Now, the property with the tent, who's going to
18 provide that for you?

19 A: A collector, a person who'she may not, -you
20 know. See, it's up to me. I have a lot of options right
21 now, and I haven't made a decision yet.

22 Q: What decision

23 A: First of all, I've been running on no money.

24 Q: What is

25 A: Are you prying? Are you prying? You are prying,

1 aren't you? His name is Gene Bural, Gene Bural. I think
2 that's B-U-R-A-L. And I've only met him once. I just heard
3 that he would do it, and I haven't really taken that
4 seriously. I don't know if I want to go out there.

5 As a philosopher

6 Q: Excuse me. Is that here in Texas?

7 A: Yeah.

8 Q: In the Fort Worth area.~

9 A: No. It's just in the North Texas area. He has a
10 lot of property, and I pretty much have my choice, but I'm
11 not so sure I want to do that.

12 Q: okay.

13 A: And to even develop it as a subject, you know,
14 turns me right off. I've got more of a... right now, keep in
15 mind that I don't have a TV, don't have a home entertainment
16 system, haven't even got a radio in my car. And that my
17 primary thoughts are involved in art and painting. That's
18 who I am, that's what I am. And I'm on it all the time.

19 If you want to talk about color and tonality and
20 texture and reflective light and gas shadows, you're talking
21 to the wrong ... or you're talking to the right guy, because
22 this what I think about all the time.

23 Now, a lot of these questions with these guys and
24 so forth, the point is that I have spent my life dedicated
25 to the painting thing. I've done sculpturing and other

1 stuff too, but it's really dedicated as a painter.

2 And as I've gotten older and continued on the
3 path of painting, I finally... at this point, I've come up
4 with something that doesn't need any preparation. I can
5 drive right into the park, into the botanical gardens. I
6 can go in. I can just set up and I can create a beautiful
7 piece right there. And I don't have to have locations like
8 this.

9 Now, the only reasons for these locations, the
10 location like the one you've seen... and there's been many of
11 them. I've lived in warehouse after warehouse all across
12 the United States. And they average maybe two to four or
13 five-rhonths, or six months, it depends. I've lived on
14 rooftops and everything else, in tents.

15 Q: When you say you have no money, how do you
16 support yourself?

17 A: How do you have to? I don't have to support
18 myself. The great spirit.takes care of me because I'm
19 blessed. And believe me, I am, I am. Let me tell you...

20 Q: Can we ask a little bit about your education.
21 A:- Well, let me just tell you, okay, you go ahead.
22 Q: We've got a lot to cover today, and
23 A: I know.
24 Q: Let's try to just keep focused now.
25 Tell us a little bit about your educational

1 background, if you would please.

2 A: I'm primarily self-educated. I've read a lot of
3 books and went to the University of Utah and studied under a
4 lot of professors and some of them kind of helped me, but it
5 was my own discipline that really got me educated.
6 Graduated from the University of Utah.

7 Q: What year?

8 A: Oh, about 170 something. And let's see, probably
9 172 or 173, yeah. I didn't go to graduation to get my
10 picture in the book because that stuff didn't mean anything
11 to me.

12 Q: Did you do any post-graduate work?

13 .A: Not at the university.

14 Q: What was your undergraduate degree?

15 A: B.S.

16 Q: What was your major?

17 A: Art.

18 Q: Art. Okay

19 A: I'd like to say B.A. but I think it was a B.S. I
20 mean that makes me feel a little bad.

21 Q: **Have you ever** been employed by anyone?

22 A: I had a job a long time ago, yeah. About 20
23 years ago.

24 Q: Could you tell us what your employment

25 A: I'm blocking it out. I'd have to dig and try to

1 figure it out. Okay, some thing I did for money, right?
2 Somebody gave me some money, okay.

3 A job. Well, I had a job working in Los
4 Angeles

5 Q: What was your position?

6 A: as a journeyman carpenter. You know, when I
7 first left Salt Lake, after I graduated from the University
8 of Utah, I went to Los Angeles to study, to continue my
9 schooling. You asked me about post-graduate work and that's
10 where I went. And I studied there, and while I was there, I
11 joined the carpenter's union and I worked to support my
12 studies by working as a carpenter. That's the last job I
13 can think of that I had. I mean I know I've had some other
14 ones.

15 Q: That was over 20 years ago?

16 A: Yeah. That was 1973/74. In 1975, I worked in

17 Boston. Okay. The only in 1975 and '76 1975 and
'76 1
18 worked and 1977, I worked as a scientology practitioner as

19 an auditor-, scientology auditor. And during a five-year
20 period, I put in, approximately 10,000 logged public hours on
21 what's called pre-clears. Those are people that
22 have maybe they've got some emotional things and want to
23 talk about it, you know. I probably ought to make
24 it well, strike that off the record, the word "pre-clear."
25 Because nobody is going to know what that is.

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1 Q: Let me ask you, have you ever had any training in
2 appraisals?

3 A: of my own work? You bet I have. I know exactly
4 what it's worth. As far as appraising anybody's other
5 stuff, nothing at all. I don't know how to appraise
6 anything at all. Nothing.

7 Q: Okay.

8 A: But I can sure tell **YOU** how much my stuff is
9 worth, and I'm the number one expert in the area.

10 Q: Okay. I want to move now to talk about Bankers
11 Art Museum.

12 A: All right.

13 Q: Can you tell us what is the Bankers Art Museum?

14 A: Well, it's a members-only club. It's a members
15 is only club.

16 Q: What do you mean by that?

17 A: Well, it says it right on the front page. Do you
18 have a copy here?

19 Q: I do.

20 A: Well, let's look at it so that we can make it
21 real clear. It's like a private club, you know. If you
22 aren't a member, you know, you just can't belong.

23 Q: I have a

24 A: That'll do.

25 Q: I have a copy of

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1 A: The new gold
2 Q: a black book. Just for the record, let me
3 describe it.

4 A: Yeah.
5 Q: It's a black book captioned "Banker Art Museum"
6 and it's been previously marked as Exhibit 454.

7 Let me ask you
8 A: Well, you didn't even read the spine. Turn
9 around and read the spine. Let's get the correct thing on
10 there. Now, what does that say?

11 Q: The caption on the spine is "The Treasure."

12 A: Yes. The name of the book is "The Treasure"
13 then, isn't it?

14 Q: And then "Sky M. Jones."

15 A: Okay. He must have been the guy that wrote the
16 book then because he's got his name on there, right?

17 Q: Right.

18 A: Okay. Let's make it real clear..... Oh, here it is.
19 It's a nice book.

20 Q: Tell us about the book.

21 A: Okay. This book here was produced for the puro
22 describe ...

23 Q: describe for the record.

24 A: You should own a painting. You've got to buy a
25 painting and you've got to pay a fee. You've got to become

1 a museum member.

2 Q: Okay. Why don't you explain for the record how
3 this works, how the membership works.

4 A: How membership works? Why don't we talk about
5 the purpose for it.

6 Q: Okay. Start with

7 A: Let's start out at the beginning.

8 Q: Let's start from the very beginning.

9 A: Okay.

10 Q: Who created it

11 A: Let's talk about a big problem. Let's talk about

12 a big problem in the art world, forgery. Right now there's

13 many Michael Whipple paintings out there that are forged.

14 And I'm going to go out ... there's another place I've found

15 two more and I called the police in. They're going to

16 fingerprint the paintings and they're going to find out who

17 forged these pieces. All right. And this is recently. I

18 just found out about it within a week. This happens

19 consistently and continuously.

20 Q: All right. When was the Bankers Art Museum first
21 formed?

22 A: You are asking me another question before you're
23 allowing me to finish my...

24 Q: I'm sorry. If you want to finish

25 A: I'm telling you why this thing came into

1 existence.

2 Q: okay.

3 A: Okay. There is a problem, big problem, forgery,
4 number one. Number two, next big problem. A guy sees a
5 painting and he doesn't know anything about the artist who
6 painted that painting, and he doesn't know nothing about it.
7 And there isn't even a flyer. There isn't even a business
8 card. He's going to the gallery and there's no way in the
9 world to tell anything about that painting. Okay. Problem.
10 So you need to have some information there.

11 So there's other problems. The problem is on the
12 certification of the piece. And if the piece has changed
13 hands, 10 times, like I sold it, and it changed hands,
14 changed hands. I sold it for \$150, and it's getting \$15
15 million right now, I want to know the trail it went through
16 to get the \$15 million. Very important.

17 There's a place in here for that. It's called
18 provenance. It's the biography of the painting. And the
19 paintings do travel, just like a person that do things.
20 They go down the road and they make somebody happy, and
21 **somebody mad and somebody** rich and somebody poor, and they
22 have a life. With my blessing.- This is my blessing to my
23 children. All right.

24 Now, if a person isn't a museum member, I'm not
25 going to be able to trace him and use him for future sales.

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1 He's not going to have a place that he can contact and find
2 out more about the artist or about information that, you
3 know, could increase the value of his painting or make it
4 worth nothing, you know: So he's got to have a place that
5 he can communicate.

6 Now, in the past I never had this, and I lost
7 seriously. As I traveled around, I'd sell a few pieces,
8 lose their phone numbers, and never ever be able to get
9 repeat sales. And I wasn't able to monitor and keep a
10 central file or a CF of all the owners. I had a very great
11 difficult time in doing this. Although that's an
12 organization's money is the central files. I didn't have
13 it. I wasn't able to do it.

14 So I came up with this. Now, this isn't the
15 first one. This has been going on for years and years and
16 years and years and years. This just happens to be the
17 nicest one.

18 Q: Well, can you give us some historical
19 perspective

20 A: I'll go all the way back. Some of the times it's
21 just one piece of **paper** that has the name of the painting on
22 it and a number. And back in 1974 and 1975, that's all it
23 was. **And as it went on, you know**, and I got a few more
24 credentials and stuff, I started to add to it, you know,
25 things came up and I started to add to it.

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1 quite it may be what puts Sky Jones in jail, by golly, or
2 it may be a great thing that Sky has issued into the art
3 community to help other artists secure their value of their
4 art work and perhaps build a bridge between the art world
5 and the corporations.

6 Now, of course, that's just a dream, and I don't
7 imagine anybody ever even tried to do anything like that,
8 but I just thought I'd bring it up., okay. So we got the
9 Banker Art Museum Certificate of Authenticity. I was joking
10 there, okay. I wasn't lying on purpose.

11 Okay. Certificate of Authenticity. For members
12 only. Okay. Now, let's open up the book here. It says
13 right here "Joe Banker's Certificate of Authenticity,
14 copyright 186 to 195 in Banker Museum of Fine Arts. All
15 rights are there. The information presented in this book is
16 accurate to the best of our knowledge. However., however,
17 because of possible omissions, errors, or incorrect
18 interpretations, and I could have made that, kept going
19 on about that, you know. "The museum nor the artists are to
20 be held responsible for improvident actions." Oops. Did
21 somebody do something improvident? They better not have.
22 Because there's a warning here. Don't do anything
23 improvident. fault if you are. You're going to be
24 improvident, don't look over here for improvident.

25 Now, I've put as many disclaimers in here as I

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1 could to cover my ass. Excuse me. I can be uncensored and
2 open, a free speaker. I stuck as many of them in here as I
3 could. I did not want to get in trouble for what I did.
4 And I knew that there were ... excuse me. I don't mean to
5 say... there were bad people out there that would twist
6 things and make it look bad and everything. And so I wanted
7 to make sure I wasn't responsible.

8 ~Okay. "The museum nor the artists are to be held
9 responsible for improvident actions taken as a result of
10 information contained." Here it is. Right here. "Not all
11 art goes up in value. Some goes down."

12 Right in the first ..now, somebody is going to
13 walk1through here and go pass that out and get their butt
14 kicked. You know, because art does go down. And if you
15 don't like it, don't get it. If you don't like it, don't
16 get it. True value of art. Where is it? Oh, it's not in
17 this one, it's in the earlier one probably. Oh, here it is.
18 "True value of art." "If the work does not create a desire
19 emotional impact on the viewer aesthetically, then the work
20 should not be invested in."

21 The artist stamped his foot three times.
22 "this is vital, because the fine arts are a long-
23 term investment and by their very nature intended to be
24 displayed. The intention behind art is to enhance the
25 quality and the feeling of the space in which it is viewed.

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1 Thus stimulating thought. Because of the nature of art
2 work, this is the first and foremost its greatest virtue.
3 Art is uplifting and inspiring. It's vital that they're
4 framed and displayed to reach their fair value.

5 "From a financial viewpoint, only few paintings
6 ever achieve cash returns. A cash investment in art with
7 the purpose of making money can take many years or may never
8 happen. In short, do not try art*unless you like it."

9 The artist stamps his foot three times.
10 Okay. Now, this thing is loaded with these

11 disclaimers and my purpose here is right on this-and
12 you've got a bad one there.

13 Let that cut in half. oh, it doesn't matter.
14 It's all right. As long as they tried, that's what counts.
15 If they didn't try, then they could be censored.

16 Q: Okay. Just for the record, we're looking now in
17 Exhibit ... what is the number on the front?

18 A: What we've done, we're

-19 Q: We're still in the black book, Exhibit 454

20 A: Yeah. '

21 Q: We're now referring to the Certificate ... what's
22 that ...

23 A:- This here says, "Certificate of Authenticity and
24 appraisal."

25 Q: And that'sand what's the title, the caption of

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1 the ...

2 A: "Calm Beginnings." "Calm Beginnings."

3 d: All right. So, now, there's a photo that's taped
4 in there.

5 A: There's a photo in here, glued in here, that's
6 got a Banker Art Museum corporate seal over top of it.

7 Q: It's got a what? A Banker Art Museum seal.

8 A: Yeah, it's got a seal over the photo, y es. Sure
9 is.

10 Q: Now, is that your painting? It's a picture of a
11 painting that ...

12 A: Yeah, yeah. That's a painting that I did, one of
my pieces.

14 Q: Okay. Now and then it's signed by

15 A: Art Carter and Rich Dickens. And we know who
16 they are.

17 Q: Right. And the value of this particular
18 painting.-

19 A: Well, on June 1, 1994, it was \$50,000. But I
20 made sure that was, expired before any of them went out.

21 Q: What do you mean by that?

22 A: It was an invalid appraisal to begin with.

23 Q:, Why do you say that? Why do you say it was
24 invalid?

25 A: Because unless renewed yearly and properly

1 registered, this document becomes null and void.

2 Q: Okay. So if someone had brought that painting
3 back to **you** to have it certified prior to the expiration
4 date

5 A: There's no way. There was no paintings went out.
6 I printed the book up with an expired certificate of
7 authenticity.

8 (Wild laughter by witness.)

9 Oh, I just about fell out of this chair laughing,
10 fell backwards.

11 (Wild laughter by witness.)

12 Excuse me. I'm just losing it here a second. I
13 think-the candy is getting to me.

14 Q: Well, why did you do that?

15 A: Why did I do that? Because I knew what would
16 happen. I knew you guys would show up here. And I'm not a
17 stupid person. Now, if you believe I'm insensitive.

18 Q: Why did you think we would show up?

19 A: Because I know that there's guys like Terry Neal,
20 David Newren, John Worthen, Allen Wolfson, that are died in
21 the wool thieves. They've done time in the penitentiaries.
22 They are out on the streets and they are hoodwinking and
23 cheating people all the way down the line, and I'm not going
24 to stand up for their activities. They've cheated me
25 consistently and continuously with malice. And so I had to

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1 take that into account.

2 . Now, who do we have here? We've got a lamb, man.
3 We've got a dove. And he's going to go out there in the
4 business world with these guys who are hardened criminals
5 and they don't care and they don't care. They would just
6 chew me right up and swallow me and kick me right down the
7 street. Now, how am I going to defend myself if I am all
8 the artists on the planet named Jones.

9 I did come up with some solutions. Number one,
10 give them expired appraisals. They like them just as good
11 as the ones that say they're still good. They'll take an
12 expired appraisal that says it's no good.

13 This guy here is very responsive. I like him.
14 Youknow, with you, you know, you really hold your position.
15 I was wondering whether you were getting it or not or
16 thinking about the next question. But he's good, you know,
17 he keeps me going.

18 Okay. Ask me another question now. I don't know
19 if I answered that.

20 Q: No, that's fine. We're making progress.

21 A: Okay. Good. Now, if I say anything to
22 incriminate myself, somebody speak up.

23 You're going to change the tape?

24 Isn't that funny?

25 (Wild laughter by witness.)

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1 A: 193 dash 194, in San Diego. And it says here,
2 "On June 1, 1994

3 Q: Where are you looking at now? You're looking
4 at

5 A: I'm looking at yeah, I'm still on the paper
6 here, yeah. on the appraisal thing. And it doesn't let's

7 see. You asked me you asked me when this

8 Q: When did you first start putting the information
9 together in bound-black volumes, like the one you're looking
10 at, when did that first happen?

11 A: Oh, that was '90s, early '90s.

12 Q: Early 190s?

13 A: '91, '90. Although I had the stuff that was
14 bound prior to that into the 180s. And I've got corporate
15 collectors that go back into the 170s and into the early
16 180s too.

17 Q: About how many do you have any idea of how many
18 of these were produced, the black books?

19 A: Lots of them. Lots of them.

20 Q: When you say "lots"

21 A: I would say that right now there are ... oh, let me
22 think. I think it would be kind of fun if we go to court,

23 you know,, and the jury and everything has to go through here
24 and go through all this stuff.

25 Anyway, ask me the question again. I was kind of

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1 wandering.

2 Q: I'm just trying to get

3 A: When did I start to put it together?

4 Q: Well, you said early 190s you started bounding in

5 the black book.. -.

6 A: I came up with some 10- and 12-page ones that

7 were stapled earlier than that that I used for many years.

8 I came up with-these aren't the only bound ones that have

9 come out. As far as the numbers on here, there were 10,000

10 of that one printed up that's in your hand. And there were

11 **5000** of the black and white ones printed up.

12 Q: Okay.

13 ..A: I think that's what you wanted.

14 Q: That's exactly.

15 A: Prior to that there was 10,000. Prior to the

16 **5000**,there was 10,000 that weren't hard bound that were

17 printed up.Prior to that 10,000, there was another **3000**

18 that were printed up that went into sets of otherso

19 there's been a lot of them.

20 Go ahead and ask the next question.

21 Q: **Now, on the**still now referring to the book,

22 one side, one page, it says, "Certificate of Authenticity

23 and Appraisal" and the other side if the provenance

24 documents.

25 A: Yeah.

1 Q: In this particular book, there's a list of names.*

2 Can you tell us what that is?

3 A: Sure, I could.

4 Q: 'Could you go through the names?

5 A: Okay. Pamela Weston is the number one supporter

6 on the production of this book on the art, on this package

7 of art that was done right there.

8 Q: Okay. 'And what does that mean?

9 A: That means that on the abstract, she's the number

10 one abstract holder.

11 Q: Does she pay for the painting or

12 A: She put out everything that she had. She located

13 the space and she got the painting and she got the paper.

14 That's why her name's at the top.

15 Q: Okay. And I wasn't even with her when she got

16 it. She got it and gave me a call. And she says, "Hey, I

17 put this thing together'. Come on out." I said okay. I've

18 got some paintings. I'd been working a little bit.

19 Carl Newren is David Newren's father, and Carl

20 Newren was a major supporter and a backup of David to help

21 him produce the art. All right. He put out a lot of cash.

22 Q: Now, wait a minute. In what way? Produced the

23 art in what way?

24 A: All these people right here all these people

25 right here that are on this list right here.

1 Q: In the provenance

2 A:have contributed in one way or another.

3 Q: To the production of the art work.

4 A: To the production of the art work and to the
5 production of this book.

6 Q: And explain the circumstances.

7 A: And they all had to be paid off or free title
8 couldn't go to this. And every one of them had to be paid-
9 off, including this guy right here.

10 Q: Okay. Why don't we go down the list, and if you
11 cantell me, if you know

12 A: I'll talk a little bit about each one. Okay.

13 Q: Yeah. What they contributed and

14 A: Okay. Pamela Weston was the major contributor.

15 She is, in fact, runs the Banker Art Museum and on these
16 particular paintings here provided all of the paint, all of
17 the paper, and the location and the living space for me to
18 stay at when I painted them.

19 Carl Newren and David Newren . David Newren is
20 Carl Newren's son. David Newren is the art dealer, was the

21 **art dealer, and Carl Newren was** into real estate. And as he
22 liquidated his real estate, some of his real estate, he gave
23 the money to Dave and that money was used on paying labor on
24 the production on these pieces here. And that was used,
25 that money from Ca rl Newren, it was labor.

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1 Q: Tell me how that works with labor. You have
2 people help you produce your art work?

3 A: Uh-huh. Oh, not always.

4 Q: But in some cases, you did have paid laborers?

5 A: Everybody does. Everybody does. I always hire
6 the homeless.

7 Q: And how do they help you in producing.... they help
8 you produce paintings, sculptors, both?

9 A: Well, it depends on what the project is, you
10 know. I can have guys cut wood. You know, I can have them
11 glue in pages. I can have them do anything. There's a huge
12 amount of work, busy work, non-talented busy work that can
13 be done in an art studio. Border treatments, edged
14 dippings, varnishing, you know, sorting, racking, bagging,
15 boxing, you know, there's a huge amount of work for
16 everybody to do.

17 Q: Okay., So

18 A: If I don't have a lot of money for help, what I
19 do is I just individual like, you know, the place I'm at
20 right now.

21 Q: So Carl Newren and David Newren contributed in
22 that way.

23 A: Yeah.

24 Q: And they provided

25 A: These guys were great contributors. And Tom

1 Gibson did too.

2 Q: And who is Tom Gibson?

3 A: Now, Tom Gibson is one of David Newren's friends,
4 who was a great contributor and really helped Dave out a
5 lot.

6 Q: How did he contribute? The same way? Did he
7 contribute by giving money?

8 A: No, he didn't have any-cash, he didn't have any
9 cash. He was broke. He had a boat. He gave Dave his boat.
10 He gave Dave his boat.

11 (Laughter)

12 Q: Why are you laughing? When you say he gave Dave
13 his boat, you were laughing.

14 A: Well, he didn't want the boat. And he gave it to
15 Dave. And they were good friends. Held taken it in on a
16 bad debt. I think he's an electrician. Took it in on a bad
17 debt. And he was stuck with the boat. Didn't know what to
18 do with it. Dave come along and Dave had some of my art and
19 he worked with Tom, and Tom took some of the art and gave
20 Dave the boat. Dave sold the boat and we used the money for
21 labor.

22 All right. Global Market Systems and Gallery One
23 are David-Newren's entities. Gallery One was in San Diego
24 where the paintings were painted. They were the front part
25 of the place. There was a little gallery up front, you

1 know. That was Dave's Gallery One. I painted in 50,000
2 square feet in the back.
3 Global Market Systems, that's Dave's whatever
4 he was doing, d/b/a, you know. See, Dave didn't work for

5 me. He was an independent. It wasn't like, oh, I've got an
6 employee here and here's your pay check. I never paid him
7 anything ever. He went out there and he did what he could.
8 As far as Ronald Welborn, it would be nice if it
9 was a two-way communication like you guys had read the stuff
10 and we could talk-aboUt it, but, you know, I realize even

11. though you know what you have read, you know, you can't even

12 say. So I'll just fill you in and pretending that maybe you
13 know something about it.
14 or maybe you don't know nothing about it, and
15 that's what I'll do. I'll explain it like you don't know
16 nothing about it. okay.
17 Okay. So then what happened is we did get the
18 paintings done. Left San Diego and went up to we got all
19 the paintings done but they weren't varnished.
20 Q: Which paintings are you talking about now?
21 A: These ones right here. These up here in the
22 book.
23 Q: All the ones in that book?
24 A: Seven thousand of them.
25 Q: Seven thousand of them. Okay.

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1 A: Seven thousand, 20 inches by 30 inches.

2 Q: And they weren't completed. When did you start
3 the 7000 approximately? What year, do you know?

4 A: When I was in college, I was working on the
5 techniques and I never figured it out. It took me 30 years
6 to figure it out.

7 Q: So you were working on this for a long time.

8 A: This is a lifetime thing, and this is a lifetime
9 feather in my hand. If I go to jail on it, I'll still be
10 proud.

11 Q: So 7000

12 A: Oh, by the way. I'm real privileged the
13 government finally paid attention to me. Excuse me. Okay.

14 Q: Okay. So there were 7000. You're working on
15 them. But yet they weren't ...

16 A: And I had to throw lots of them away.

17 Q: And this is where you were in San Diego.

18 A: Uh-huh. A 50,000-square-foot warehouse.

19 Q: And then what happened after that?

20 A: Well, 'we finished off there and moved up to his
21 grandfather's place in Coleville ... no, not Coleville ... in
22 Walsburg, Utah, up in the mountains ...

23 Q: Whose

24 A: David Newren's grandfather's place.

25 Q: What's his name, his grandfather?

1 A: He's dead now.- It must have been somebody
2 Newren.

3 Q: Okay. Do you know where it's located?

4 A: The house?

5 Q:, The house.

6 A: Yeah. It's in oh, yeah, "Help get Dave." Good
7 idea. Okay. Let's see.

8 You go right up to Walsburg and it's just like
9 the first turn...

10 Q: Walsburg.'... I'm sorry.

11 Walsburg, Utah. It's a little tiny community up
12 in the mountains above Provo. Yeah, he's probably hiding
13 there..

14 Q: Do you know where he is, by the way?

15 A: No, I don't. I haven't spoken to him for several
16 years.

17 Q: Okay.

18 A: What happened is we went up there. We went up to
19 Coleville ... or Walsburg, and we weren't able to get anything
20 done there. It was a small house and Artie went to San
21 Francisco or someplace, and I went to move down to a place
22 in Salt Lake, down into Salt Lake, what is called West
23 Jordan. And I had a big warehouse there and in that
24 location I spent another... I believe it was eight or nine
25 months, varnishing all 7000 pieces.

1 And once I got all the pieces varnished and it
2 was really an ordeal for one guy to do it. But I didn't
3 have any money, you know, I didn't have any real support. I
4 had to do it myself. I'd been working for nine months and
5 it was May 1995, I believe. I was really tired, you know.
6 It had been a hard, hard, hard long thing. And I went and I
7 said, "Man, I've got to get out here. I've been here nine
8 months. I haven't even left this-place." I got an airplane
9 and went to my Oklahoma City studio, which is just a garage
10 down behind a guy's place, you know. And I went over to the
11 studio there and the day I arrived... the day after I
12 arrived, Dave Newren broke the lock in my warehouse and went
13 in there and pulled in a 65-foot trailer, 45, 55, one of
14 those big ones, and completely robbed me of every single one
15 of the paintings, all the books, everything. Completely
16 cleaned the place out.

17 Q: All 7000 paintings?

18 A: Plus

19 Q: Plus all the books?

20 - A: Well, yeah, plus these paintings all in here,

21 some of these paintings in here were in there too he took.

22 Q: Okay.

23 A: Plus other stuff. So I had a psychic something
24 was wrong, and I called Artie and she said she just called
25 up to John Worthen and said Dave Newren was there. Now, we

1 both know John Worthen's done time and that he has
2 encouraged Dave. And I believe that bad company turned Dave
3 weird. I think Dave was okay to begin with and I think the
4 influence, as he got out into the marketplace and he met
5 these big high-ticket con artists, you know, that they
6 twisted him. And he started to steal from me.

7 And he pulled

8 Q: Approximately what year was that that he stole
9 your paintings?

10 A: Well, it was just three months after the art show
11 here. The art show was in March 195, March, April, May. it
12 was in May 195.

13 Okay.

14 A: And I flew back to Salt Lake and contacted the
15 police and they went over and grabbed him and they made him
16 give it all back. And he was wrong, you know, it was the
17 wrong thing to do. It wasn't good. And he had been...

18 Q: Did he-explain why he took your paintings?

19 A: Oh, it was real clear. He had Burl Wolks,
20 W-O-L-K-S, I believe, Philadelphia, had worked out a deal
21 with one of his **guys and set up** an account and it had a
22 quarter of a million dollars in it, and if he delivered the
23 art, they could **draw on the** account. It's one of the
24 contracts I saw. And I don't know how much truth there is
25 in this. A world full of lies and everything, but it might

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1 have been the thing.

2 Q: Do you have a copy of that contract?

3 A: No. No, I just saw it. I turned everything over

4 to Artie and you might have it. You should, you should.

5 Well, it was on that earlier case. You said that

6 isn't the Itex case that I was ...

7 Q: This was something a year ago that you were

8 interviewed...

9 A: A couple of years ago.

10 Q: Okay.

11 A: Yeah. Okay. So I got all the art back. The

12 settlement was I gave him all the sculptures. Now, you know

13 about the sculptures.

14 Q: No. Tell us about the sculptures.

15 A: Okay.

16 Q: He gave you all the art work that he stole.

17 A: I got every single bit of the art work back and I

18 just ...

19 Q: And the books as well?

20 A: I got all the books, all the art work.

21 Q: And you gave him the sculptures.

22 A: That was part ofthat was the settlement. And

23 then we were even.

24 Q: Was there a written settlement?

25 A: Yeah. You've got a copy of it.

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1 Q: All right. well, tell us about the settlement
2 and what sculptures you gave him.

3 A: I don't know how many there were by this, but
4 there was about ... there were 750 made originally and I
5 believe it got down to about 500 to 650 of them that were
6 left. They're approximately .36 inches high, two feet wide,
7 you know, and maybe two and a half or three feet wide, long,
8 you know, something like that. Big double figures. There's
9 pictures of it in the Sky Jones 50-Year Retrospective.
10 There's a complete write-up about the homeless people that I
11 hired to do the thing and what the artistic statement was
12 that I was making summarized in that retrospective. So you
13 kind of know what Sky does.

14 And I gave him those and that was it.

15 Q: Do you know what he did with them?

16 A: I hear stuff all the time. Not very much. The
17 only source I have is through Artie and she said that he
18 had... see, the 800 number, everybody has to call Artie. In
19 this book, they all call her, *you know, if they want to find
20 out what's going on, they call the 800 number.

21 **So she told** me that he had given them to an
22 insurance company or something, something like that. I
23 don't know. An insurance company. You see, my mind is
24 confused. I thought this was the same case as the earlier
25 thing and in the earlier case it was about a bunch of

1 insurance companies too.

2 So I do know that the art work has been used to
3 post bonds and get people out of jail. I know that if ...

4 Q: Who did he get out of jail?

5 A: Me. Okay. Another time

6 Q: What were you in jail for?

7 A: It was illegal possession of marijuana.

8 Q: Okay.

9 A: Okay. That's how I got out. Another time it was
10 used to... the art work was used to provide a bond so that a
11 bail bondsman could open up. In other words, the bail
12 bondsman has got to issue a bond to open up, and they used
13 Sky Jones paintings to issue the bond, that type of thing.

14 Isn't that interesting? Anyway, I had heard
15 about that. Okay. Let's get back to the story.

16 Q: Well, let me ask you just a couple of questions.

17 A: Uh-huh.

18 Q: As I understand it, the reason you were putting
19 these certificates of authenticity and the books together
20 was to keep track of your art work and to keep track of the
21 provenances.

22 How many people have actually signed up as
23 members and have actually...

24 A: One or two.

25 Q: one or two and that's all?

1 A: Uh-huh.
2 Q: What about cash sales of your art work? Do you
3 sell ...
4 A: Me?
5 Q: Yes.
6 A: I'm a manufacturer. I'm an artist. I'm not in
7 sales, although I do have Art Carter but that isn't sales.
8 That ain't Joe Sellers.
9 Q: Have you ever gotten any cash at all for your art
10 work?
11 A: I sold ... yes, I did.
12 Q: Could you tell us about that?
13 A: Yeah. I get money every month. I get a check
14 every single month just like clockwork for prior sales.
15 Q: Who do you get checks from?
16 A: Well, Jim Metcalf sent me some.
17 Q: How much?
18 A: Two hundred bucks this month. That's what I'm
19 living on.
20 Q: Two hundred a month?
21 A: Uh-huh. That's what he sent me the last two or
22 three months.
23 Q: Is it only
24 A: But it's only \$50 a week. But where I live
25 Q: okay.

1 A: I'm sorry.

2 Q: Yeah.

3 A: Junk means anything in the physical universe. if
4 it's valuable, it's not junk. And if it's valuable, you'd
5 better keep it. And so if you're going to move it, you'd
6 better not think it's that valuable. You'd better think
7 it's junk.

8 Q: Okay.

9 A: And as one trader..... traders always refer to each
10 other's stuff as "junk." In the retail merchandising of
11 merchandise, it's always junk. And that is the standard
12 word. I think if you look it up in the dictionary, it's
13 definition number 11.

14 Q: So Mr. Wellborn did send some large trucks to
15 where you were in Salt Lake to pick up the 7000 unfinished
16 pieces of art work to transfer...

17 A: Plus many others. Keep in mind I work by the
18 mile. You are talking to a guy here that personally has
19 painted mileage purposefully. One year all I had was 5888
20 feet long, and it wasn't a 48-inch one. It was more like
21 60. **And I single handedly painted the whole** roll. It was a
22 process. **And it was** a great process. I learned a lot about
23 painting, **and, you know,** some of the good stuff came out of
24 it. I cut some of the pieces up and then repainted on them
25 again. Threw a lot of it away. But I run mileage.

1 Q: So you do a lot of

2 A: I'm a big painter. I'm the biggest painter

3 that's walked on this planet. I hate to say that because it
4 sounds very egocentric and stupid and everything else, but
5 there were 75 55-gallon drums of paint that went in that
6 painting cycle.

7 Q: Well, let's get back to the

8 A: It was Mexicans, Mexican laborers, that under my
9 instructions carried it out step by step and completed the
10 pieces.. And the piece' wasn't an overnight piece. Not just
11 one guy worked on it. These pieces took a month to do.
12 Every single piece took a month to do. And in some cases
13 they took like six weeks.

14 Q: How many workers did you have working, on that?

15 A: It depended. It was anywhere from three to five
16 to 15 or 20, 15 to 21. I like about 21. Twenty to 21 guys
17 working...

18 Q: And you supervise them

19 A: Directly, yeah. And if somebody says, "Well, the
20 Mexicans painted them, didn't they?" "Yeah, well, go get me
21 a Mexican that knows how to paint that, tell him to paint
22 you one." Don't tell me the Mexicans painted it, because
23 Mexicans didn't paint it. I painted it, and I used the
24 Mexicans, hands. They didn't know what they were doing.
25 They just did what I told them to.

1 But, you see, what makes an individual or a group
2 or a nation strong is the number of products, how productive
3 it is. If the individual is real productive, it'll be
4 strong. If a group is productive, it'll be a strong group.
5 If the nation is productive, you've got a lot of gross
6 national product going out, it'll be strong.

7 I'm trying to increase the economy of the U.S. by
8 being very productive and producing art and valuables to go
9 into the economy. That's who I am. That's why I'm here.
10 It might be a dumb thing to do but we'll find out.

11 Q: Can we get back to the ... now, we've got the
12 paintings being I guess packed on these trucks and then
13 they're being...

14 A: Yeah.

15 Q: And Wellborn sent ... where did Mr. Wellborn

16 A: Haltom City. He had them taken up to Clay Street
17 in Haltom City where he was partners with Mr. Henry Simon,
18 who had a warehouse there. Wellborn, to get me to send the
19 paintings, he promised certain things. He promised that we
20 would be able to complete the project and he promised that
21 he would give money to the Banker Art Museum for
22 certification. And he made a lot of promises and he never
23 kept any of them.

24 Q: Can you tell us what he promised? I mean he was
.25 going to get them all certified through the Bankers Art

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1 Museum...

2 A: He was going to pay Artie for every single one of
3 them and he didn't. He ordered me off the property at gun
4 point. He put locks on all the trailers. Keep in mind,
5 you're talking ... you've got a guy sitting across ... I may be
6 a dumb shit, I'm a wimp. I'm not going to fight. I am not
7 going to fight. Might yet, maybe not though, but I'm not
8 going to fight. Why? Because if that bird doesn't sing
9 anymore, he has to go back to the pet shop. And I just got
10 out of the pet shop and I'm going to keep on singing. I am
11 not going back in that pet shop.

12 Now, if this guy thinks that he's going to take
13 the joy out of my spirit, it's real clear that that's what
14 he's trying to do. He lied to me. This guy is really a no
15 good guy. I'm telling you. He was on an ankle bracelet, on
16 parole, and he was committing crimes ...

17 Q: How do you know this?

18 A: Because I talked to hisafter I had the
19 deposition, after the big lawsuit and he stole all my art,
20 just exactly the same thing as Newren. I found out that he
21 was on parole. And he had an ankle bracelet on and had been
22 smuggling, and had pleaded guilty to this and this and this
23 and this, and this. And I said, "I don't believe this-"
24 This was going on and I was sitting there like a lamb at the
25 slaughter. Yeah. Yuck.

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1 So here I am stuck against a rock in a hard spot,
2 still trying to remember what song I'm suppose to be
3 singing, you know, so I don't have to go back to the pet
4 shop. Man, this guy is just crazy. You know, so what do I
5 do?

6 Okay. Let me tell you what happened.
7 I guess you've got to change the tape? Okay.
8 Okay. So here I am over there, I'm working
9 on... I showed you the one that had the Florentine finish,
10 the one painting that I said I started and I didn't finish.
11 Believe me, that technique is an advanced technique. It's
12 very refined and high-minded. It would go with a name like
13 "wellborn," but he pronounces it ""will burn."

14 All right. So I look at that. I knew that there
15 was going to be a problem, so I quit painting. On those
16 paintings that I showed you with a beautiful Florentine
17 surfaces. Man, I'd taken it right up to the peak. That's
18 good, good, high-quality stuff. I just stopped painting. I
19 couldn't go on. The guy had defrauded me. He had me sign
20 blank undated checks, endorse them. He had failed on paying
21 my attorney bill from David Newren, which was \$1700 to \$1800
22 that he promised he would before I ever sent the art out.
23 He just plcrewed me over right down the line, just to get the
24 art, out of pure greed.

25 And I feel so stupid. I feel stupid to even tell

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1 you this because it's happened over and over. And that
2 wasn't the last time. This last guy I was dealing with did
3 the same thing to me.

4 Who was that?

5 A: It wasn't Lennie Lumpkin. That's David Newren in
6 the book. Artie says you asked her who Lennie Lumpkin was.
7 Lennie Lumpkin, in my autobiography, is David.

8 Gene Malone. Gene Malone, M-A-L-O-N-E. Mal one.
9 Bad disposition guy.

10 Q: He also, took your art work?

11 A: Yeah. Let me tell you the story. He said, "Oh,
12 put it in my warehouse. You're having problems with
13 Wellborn here. Okay. We'll get the attorney and
14 everything. Put it in the warehouse over here." Okay.
15 Everything all cool.

16 Um, my key doesn't fit here anymore. "Hey,
17 what's going on?" "Oh, we changed the lock on you."
18 Because there's only two people with keys, me and him. But
19 he's changed the lock on me.

20 Q: All-right. Let me make sure

21 A: So then I had to make a big stink after two
22 months and then I got the art back. But he kept 100 pieces,
23 \$5 million worth. I need a business guy who's not a thief.

24 Q: Now, so the art work just so I know the
25 history. It went to Wellborn's farm or wherever.

1 A: We were not -- trailers, semi-trailers.

2 Q: But then later it went over to the other guy. I

3 mean I think you said Wellborn stole your paintings.

4 A: Uh-huh.

5 Q: Did he give them back?

6 A: He kept Henry Simon, the famous Fort Worth

7 Henry Simon, the big Henry Simon, whose father was the other

8 big Henry Simon...

9 Q: Famous in what way?

10 A: Real estate, heavy real estate, and a big

11 attorney right across from the courthouse. He's right

12 there. A public ... well, anyway, he got him. He's been his

13 attorney for a while. Keep in mind that Wellborn...

14 Q: Wellborn's attorney?

15 A: That's Wellborn's attorney. Henry Simon. So he

16 got ... he was worth \$40 million or \$50 million, started

17 losing his money, and then Wellborn took his money, he told

18 me that he split his money up and gave each one of his

19 children a million dollars in their account and put the

20 other stuff in his wife's name. Took everything out of his

21 name so nobody could get it.

22 Now, the property and everything is in his wife's

23 name and, he owns all these corporations, these Global this,

24 Global that, Global, Global, Global. All these

25 corporations ... I thought there was only one Global. It

1 turns out there's six of them. And he had all six of them.
2 I mean this guy is really a scan artist.

3 Q: Who is this, Simon?

4 A: Ronald Wellborn.

5 Q: Ronald Wellborn. He's the guy that's got all
6 the

7 A: Yeah. Now, he's got **2500** of them. Geez

8 Q: **2500**

9 A: I feel bad about this, you know. I mean the

10 anger and the rage inside of me is extreme. The only reason
11 I haven't done anything violent, even though a lot of the
12 circumstances warrant it, is because I'm a good citizen, as
13 best as I can be. And I do not believe in doing this type
14 of stuff. And if I have to take a beating and lose my
15 art ... see, here I am, I'm talking about it. I don't even
16 care about it in the future.

17 You know, what excites me? I mean I'm combing
18 over the past now, and the past is just a bunch of burnt
19 embers. And he's going to go out there. He's ripped me
20 off. He thinks he's ripped me off. He works for me now.
21 He'll work for me the rest of his life as long as he's got
22 those paintings. He obviously is trying to get his money
23 out of them.

24 But I still feel burnt. You know, I don't know
25 if I'm giving you the wrong idea, but you have to

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1 understand, there's a senior and a junior viewpoint. The
2 junior viewpoint is that he ripped me off. The senior
3 viewpoint is that I hired him and paid him for the rest of
4 hi-s life until he dies. He has to work for me.

5 Now, I don't know which one is the truth, but I'd
6 prefer to look at the ... he did rip me off, but I do prefer
7 to look at the other one ... what is that, 2500. That's how
8 many 20 by 30-inch paintings that-guy stole from me.

9 Q: , So you never got them back.

10 A: No. He's still got them, and the attorneys took

11 800 of them. And not one of those guys has paid one cent
12 for certification. They all have invalid certification.
13 And until they go through the Banker Art Museum, that
14 painting they've got is junk. And furthermore, Terry Neal
15 has got \$20 million worth of my art and I haven't got
16 nothing from it. And he's a criminal thief in the same
17 order that these other guys.

18 And the biggest greatest highest minded thing
19 that Terry Neal came up with was how to come up with the IOU
20 to cheat people. It's called a "due bill." All right? And
21 he's a genius in these due bills. And he's so smart. You
22 know what he figured out? He figured out that all the stock
23 **was and all the money was** and all his paper were was due
24 bills, IOUs. And he didn't really have to ever really honor
25 it. He just put it out.

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1 1 got ripped off \$20.million worth of art work
2 from that guy and he hasn't made good on it. And Artie will
3 tell you about what it is.

4 Q: Well, let's talk about Terry Neal for a minute,
5 since you brought him up.

6 A: Okay.

7 Q: Have you ever talked to Terry Neal?

8 A: Never met him.

9 Q: You've never.him?

10 A-:, I've never met Terry Neal, and I've talked to his
11 son and I sent this stuff down to him, and...

12 Q: Which son did you talk to?

13 A: Michael Neal. You know, you have some media due
14 bills. Oh, let's put some ad on some of the galleries in
15 it. Okay. Here's a four by five transparency he sent to
16 Michael Neal. Now, it says a media due bill, good for this.
17 All right. Let's see if it's any good.

18 Get a note back, "Send us \$350 or **\$400.11** "What
19 for?" "Well, you know, for setup charges." "What? Send
20 the art back and forget about it." Saw it was a rip off
21 **right away.**

22 Q: So in other words you had to put out

23 A:, Cash.

24 Q: \$300 or \$400 cash to them to use the media.

25 A: Yeah. It was a complete rip off. Okay. That

1 was with his son.

2 Q: Can you identify the media time that you know

3 A: Yeah. There was a couple of them. There was a

4 Courier Ives & Neal, is the same to remember it, you know.

5 Q: Courier, Ives & Neal?

6 A: Courier, Ives & Neal, right.

7 Q: Okay. It was media time

8 A: Yeah. It was media time that was no good. Now,

9 in my heart, you know, I make a lot of music. You guys have
10 got'a copy of my tape, didn't you? Star Walker.

11 Q: Yes, we did.

12 A: Good. Okay. Listen to the words, because

13 they're pertinent to the case. All right. Let's pay

14 attention because there's a lot of between-the-line stuff on

15 is those words. You know, you want to listen to those lyrics

16 real close. All right. There's some hidden messages, you

17 know.

18 (Laughter.) I'm just teasing.

19 Okay. Now, I tried to get the .. I wanted to do

2*0 my music with Haydon due bills. Dave said, "110h, here's

21 some." I called Haydon on the phone and I talked to him. I

22 called Ives. I mean they didn't have any equipment. They

23 didn't have anything. It was completely bogus, and there

24 was no way I could get anything done. I couldn't get any

25 musicians, no studio musicians. No recording studio. They

1 didn't have any recording time or studio time. They didn't
2 have any 24-track digital studios and any of that.

3 So I said "Well, this is bogus." And it hurts,
4 you know. You put out \$20 million worth of art and the guys
5 give you something and just drop it.

6 Q: Now, when you say \$20 million worth, do you know
7 approximately how many pieces of art that was, that
8 represented?

9 A: I would imagine..... no, I have no idea. I never
10 even saw them. David would come in and just grab the art
11 and take it out. He'd throw out all the books and run off.

12 Q: Just so ... David would basically take the art
13 work, then he would give it to Terry Neal and Itex?

14 A: He's give it to where he gave it, and he gave it
15 out to a lot of places.

16 Q: And then in exchange for

17 A: Whatever he

18 Q: the art work, he would give you these due
19 bills, these media due bills that we're talking about.

20 A: I didn't take possession of anything. I wouldn't
21 take possession of it. I put the art out. Some third party
22 would take possession of it. Him or Artie. I don't want
23 it. And there's a reason I don't want it.

24 Q: Why is that?

25 A: Because an IOU is based on belief an~ IOU or a

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1 due bill or scrip is based on the word of a man that he will
2 deliver something, not based on anything else. And I have
3 found, watching the Nature channel on TV, that mankind isn't
4 going to act any different than the rest of the animals. He
5 believes it's okay to steal a base, he thinks it's okay to
6 use brute force to get to the game.

7 There's competition going on in capitalism, you
8 know. Run the guy down, to produce a better product and
9 destroy him. And it goes down to an individual basis. All
10 of a sudden we're on a competitive leg, or competitive
11 thing. You are competing with me. I'm an artist, you're an
12 artist. So there's a fire. There's a basic contention that
13 happens that's not too healthy.

14 Anyway, what were you asking?

15 Q: Well, the \$20 million worth, do you know what
16 Itex did with it?

17 A: oh.

18 Q: The \$20 million worth of art work.

19 A: Yeah. Oh, okay. Here's what I know. Now, keep
20 in mind, I keep away from the business. I can't stand
21 having papers around me, and I don't want to be lied to.
22 But every time David Newren would come around and say,
23 "What's the lie for the day?" because he was a chronic liar
24 to me. He never would tell me the truth. He **would** attempt
25 to control me by lies, because if I didn't know what was

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1 going on, then he figured that I would have no way out I
2 could respond. So he did this.

3 What he did was that him and Terry Neal, Dave
4 told me this now, he told me a lot of lies. But he told

5 me that him and Terry Neal had established an offshore trust
6 called Rose Trust, I believe the name was. And that they,
7 had done some thing that was a great idea. Him and Terry
8 got together and did some thing. Now, Dave and Terry Neal
9 were very close. Even though I have never personally met
10 Terry Neal. I don't know whether Artie has either. I don't
11 believe-she's even met him either. But those two guys, Dave
12 and Terry Neal, were very close and they conspired to do a
13 ./lot Pf things.

14 What I . the only real inside information that I
15 have.is that this offshore thing was used to launder Itex

16 trade dollars so that they would be tax free, I think, and
17 that the Banker Art Museum account supposedly would be an

18 interest-free account. This is how this came up that I know
19 of.

20 The other thing that I can say is that . I mean
21 **the only twoI only know** a couple of criminal things.

22 That's kind of criminal right there. The other thing was
23 John Worthen takes his stock and a way launders his
24 money... this is John Worthen with Fuji and some of these
25 other bogus whatevers. Green something. Do you know...

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1 Q: Greenway Environmental?

2 A: , Yeah. I think that might be one of them.

3 Anyway, the way he launders his money, this is
4 what Dave told me, and all I have is secondhand information,
5 but he sends his money to Toronto, to a stock brokerage firm
6 up there, and from the Ptock brokerage firm in Toronto,
7 that's where the cash is transferred down to Belize, where
8 John has holdings down there. Hesays he has a lumber
9 company or something that he has down there.

10 So I do know of this criminal stuff that I just
11 mentioned.

12 Q: Do you know John Worthen personally?

13 A: I wish I didn't. I've been up to his house six
14 or seven ... well, let's say I've probably seen him 15 times
15 is totally, and.Dave Newren introduced me to him.

16 Q: Do you know approximately when that was?

17 A: Yeah. It was just before I came out here. And I
18 haven't seen him since. And it was just prior to John
19 Worthen attested. I'm a sneaky guy, you know. I said,
20 "Well, John, I'll be leaving town." I had an emerald I sold
21 him, you know, because I had to have some money. A pretty
22 little green emerald. And he gave me a few bucks. And that
23 may be the only time I ever got any money from him. That
24 may have been the only time right there.

25 But anyway, I said, "Well, I'll be leaVing town.

1 I'm going to go to my Oklahoma studio." He says, . "Oh, yeah,
2 how long are you going to be gone? Oh, okay." I didn't
3 tell anybody else.

4 The very next day Dave broke in. So it was John
5 Worthen and Dave who were working in cahoots. John Worthen
6 and Dave very close. And it was John Worthen that told Dave
7 I was coming ... that I was leaving, for him to fly in and put
8 up the cash for him to get everything and to have the
9 trailers shipped to Philadelphia to this other place that,
10 you know, that I showed up and ruined everything for them.

11 Q: Did you ever receive any Itex Corporation stock
12 for any of the paintings?

13 A: I never had any Itex stock. It's a public
14 corporation though.

15 is Q: Yes, it is.

16 A: I know that. I'd like to have stock in both of
17 those guys, but I haven't got any in either one.

18 Now, I may be wrong. Maybe I have some. But I
19 have never personally received any stock certificate in my
20 name or anything. You'd have to talk to Artie and if she
21 would have had it, I believe she would have told me.

22 Q: Is there anybody involved in Bankers Art Museum
23 other than Artie Freestone and you? You are the only two?

24 A: Forever and for life.

25 MR. KINSEY: Why don't we take a short break.

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1 THE WITNESS: Do you guys smoke?

2 MR. KINSEY: We're going to take a break. It's

3 now 11:30.

4 Off the record at 11:30.

5 (whereupon, a brief recess was taken.)

6 MR. KINSEY: We're back on the record now. It's

7 approximately 11:40.

8 There were no matters of substance discussed

9 during the break.

10 BY MR. KINSEY:

11 Q: Sky, just before we went off the record and we
12 took the break, you were talking about a number of people
13 that you thought had taken advantage of you. And we talked
14 about a couple of those. We talked about John Worthen.

15 A: Uh-huh.

16 Q: We talked about David Newren.

17 A: Uh-huh.

18 Q: We talked about Terry Neal. But you named some
19 other people too.

20 Who were some of the other people that you've had
21 dealings with that you think took advantage of you?

22 A: Allen Wolfson, unquestionably.

23 Q: Well, let's talk about Allen Wolfson for a
24 minute.

25 How do you know Allen Wolfson?

1 A: My brother had a building in Salt Lake. My
2 brother bought a building in Salt Lake.

3 Q: What's your brother's name?

4 A: My brother's named Arlan.

5 Q: Arlan?

6 A: Arlan Whipple. He bought a building in Salt Lake
7 with his partner and told me to come on in. I was in Los
8 Angeles at the time. And he said, "Come on in. You can use
9 this building and put Banker Art Museum in there." And
10 there's pictures in the 50-Year Retrospective of the big
11 sign I had. And I repainted the building for him and
12 everything.

13 That lasted for nine months or a year, something
14 like that. And I was having some problems with him. And,
15 you know, he wanted me to leave, so I moved out of the
16 place.

17 And Allen Wilson had got out of prison in Florida
18 for having bribed ... they had found him guilty of bribing
19 city officials in some form of paper real estate fraud that
20 I had read the newspaper articles on that he had collected,
21 and I had read it in the thing in his office.

22 Now, he was ordered by the Feds not to conduct
23 business-or anything dealing with the stock market I believe
24 is what it was. So he started a business calling himself
25 something like ABC Management, I believe it might have been.

1 1 can't remember what it was. And that's something
2 Management. And he went around and solicited agreements
3 from people based on different clever conceptual ideas he
4 could. You know, for example, you are going bankrupt. You
5 are not being able to pay your money in your big printing
6 company here. Why don't we issue some stock and put you in
7 a corporation that has some other stuff, and the corporation
8 will own this. And then maybe with these other things we

9 can borrow some money and get you out of debt, and get you
10 some new equipment.

11 Well, the guy thinks this is an actual case
12 example, because I talked to the printer. Well, the printer

13 thinks, well, geez, maybe I can get something going here.

14 Maybe this is anit's the only option that's come up. So
15 he says okay. So he signs over his business and everything
16 to Allen's. And Allen won't sign any papers. He knows what
17 sent him to jail before was signing his name on papers.

18 So he has his down line, all of his name signers.
19 These are guys that are executives over his corporations.
20 The same as Ronald Wellborn, the s ame as John Worthen, every
21 one of these **guys plays** the same way.

22 Anyway, Artie had traded for a large amount of
23 paper that is being traded for, and Allen Wolfson says,
24 "I'll pay for shipping on it." So he pulls it in and ships
25 it over to this printer, puts it over to the printer's

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1 place.

2 Q: What type of paper is it?

3 A: Printing paper.

4 Q: Printer paper.

5 A: Printing paper that a printer would use.

6 So they shipped it over there, and then all of a
7 sudden we don't have the access to it and we can't use any
8 more of it, and the printer is not going to print anything
9 up for us, and then a long series of things happened with
10 Allen Wolfson against Artie, where he took her car, he had
11 her arrested he had her arrested, he tried to confiscate
12 her belongings, oh, he went through all kinds of garbage.
13 It was a big headache for her. And she probably gave you
14 the inside info on what she perceived happened.

15 But he . the guy is . Allen Wolfson is a wolf.
16 All, A-L-L, wolf.

17 Q: Did he ever get any of your art work?

18 A: He got 10 pieces that . what happened is I moved
19 out of my brother's place. And I moved into the building

20 that Wolfson was in, and I told him I would stay there for
21 two months. And he said all right.

22 And I **said, "And I'm going to be painting here."**

23 And he says all right. And I said, "Art's-good. Art's
24 good. Art's valuable." And I got him excited. And he went
25 out there and he contacted many, many, .many artists in Utah

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1 and put on a big show in an S&L building that had closed
2 down on First South and main Street in Salt Lake. Did a
3 great big art show, had a caterer and stuff, and had a lot
4 of activity and **SO** forth. And that's where I met David
5 Newren was, at that art show.

6 And he had known . well, he had known Wolfson and
7 that's where I met him. David Newren was repping a guy by
8 the name of Johnson who was a sculpture of bronzes that
9 Newren had produced some of the edition of bronzes with
10 investors for this artist, and these pieces were on display
11 there.

12 Q: What year was this?

13 A: This was ... it must have been really close to '92,
14 you know.

15 is Q: So you met . that's where you met him at this
16 show.

17 A: Wolfson's art show.

18 Q: Now, was your art work displayed?

19 A: Yeah. There were a couple of big four by one
20 or two big four-by-eight-foot pieces.

21 **When I left Wolfson** had taken and locked up 10 of
22 my pieces, each piece market value, high retail we'll call
23 it, at \$100,000 a **piece and** he had never paid for them.

24 Later on, when we came-several years later,
25 after we had gone to San Diego and painted the 7000, and

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1 were looking for a warehouse, Dave Newren went over to Allen
2 Wolfson's and Wolfson says, "Well, you can have this
3 warehouse over here," so Newren did a deal with him. But I
wouldn't even speak to Wolfson because he was a fake.

5 Newren did a deal with Wolfson for the warehouse.
6 Or Canton Industries, which was one of Wilson's down line
7 corporations, Canton, I believe, and so I went and moved
8 into that warehouse.

9 Now, one of the collectors of mine, by the name
10 of Darrell Sheperd, had a semi-load full of wool, upholstery
11 fabric, used for airlines that he then traded Dave my art
12 work for the wool. Allen Wolfson... I don't know. I hate to
13 even, start talking about this. I feel so stupid and I feel
14 like such a dumb cluck but I'm just going to keep talking
15 about this.

16 Okay. So all of a sudden Wolfson is over at the
17 warehouse and he said, "Well, we come over here with the
18 CPAs to go over all the wool here and see what's all here."
19 I say, "What are you doing that for? It belongs to me. it
20 was my art that bought it." "Oh, well, we're just doing it.
21 We're working with Dave. You've got to let us in there and
22 do... And I'm going, "Man... "And it was, you know, I
23 mean it was ... it's just negative, it's just negative. They
24 came in. They took all the wool, you know, removed all the

25 wool. Now...

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1 be unfortunately possession is 90 percent of the law or
2 whatever.

3 Here's what I problem is. I'll explain what my
problem is. As I go through life, as I make my way through
5 life, negative things happen where people unfortunately
6 they plan it out ahead of it, like it's premedi tated.
7 Premeditated things. or sometimes it comes to them after
8 they've been around a while, and then they steal something
9 from you or do something.

10 Now, this place-I'm living in this crummy place
11 here. I showed you the pictures of it. The kid over there,
12 I didn't have any cash. And I run below the
level of

13 poverty for spiritual reasons. I haven't explained to you
14 how that works for me, why I'm doing it. But I will, you
is know, we'll probably get on to that.

16 So he goes over there and the first thing he does
17 is I give him some trading goods. I take him a great big
18 long knife that cost \$150 that the store called an
19 "undertaker." It's all curlicued and everything, you know.
20 And then I give him three Samurai swords, you know, these
21 big three Samurai swords. And then I give him the guy is
22 doing automotive stuff, and so then I give him this charger
23 for **charging his battery**, because he hasn't got one and he's
24 running back ~and forth, you know. And then I give him it
25 goes down on this list of things I give him.

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1 Q: How much was the wool worth?

2 A: Well, it was worth \$60 a yard and each roll was
3 60 yards. So it was \$3600 a roll is what the airlines would
4 have to pay for it. That's, .of course, you know...

5 Q: And how much art work did you give up for that?

6 A: In the millions, you know. Huge amounts, huge
7 amounts. I can't ... I don't know. I really don't know. I
8 didn't do the deal.

9 Q: But David Newren did the deal?

10 A: David did the deal on that.

11 Q: Did it with Sheperd, Darrell Sheperd?

12 A: Yeah. And the wool went into Allen Wolfson and I
13 never.could get any of it. It's just like ... I was
14 constantly being bypassed and no respect for my position.

15 Q: So he ended up taking the wool.

16 A: Yeah.

17 Q: And he also took 10 pieces of your

18 A: He told the 10 paintings. Recently Artie told me
~19 that the IRS has contacted her and said, "Hey, we've got
20 Allen Wolfson here. It's the matter of these paintings
21 here. Trying to declare them on his tax." I said, "Artie,
22 you make sure, that they know he never paid one red cent for
23 any of those paintings, and he has not paid for them. And,
24 in fact, they still belong to me."

25 And that, in fact, is the case. It should

1 So then I say.. I tell him, "The reason I'm
2 giving him, and I give him a nice little rug or

3 something, you know, a wall rug. I said, "The reason I'm
4 giving you this is for the electricity for the place here.,,
5 I'll just run a cord off here. 110h, okay," he says.

6 As soon as he gets everything, he cuts off the
7 electricity. He cuts the cord twice. Cuts the-cord.

8 Q: When you say "he," who are you referring to?

9 A: I'm talking to a guy by the name of Tom Page.'
10 He's a kid that lives in this other crappy little trailer by
11 my big crappy trailer. He's paying \$350 a month to be on
12 the property there and he's got a garage over there and does
13 automotive stuff, so

14 Now, he beats his dogs. He yells at his wife.
15 Every single day I can hear him screaming at her. Heavy
16 methamphetamine habit. Methamphetamine is very bad. When
17 they crash, they get mean. They scream and everything.
18 It's pretty heavy here in the midwest. Much more so than on
19 the West Coast where I come from.

20 But so . and then he turns off the electricity
21 twice more. I'm giving you a very important thing here that

22 you should know. He turns it off twice more. Now, at that
23 **point I turn into a buddha.** It doesn't matter how hot it is
24 or how wet it is or how bad the mosquitos is. I'm not going
25 to do anything except continue on my work, and I'm not going

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1 to put up with this.

2 And so I allowed it to pass. And for the last
3 six weeks I haven't even had a fan blowing to keep me cool
4 and it's been very, very rough. But it's spiritually
5 strengthened me. Now, I could have gone over and fought him
6 and put up a big stink and done whatever I could to get that
7 turned back on, and I could have done a big stink with Allen
8 Wolfson and John and all these guys, but you know something?
9 If I get out there causing trouble like this, I'm not happy.
10 The spirit leaves me. How much is something that I've lost
11 really worth versus what I can create in the exact same
12 amount of time.

13 Now, if I weigh that, what I have to do is I have
14 to adopt a working mode of walking from crime instead of
15 fighting. So I'll take a loss, and I don't fight back. if
16 he gets it from me, I try to figure out how I can get it
17 back, you know, without doing too much. But like this last
18 thing with Wellborn. He ends up with **2500** pieces, 20 by 30
19 plus, about 400 pieces, three foot by four foot, that I
20 Pever even finished.

21 **These attorneys** are trying to get an okay for him
22 to give them a name and sign them on his settlement, and I'm
23 looking at this, and I'm thinking this is sick, sick, sick,
24 sick. I don't want anything to do with it anymore.

And so what I've done is I've practiced a policy

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1 of just walking. And I don't care about it because in my
2 world the thought of a beautiful creative piece of work, and
3 those actions that are necessary at each step-of the way
4 over a period of time to create that beautiful piece of work
5 can't be compared. It can't be alloyed with anything. The
6 reason is is because all of these other distractions are
7 going to lower the grade of what my mind is on.

8 And so I don't care what's gone down the river.
9 I hope somebody like you guys come along and say, "Wait a
10 second. You guys are booking this stuff on your books and
11 you didn't ever pay for it. You stole it from the guy and
12 it hasn't even been certified by the Banker Art Museum.
13 They. haven't even had a chance to get over and you walked
14 right off with their stuff. That's not okay and you can't
15 is put it on your books. And take them off right now and you
16 can get on with whatever." Hopefully somebody comes along
17 to... I'm not going to be the one. Hopefully Artie can do
18 it. I can't be the one.

19 Q: But they're trading these paintings of yours
20 based on the appraisals that you put on them initially even
21 though they didn't have them certified.

22 A: Oh, they're trading I understand that.

23 Q:- I'm asking a question. Is that correct?

24 A: They're trading them on prices established before
25 I issued my appraisals. And if you look at the exact

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1 wording... let's look at the exact wording of what his
2 appraisal says because it is important, because I was very
3 conscientious when I worded it. Because I knew...I knew

4 there would be there's always problems with this type of
5 stuff, you know.

6 So what I did, I said the replacement cost of the
7 above-mentioned piece on June 1, 1994, was 50,000 bucks.
8 Just the estimate. I used the word "estimate." It doesn't
9 include taxes. And it says that if it's not yearly and
10 properly registered, this is a null and void document.

11 Now, there's important reasons that this must be
12 properly registered or it will become null and void.

13 ..Q: And explain that for us, if you will.

14 A: Okay. First of all, all these things aren't what
15 they look like. The guys are out there passing them around
16 and they you know, you've got to qualify. Well, what is
17 this? What is it really? All right. Well, it happens to
18 be that these pieces right here were produced under my
19 direction but not by my hand directly. And unless these
20 things are registered with the Banker Art Museum and the
21 guy remember he's not even got access to that information.

22 The guy is going to be lying to him, you see. I
23 didn't touchI*can't say I didn't paint on them. I

24 painted on-every single one of them, okay, because I'm the
25 one that varnished them. And I directed everybody on how

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1 to do them and I'm the one that invented the technique,
2 after a huge amount of research. But the guys are out there
3 pretending that the Banker Art Museum has sanctioned and
4 authorized thi-s appraisal. Not one of these things is
5 supposed to be out. You could probably say there's a dozen
6 of these that were supposed to be out that actually
7 something really right happened. Every single other one,
8 all the ones that Wellborn has based ... the way that they
9 obtained these things was fraudulent.

10 Now, it was my intention to place this in a
11 situation where it did the very best good and the thing
12 would be open. But business is really weird, you know. If
13 you,look at the dictionary and you open up "capitalism,"
14 you'll say it's the philosophy, a workable philosophy,
15 financial philosophy, that's competition between two
16 entities. And the one that can produce the cheapest
17 product, cheapest product, you know, and the best product,
18 will run the other guy out of business.

19 So you've got a competitive element right there
20 immediately and on an HBO and everything, the guys were
21 **always watching the fighting** matches and they're watching
22 the sports where the guys beat each other, and they turn
23 **around and a guy like** me comes over here.
24 My last poster did you guys get a copy of the
25 poster "Angel of Peace"?

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1 Q: Yes, we did.

2 A: Two doves sitting on an angel of peace. I said,

3 oh, don't do angel of peace. Do fire angels or something.

4 But an angel of peace. 'Now what's an angel of peace of

5 going to do? Geez. Two days ago dove hunting season opened

6 up. All I can hear is, you know, gun fire.

7 Anyway, let's go on to the next question.

8 Q: All right. Let me move on. I want to run a few

9 names by you to see if you recognize the names of ... these

10 are names of entities that supposedly own Sky Jones art

11 work.

12 A: okay.

13 Q: And just see if you know about them.

14 A: All right.

15 Q: A company by the name of The Best of American

16 Art, Inc.

17 A: I've never heard of them.

18 Q: This company

19 A: If you know some names that go along with them,

20 tell me too.. I might recognize the names.

21 Q: Yeah. Well, I think Ronald Wellborn was involved

22 in The Best of American Art, Inc., as far as I know.

23 A:., See, I didn't even know this until right now.

24 Q: There's supposedly 100 pieces of art, Sky Jones

25 art work, valued at \$5 million owned by The Best of American

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1 Art, Inc.

2 Do you know anything about that?

3 A: Un-uh. He's got so many, he's putting them out
4 all over the place and covering his butt on it, and he
5 should be gone after with a electric gravel smasher, you
6 know.

7 Q: Now, there's another company by the name of The
8 Lincoln Health Fund, Inc., that supposedly has 120 works of
9 Sky Jones valued at \$6 million. This is also Ronald
Wellborn. Do you know anything about those paintings?

11 A: No, I don't. Lincoln? These are names

12 Q: This is The Lincoln Health Fund

13 A: These are names that this guy has made up for
14 corporations that he has opened up. Here's his plan. open
15 up a corporation. Put in apparently \$5 or \$10 million worth
16 of art and get it ... what he does is he goes to one of the
17 big six CPA firms, like ... give me some names.

18 MR. TODD: Price Waterhouse.

19 THE WITNESS: Price Waterhouse.

20 And he has those people come down there and do
21 the CPA work on the thing. They get the very best -- and
22 then he goes out there and tries to sell the corporation.
23 Sell the-company to somebody offshore, or something like
24 that. This is going on right now.

You know, I'll workwith you guys. If you want

1 to shut anything down, hey, I'm standing right by your side.
2 I am a good citizen, a U.S. Government supporter, you know.
3 And if there's anything wrong, I'll back you guys up.

4 Because I don't think it's right what he's doing
5 with my stuff. I haven't been paid. You know, he's cheated
6 me and I'm not in a position to stand up and fight. I need
7 somebody to help me.

8 BY MR. KINSEY:

9 Q: So anyway, as you understand it, they're trading
10 this art work for stock in companies and they're basically
11 putting the art work on the company's books?

12 A: They put the art work on the company's books to
13 increase the asset base because it goes on there better than
14 raw land. This art work actually books better per you
15 know, than raw land because it's got more solvency perhaps
16 or something like that.

17 Q: Now, these values that they are attaching to
18 these

19 A: They're all bogus. They're all bogus, 100
20 percent bogus.

21 Q: Why do you say they're bogus?

22 A: Because they didn't pay that for it. And they
23 haven't had it certified and they haven't gone down and had
24 any backup to pay for it. They don't pay for it. It's not
25 worth that much. If it's not official, it's not worth that

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1 much. And it isn't worth that much. And I don't care who's
2 putt ing it out there and who's saying it, if it didn't go
3 through Artie or if it didn't go through me and they've
4 cheated us somehow, it's not worth that, and we will fight
5 them right down the line, because we haven't been paid.

6 Q: okay.

7 A: Do,you see? And we'll back you up and these
8 things ... for example, this painting right here hasn't been
9 edge dipped. I know I didn't finish this one off. And I
10 know that Wellborn doesn't have any that are edge dipped.
11 Now, I use special gold to edge dip the pieces so it's got a
12 half-inch border around the thing. And if it's not edge
13 dipped, it's not finished. And it's a low.-grade thing.

14 Another thing, these things didn't get a chance
15 is to get picked through and all the junky ones picked out. He
16 went in there and he grabbed the whole thing before I was
17 even done. We didn't even have boxes for everything. We
18 didn't even have boxes for everything. There were big piles
19 like this of paintings that weren't even finished. This guy
20 was no good. He ordered me off his property at gun point.
21 I called 911 and said, "Get back here. Let me get in there
22 and at least get my stuff out of the damn trailer."

23 I got in there and got my stuff. 911 shows up
24 and he says, "Get this guy off my property. I want him
25 arrested right now for trespassing." Over here there's

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1 three semis loaded with my art.

2 Okay. So where does that place me. Off his
3 property with him in possession of my art work and no
4 recourse. He lied to me about paying the attorneys. He
5 lied

6 Anyway, let's go on. Ask me some more questions.

7 Q: Whatabout Churchill Advancements, Inc.? Have
8 you ever heard of that company?

9 A: No. It sounds like David.

10 Q: The American Heritage Gallery, Inc.?

11 A: Never heard of either one of those.

12 Q: Howabout Kingsland Galleries, Inc.?

13 A: Haven't heard of that one either.

14 Q: These entities allegedly had 368 works of Sky
15 Jones valued at \$18,400,000.

16 Do you know anything about that art work?

17 A: I would recommend seeing a bill of sale of
18 exactly where they came from and who was paid to verify the
19 values on it before it's booked. If they in fact paid it,
20 and they can verify that they paid it, then that's the real
21 price. If **they didn't** and there is something there. A
22 guy might steal it from me and then make this guy pay and
23 then for this guy, it's got to be real.

24 You see, it's a different area. No, I don't know
.25 these companies here.

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1 Q: Well, here's another set of it's 425 works of
2 art that's owned by Churchill Advancements, Inc., valued at
3 **\$21,250,000**. Here's another 98 works of art for \$24
4 million.

5 I mean there's a lot of art work. Here's
6 NuOasis ...

7 A: NuOasis.

8 Q: Do you know that name, Nuoasis?

9 A: I've heard of that. That's a gambling company in
10 Nevada. David Newren did something with them. There
11 is ... oh, oh. Do they have a million-and-a-half-dollar
12 painting? I think somebody downloaded it on the Internet.

13 According to this, they had eight works of Sky
14 Jones valued at \$2 million. This was in February of '95.

is A: I don't know. The distribution method that David
16 Newren used was unusual. He would just take the art and
17 drop a million packages off and he wouldn't even get a
18 receipt or nothing. And they'd just say, "Oh, here's a
19 million dollars for you," you know.

20 Q: Is it really worth that retail? I mean if you
21 were...

22 A: Prior to me listen. Prior to me
I myself

23 moved over 100 of my paintings for over \$100,000 a piece.
24 The first appraisers ... I am a good salesman. The first
25 appraisers that were appraising which was a Gerlach, Arnie

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1 White, and one other guy down in Orange County. Those
2 people were furnished with the information of these 100
3 paintings that had been sold. Now, this is back in the
4 170s. It might have been late 170s.

5 Now, David Gerlach. I'll give it to you again.

6 David Gerlach, Arnold White, which is The Winner's Circle
7 Gallery, and there's another gallery down in Orange County
8 someplace. You have copies of all-of these earlier
9 appraisals. And prior to these early appraisals ...

10 Q: Now, I'm not sure, just for the record

11 A: Michael Whipple-it's all Michael Whipple stuff.

12 Q: Yeah, I'm not sure that I have it. I just want

13 to make sure ... is it something that ...

14 A: You do. I know you do.

15 Q: Is this something that Pamela Weston produced?

16 A: Yeah, sure. Michael Whipple, the Man and His

17 Art, that big fat ... that thing that's that thick. That's

18 got the copies of it in it.

19 Q: Okay. We'll look at that, we'll look at that.

20 A: Yes. That's all the Michael Whipple stuff.

21 Q: So anyway, you were going to tell me about David

22 Gerlach and Arnold White. They were doing appraisals for

23 you in the 170s?

24 A: Well, they offered a few appraisals. It might
25 have been early 180s, 180, 181. It might have been 179.

1 Q: And what did they appraise your art for?

2 A: They ran..... it was mainly prints, but the gallery
3 in Orange County appraised some paintings for the Home Bank

4 in Cherry Hill down by Long Beach.

5 Do you have Home Bank's name yet? This is the
6 first you've heard of it?

7 Q: The first I've heard of it.

8 A: Okay. Home Bank has about a \$2 million or \$3
9 million collection all painted by me. No question about it.
10 For sure, hard ball good stuff. And its appraiser appraised
11 it \$65,000 to \$100,000 a piece. And this other gallery did
12 that. Now, he based his appraisals I don't even know if
13 he's still in business. You know, it's been quite a
few
14 years. I can't remember his name either. We've got the
is
papers, you've got the paper.

16 Anyway, there are many other corporations, you
17 know I don't know.

18 Anyway, go ahead. Let's go on.

19 Q: I was just trying to figure out, you know, I was
20 reading through here. I think there's-of all the art
21 **work, here's** a Villa de Rive in Las Vegas, Nevada, 514 Sky
22 Jones at \$16.6 million. But when you total all these
up,
23 there's,-you know, appraised values of I think it's over
24 2713 pieces of art work in this one schedule that I have
25 here that represents over \$126 million in art work.

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1 A: Uh-huh.

2 Q: And I'm just wondering of those pieces do you
3 have any idea if those are accurate.

4 A: If, you guys want to assume the viewpoint they
5 aren't, I'll fight with you all the way down the line
6 because unless the papers are done right, they're not right.
7 And these guys ... I haven't been paid for them and it hurts.

8 Q: And you

9 A: And for them to go over there and say, "Hey,
10 we've got this stuff and it's worth something." "It ain't
11 worth nothing. You didn't pay the artist, it's junk. We
12 talked to the artist. He comes in here. He says those
13 pieces you guys have got there, they aren't worth anything.
14 And he says the reason they aren't worth anything is because
15 he was never paid for it and he never even finished them."

16 Q: Yeah. And actually, and I'll continue on the
17 list, there's I guess a total of ... based on these appraisals
18 that I'm going over with you now, there's 5699 Sky Jones out
19 there that have been appraised at ...

20 A: 5669

21 Q: 5669, valued at \$275,327,000.

22- A: Every one of them have these?

23 Q: I don't know. I'm asking you if you know

24 anything about them.

25 A: I couldn't possibly they couldn't all possibly

1 have.booked, but there is a guy by the name of Bill Ghores
2 that Artie has a lawsuit on currently, and I think he's got
3 something like \$20 million worth of this stuff.
4 G-H-0-R-E-S. And he's in Las Vegas, a big developer that
5 just took him. The guys just take them, you know. They
6 don't pay them.

7 See, unfortunately in this society, the boys that
8 just grab something and take it tend to have and collect
9 more than the rest of us.

10 Q:, Okay. Do you didn't really recognize those
11 names.

12 A: No. Also I'd have to look at the paintings
13 because there are forgeries going on. This stuff is hard to
14 forge but certain of the styles I use aren't too hard to
15 forge, some of the earlier Whipple stuff. So some of these
16 could have been forged and put together by David Newren or
17 something, but I pretty much did a signatory thing so I can
18 tell by looking. I can tell if it's mine or not.

19 Q: Okay. Let me let's shift gears for a minute.

20 A: Okay.

21 Q: I have some documents I want to ask you to look
22 at.

23 A:- Uh-huh. **But you have** to keep in mind also that
24 Nobler Publishing put out the Leroy Neiman prints, you know,
25 and we're talking **\$20,000/\$25,000** a piece. And now they've

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1 been used to ... you know, capitalized, you know,
2 corporations. They're around all over the place, Neiman.

3 Q: I had some art work that Itex Corporation
4 acquired, that I'd like to ask you about.

5 A: Okay.

6 Q: And in connection with those, we have there
7 were some appraisals that were prepared by a company by the
8 name of National Institute of Appraisers in California.

9 Do you know that name?

10 A: I've never met him but I know who he is. I
11 talked to him on the phone once.

12 Q: When you say "he," who are you referring to?

13 .. A: I don't know. He's the guy that runs it.
14 There's two guys. one of them runs it. And I told him
15 that ...

16 Q: Ed oakhill, does that ring a bell with you?

17 A: I think it's on your list.

18 Q: Ed Alba?

19 A: Ed Alba or something. Yeah, that's it right
20 there.

21 Q: Okay.

22 A: I talked to him. And I told him that many of the
23 pieces that he was appraising and that he should ... you know,
24 he should watch out because everything wasn't what it looked
25 like. I told him that there are absolutely no three-foot by

1 four-foot paintings done in **1992, 193** and 194 that are
2 finished by Sky Jones.

3 Q: So there was no three-foot by four-foot
4 paintings.

5 A: No. There are no three-foot by four-foot pieces
6 finished, **192, '93, or 194** by Sky Jones. If any of them
7 show up in the marketplace, they are forgeries.

8 Now, Wellborn has 500 of them and he's been
9 putting them out. They are not finished by me. They were
10 done by 16- or 17-year-old Thai kids when I was in Thailand,
11 and it was a dismal failure, that experiment. And that
12 stuff was not supposed to go out in the marketplace and when
13 he went he just took everything he could. And he tells
14 this story, he says, "Well, you know, when Mr. Picasso died,
15 they found some of his stuff over here that was unfinished
16 and, man, they were worth a fortune."

17 Oh, yeah, that's what I need to hear.

18 Q: So this was Ed Alba that you talked to?

19 A: Ed Alba, yeah.

20 Q: How many times did you talk to him?

21 A: Just once. Just once in my whole life.

22 Q: Did you call him or did he call you?

23 A:-. I called him.

24 Q: **And why did you call him?**

25 A: I called him because I found out that he was

1 offering appraisals on my stuff that were too high.

2 Q: How did you find out about it?

3 A: Because I went over and I checked it out. You
4 know, I-found out that ... oh, I called.him on the phone. He
5 says, "Geez,.Ilve had a lot of questions I wanted to ask
6 you." I said, "Well, you should have asked me a lot
7 earlier." I said, "I want to clarify what the story is on a
8 lot of this art." I said, "Wellborn is coming up here" and
9 I said, "Just because a thing has a seal on it doesn't mean
10 it's by me."

11 I had the Thais put my seal on everything that
12 they were doing just to see if they could, you know, you get
13 it right, you all can take it out and move it around, you
14 know. I had all these kids out working for me. Well,
15 that's a whole story.

16 Anyway, I went and I told him which pieces
17 weren't good and gave him a good run down on what it was,
18 because Wellborn had gone and ran off with all the stuff and
19 was pretending it was worth all this and it wasn't worth
20 that much, you see. So I had to notify the appraiser...

21 Q: Did you ever see any of his appraisals,~ Ed Alba's
22 appraisals or...

23 A:- I saw a couple. Oh, oh, okay. Well, a part
24 of ... geez, I get into these situations. Okay. So Wellborn,
25 he goes and he steals my stuff, but just before he does, I

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1 notice that he has ordered appraisals for all this stuff,
2 and we're talking about boxes full, and these are
3 independent single things. One page for each painting. it
4 looked like it was right off the computer, all. I did was put
5 in the name of the thing. And then over here, this other
6 pad you stamp onto it and it says all its credentials. And
7 I said, oh, my golly. And I'm thinking, well, you know, how
8 much do these appraisals cost a piece.

9 Well, he worked out a deal with him for probably
10 five bucks or something. Five bucks a piece or a couple of
11 bucks or something for the whole box of them, so he ran the
12 whole thing off.

13 Now, then all of a sudden, as soon as he's got
14 these appraisals, he runs me off the property at gun point,
15 you know. And then I called the cops and everything. And
16 then I find out...I get these rinky-dink attorneys that are
17 just ... enough of that.

18 Anyway, I end up not getting anything. I said,
19 "I want a half of the appraisals. I have a right to get
20 half." I didn't get any of those appraisals at all.

21 Q: From Alba?

22 A: The attorneys ... well, the attorneys pick them out
23 and kept-them for themselves.

24 Q: Now, these were the appraisals that were done by

25 the National Institute of Appraisers?

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1 A: Yeah. For Wellborn.

2 Q: For Wellborn.

3 A: Wellborn.

4 Q: Did you look at those appraisals?

5 A: I never saw them.

6 Q: You never saw them.

7 A: No., I never saw them. All I knew was somebody

8 told me there was a box of them this big full. I said,

9 "Well, I want some." I think it was the attorneys who told
10 me, "Oh, he's got a box this big of them." "Oh, does he?"

11 Q: All right. I'm going to hand you something to
12 look at. The first one I'm going to hand you... this is an
13 appraisal that was prepared for Itex Corporation by the
14 National Institute of Appraisers. It's identified as
15 Exhibit 14. And attached to this appraisal are some work
16 sheets that were produced in connection with the appraisal.
17 Some of the documents that are attached to the appraisal and
18 the work sheets appear to be out of the Bankers Art Museum.

19 A: Uh-huh.

20 Q: So let me ask you first of all this is Exhibit
21 14. Just take a look at it.

22 A: Okay.

23 Q: And the first thing I want to ask you is if
24 you've ever seen the appraisal.

25 So take a moment and just look through there.

1 (Pause while, the witness reviews the document.)

2 A: I have never seen this appraisal, for starters.
3 This particular appraisal, for starters. I-1ve never seen
4 that-.

5 Q: Okay.

6 A: Oh, it doe-sn't say when this one was painted.
7 "Unique acrylic on canvas and colors called the Tempest."

8 Q: Yes. There are individual descriptions for each
9 theme that were

10 A: Oh, 193 here.

11 Q: This was included as part of the appraisal.

12 A: Okay. Well, this is wrong here because it says
13 "acrylic on canvas." I didn't do any acrylics on canvases
14. in 193.

15 Q: Okay. Let's identify for the record the page
16 that we're looking at.

17 A: Okay.

18 Q: We're, looking at a description of a painting.

19 This is Item No. 1. The title of the art work is "Tempest,"
20 and there's a description there of the art work and there's
21 also a value.

22 Why don't you talk to us about

23 A:- **Well, it says right** here that the piece is 23 by
24 35 inches, and it's on canvas. I didn't do any on canvas of
25 that size.

1 Q In 193?

2 A: No, I didn't at all. It says here it's on canvas
3 and it says it's worth \$45,000. Well, if it is, it might
4 be, but I didn't do any on canvas, and I'm sure this is
5 bogus.

6 Q: Okay.

7 A: The '93, the number usually indicates what year I
8 painted it, and this says 497. That must have been a series
9 of 497, we would guess - it means.

10 Q: Okay.

11 A: Onto the next item, Item No. 2. It also says
12 this is on canvas. And it's 23 by 35 inches. That's also
13 bogus". This next item right here, "Unique acrylic on
14 canvas, 193, \$47,000, it is bogus.

15 Bogus, bogus, bogus. Look at all these canvas.
16 I didn't even have any canvas. All I had was a bucket of
17 paper. Every single one of these is bogus.

18 Okay. Let me double-check this one here.

19 "Canvas. Signed in brush front lower right, undated, good
20 condition, unframed."

21 Q: So **those are**

22 A: These are all bogus. If it was on canvas, it
23 **might be worth that much** but I don't believe it ... I don't
24 believe any of these were on canvas.

25 Q: Okay.

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1 A: And I don't believe he even looked at them. I
2 believe they just sent the sizes to him and then he just ... I
3 don't see ... because he would have stuck a photo on here, you
4 know, take a photo, put a photo on there and say, "This is
5 the one that we're talking about." I didn't do any art on
6 canvas. See right there.
7 Q: All right. Let's look now go back if you'll
8 flip back through the appraisal

9' A: It says, "Signed in brush."

10 Q: Yes.

11 A: I didn't sign in brush. I signed in Magic

12 Marker, black Magic Marker is the way I signed those. it
13 sayg they're signed in brush. And if you look over here
14 real quick, "Signed in brush, signed in brush, signed in
is brush."

16 I didn't sign those in brush. So they're not on
17 canvas and they weren't signed in brush.

18 Q: So those are all bogus?

19 A: It's all bogus. Now, if it was on I don't
20 believe these exist. I don't believe a piece that says
21 "unique acrylic on canvas" exists. I don't believe this
22 piece here exists. I think they've got something that says
23 these numbers and everything else. But I don't believe that
24 this exists. I think this is bogus.

25 It says that they've got a canvas now, the

1 difference between a piece on paper and a piece on canvas is
2 a big difference.

3 Q: Tell us what the difference is.

4 A: The difference if it's on canvas and it's on
5 high-grade cotton duck canvas, that artist, he has to put
6 three, four, f ive layers of primer on there and prepare the
7 surface before he can even work on it.

8 If it's on a paper, he just does his thing and
9 he's done. It doesn't take any prep at all. It's boom.

10 Now, this right here indicates it's on canvas, so
11 some prep has been. There was no prep done to these pieces.
12 I recognize the size. They're 23 by 35. That's the
13 standard press size. Okay. It was done on paper. As far
14 as the type of paper, it's probably chip board.

15 Q: Did you ever talk to Mr. Alba about these

16 A: I've never seen this before.

17 Q: Okay.

18 A: I've never seen this.

19 Q: All right.

20 BY MR. TODD:

21 Q: I know you've painted a lot of paintings. Do you
22 recognize any of those names?

23 A: Oh, yeah. I can tell if I named them. "Mystical
24 Inter-world, "Maestro," yeah, that is one of mine.. "Meeting
25 Place," yes. "Sea World," yeah. "Spirit World," yes.

1 "Fisherman on the yea h. "Image and Projection," yeah.
2 "Passed Out," possible. "Fluid Trains," for sure. "The
3 Scholar," for sure. "Crotesian," yeah. "The Tempest,"
4 yeah.

5 BY MR-KINSEY:

6 Q: So these c-ould have had all the right names, but
7 they just weren't they were on paper versus canvas.

8 A: Uh-huh. Could have been, could have been.

9 Q: That would affect the value?

10 A: Yeah. But, of course, this is early. This is
11 1993. I believe these things here are '94. See, let's find
12 one here that says "size" right here real quick. Let me
13 look-it up.

14 Q: You're looking at the book now.

15 A: Yeah. I'm looking in yeah. Okay. Now, here's
16 one right here that was done in signed and datedsee, it

17 says signed and dated 1992, but the museum number is
18 93000878, look right here. 499. So it was the same size as
19 this one right here. And look at the price of that. it
20 says \$75,000. Here he says \$46,000.

21 **This right here** is on heavy duty artist show
22 card. This right here says it's on canvas, but it probably
23 isn't. It's **probably on show** card or chip board or
24 something like that. But I would suspect that this thing

25 here may be . of course, that says 192 and this says 193,

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1 but he didn't say what the number was it was signed. So it
2 could... that's the same size there, you know, and may be one
3 of the pieces like that.

4 Q: So he's described but he's
described the

5 description of the painting is wrong, is that what you're
6 telling us?

7 A: Yeah, that's what it is. I think everything is
8 probably okay, but none of these pieces ... none of these
9 pieces here are on canvas for sure.

10 Q: Okay.

11 A: Okay. As far as the price the value of the
12 price, I see a bunch of 46, 47, 45, 46, 44, \$42,000. I'm a
13 manufacturer. All right. I'm the one ... I'm the artist, I'm
14 a manufacturer. I make it. I suggest a manufacturer's
15 retail price. And if the market won't bear it, it does what
16 it can. You know, you can always lower the price.

17 With this interfaced with the stock, the guys get
18 crazy, because they can put anything that they want on it
19 and they can run it into the stock and the stock is
20 like ... well, like I heard David Yeaman say ... and David
21 Yeaman is another one of those stock guys and he said... he
22 said a corporation can put out 25 times the stock that they
23 have assets. So if they've got a million dollars, worth of
24 assets, they can put out 25 million in stock. I believe

25 that's what he said.

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1 And I said, "Well, geez, that isn't fair to the
2 investor. If they go bankrupt, you know, 24, you know, it's
3 going to lose."

4 Okay. Let me ask you, if you would, if you'd
5 look at ... there's attached to that are some work papers,
6 that are attached to the same ...

7 A: Oh, down here?

8 Q: Yes.

9 A: Okay.

10 Q:- Going past the signature of the appraiser. Keep
11 flipping through it.

12 A: Individual qualifications. See, this is Craig
13 Michael. Is that ... who is he?

14 Q: He's the National Institute of Appraisers.

15 A: NIA?

16 Q: Right.

17 A: Well, I've never spoken to him. I talked to the
18 other guy. Are they partners?

19 Q: With-Ed Alba, yes.

20 A: Oh, okay. All right. I didn't know that. Okay.

21 So he's Had some clients and stuff. And Finders Fee Work
22 Shop. Now, he paid somebody... this is ...

23 Q:-, Have you ever seen a Finders Fee Work Sheet? Do
24 you know what that is?

25 A: No, I don't know what this is.

1 Q: Okay.
2 A: Insurance it says. Insurance donation.
3 Q: Let's flip through the next couple of pages if
4 you would.
5 A: What is it? What is this stuff? Just somebody
6 got some money for a finders fee or something>
7 Q: These are some work papers for, I guess,
8 appraisal fees
9 A: Okay.
10 Q: in connection with the appraisal.
11 If you'd flip on back
12 A: Oh, here he appraised 27 items for Itex. "We
13 send, this invoice to you," something, "National Institute of
14 Appraisers."
15 Q: If you'll flip back, there are some Banker Art
16 Museum certificates attached. They were used as part of the
17 appraisal. I want you to take a look at that.
18 A: Okay.- That's right here.
19 Q: Right.
20 A: David Newren filled this all in right here.
21 Q: All right. Let's take a look at this. The page
22. number at the top is identified as NIA 75.
23 A:- Oh, yeah.
24 Q: Do you see that?
25 A: I see that yeah.

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1 Q: All right. Let's look at that for a minute.
2 A: okay.
3 Q: Can you identify that document?
4 A: Yes, I can.
5 Q: Please.
6 A: David Newren was filling these out. It came from
7 the black and white book. It's certified that the work
8 entitled "The Tempest" Serial number 93, another 93. And it
9 says, "One of a kind original painting signed and dated,
10 189.11
11 Q: Now, it's signed by Arthur, Carter.
12 A: Dave's signature.
13 ~Q: That's not your signature?
14 A: No.
15 Q: What about the handwriting in the
16 A: That's Dave's handwriting.
17 Q: How do you know it's Dave's?
18 A: I can tell.
19 Q: You've seen his handwriting before?
20 A: Well, there's only three people. It's me, Artie
21 and Dave.
22 Q: Okay.
23 A: , You know, and Dave's been gone for years, and
24 this is his handwriting.
25 Q: You're talking Dave Newren.

1 A: Yeah.
2 Q: All right. What about this down here, the Banker
3 Art Museum, London, England? Did you ever have an address
4 in London, England?

5 A: David went and got a box over there or something
6 like that at one point, and I never had anything to do with
7 it. We took him off the Banker Art Museum line because he
8 was untrustworthy and he was ordered to turn everything over
9 to Artie and to get out of my life because I can't stand
10 two-faced liars and thieves.

11 Q: Okay. And what about the handwriting of
12 "provenance? Do you recognize that handwriting? Do you
13 recognize that handwriting?

14 A: That's his handwriting. That is his handwriting.
15 Q: Okay. Is this correct, is this information
16 correct, do you know?

17 A: 11186 contract of Pamela Weston, painted in L.A.
18 probably, 192.11 You know, "Transferred to the Banker Art
19 Museum."

20 Q: Well, it says "sold., ,

21 A: Sold.

22 Q: Was it sold to the Banker Art Museum?

23 A: Probably for a dollar and other valuable

24 consideration, I would suspect, or on a time payment plan
25 perhaps, and regard to other...

1 You see, when you walk into the world of
2 currencies, there's more currency than cash. There's all
3 the banking instruments, you know, they could be possible
4 currencies. And when you say "sold," you have to
5 understand, it could be a verbal agreement. They could have
6 a written thing and an exchange going on it. or it could
7 have been just bogus.

8 Q: Do you have any personal knowledge of any of
9 these that are written in here by...

10 A: Oh, no. And it says "Sold here to Chambers Fine
11 Art." And then it was sold to David Newren.

12 Q: Who is Chambers Fine Art, do you know?

13 A: That's David's.

14 Q: How do you know that?

15 A: Because he told me. I think it was. I don't

16 know. I guess it is. David Chambers Fine Art. I don't
17 know. "Sold to Itex.11 Okay. So it went from Bankers Art
18 Museum, according to this line here, to Chambers, and then
19 it went to David Newren and then it went from David to Itex.
20 And this all happened, this 1992 Banker Art Museum ...

21 1 notice here this 1992, April, May, June, sold
22 Bankers Art Museum, Chambers Fine Art, David Newren. He was
23 just **priming the pump**. He was just making the ... you know,
24 trying to beef it up a little bit.

25 Basically what happened is the piece was when

1 the pieces are done, I get rid of them. I don't like to
2 have them around. And I move them to the Banker Art Museum,
3 which is owned by Artie. I don't even take any ownership in
4 the stupid thing. I don't want anything to do with it or
5 any of her business or that garbage. She'd bring her
6 garbage pile with her and say, "Oh, look at all the stuff
7 I've got." I said, "Why don't you buy the book, like it
8 "Modus Bogus. I said, "Modus Bogus. "And she wrote it.
9 And she's used examples on the thing. I said, "You'd better
10 take their names of f . They' re going to sue you. You know,
11 I don't know what's going on with that.

12 But do you have any more questions about that?

13 Q: Well, was David Newren authorized to complete
14 this on behalf of the Bankers Art Museum?

15 A: Probably.

16 Q: When you say "probably," what do you mean?

17 A: That means that he went out there and I handled
18 the typesetting to make sure the words were all the way that
19 I wanted it. Okay. He handled getting it printed up and
20 getting it bound and getting them filled. out, photographing
21 the art, and getting it out.

22 Q: So that was part of his responsibility?

23 A: **That's what he** did, yeah. Because I don't want
24 to have anything to do with this type of stuff. If I'm
25 going to sit down here and start filling out books, I'd

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1 rather go to something else.

2 Q: Now, did you tell him how much to fill in? This
3 says

4 A: I gave him an estimate. I gave him an estimate
5 what it was worth.

6 Q: Okay. And he basically

7 A: By the way, **62,000** bucks would be pretty
8 easy on trade, it would be pretty easy to get for that
9 piece.

10 Q: On trade? What do you mean?

11 A: Just what I said.

12 Q: Well, just for the record, explain what you're
13 talking about.

14 A: Okay. Just for the record, all life is basically
15 is energy. And what we have here is we have a spiritual
16 electronic manifestation. Now, this isn't my opinion. This
17 is per the periodic chart. The periodic chart adds an
18 electron, gives you the electron number of everything.
19 Everything is electronic, 100 percent.

20 Now, electronic is energy. Yeah. It is energy.

21 Well, it looks solid to me. Well, it's really energy.

22 Well, it feels solid. Yeah, well, our scientists tell us
23 it's energy. Well, it feels like air. Our scientists tell
24 us it's energy. It feels like meat to me. Our scientists
25 tell us it's energy.

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1 Well, it seemed like he was really solid in
2 everything, but now as I look back three days later, it
3 seemed like he just came through the office and he was just
4 energy and he just passed on.

5 All right. Money is energy. Diamonds are
6 energy. Gold is energy. A pretty girl is energy. A nice
7 car is energy. An IOU is an energy. A CD is energy. A
8 promise is energy.

9 Okay. Now, what I'm doing here is I am reducing
10 everything to energy. All right? So everything has been
11 reduced to energy. I'm saying it has anyway. And now, in
12 energy, all energy flows like a river, every bit of it
13 flows. No matter what kind of energy, it's got a flow going
14 on it. It's maybe going 22,000 miles in an hour, you know,
15 right around the sun, traveling with the sun or something.
16 But it's still energy.

17 Now, there are many forms of currency in energy.
18 There's iron. If you've got enough iron, you can buy
19 anything you want. If you've got enough tin, you can buy
20 anything you want. If you've got enough costume jewelry
21 **that you made and you** get it into the right dollar stores,
22 you know, you can have anything you want with that if they
23 need it.'

24 Q: Well, let me just

25 A: No, let me finish. This is important. And it is

1 a philosophical basis that this entire thing is constructed
2 on. And if you want to know the whole truth, you have to
3 understand...

4 Q: Go ahead.

5 A:this is the whole truth.

6 Now, what we do is we exchange energies, and
7 that's how we get along in life. What we do is we change my
8 work or something for his money or his work for my money, or
9 I'll work and he gives me his car,,or I'll make this here
10 and I'll trade it to him for that. Or I've got a title to a
11 car. That's energy. I'll trade it for something else.
12 I've got an oil lease not producing but it's got some type
13 of ari.energy value. I'll hold it to her. She says, "Hey, I
14 maybe can do something with that. At least I can write it
15 off." Okay, it's got a value.

16 This here we'll say is an IOU that he defaulted
17 on. And it turned out to be bogus. It's still valuable.
18 It's still valuable. It proves you were ripped off. You
19 can give it to somebody and they'll say, "Yeah, he was
20 ripped off." That's worth something. "Okay. Go ahead and
21 write off some money on taxes."

22 Now, the point is that everything is a form of
23 currency, **Good will, public relations.** You know, it's a
24 form of currency. Your occupation is a form of currency.
25 In this case, you have to come here and you have to sit and

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1 you have to talk to me about it, and, you know, I have to
2 sit here and you've got to sit over here too.

3 In my case, I can sit alone and do it and then I
4 put it out there. Then they can talk about it and they can
5 see what they want to make of what that is.

6 Now, what I do is I produce currency. My
7 intention is to produce a currency of art work that can go
8 out there and can continue moving~ It won't be just like a
9 decoration that when you change the couch you throw it in
10 the garbage. And I've had my paintings end up in the trash.
11 These pieces here don't end up in the trash. None of them.
12 The guys buy it over. They're crazy, you know. They'll
13 cheat-me. They'd hold guns to me and say, "Get off my
14 property." They will kill the goose who laid the golden egg
15 out of greed for my currency.

16 Now, this is a currency that I have issued

17 Q: I understand.

18 A: Now, I have had problems with it.

19 Q: I understand. Now, can I redirect that?

20 A: okay, yeah, yeah.

21 Q: Back to the provenance.

22 A: Okay.

23 Q: **You know, on** this one we were talking about, "The
24 Tempest." Although it says "Sold," you have no recollection
25 of **what they were** sold for?

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1 A: They're being exchanged.

2 Q: It would have been an exchange?

3 A: Yeah.

4 Q: So there was no cash

5 A: It would have been an exchange.

6 Q: There's no cash

7 A: Just listen. Just because it says "sold" okay,

8 let's do an example. Okay. I'm going to sell you these.

9 All right? Nothing down., Okay. And I want payment. How

10 much are you going to pay for them? Well, you can pay me

11 when you can.

12 Or I'm going to go through the bank. Okay. Just

13 fill. out the papers here. I want you to pay me, you know,

14 once a month, this type of thing, so you sell it.

15 Q: Okay.

16 A: Sold meansif you're talking banking

17 instruments, "sold" could mean ... have a lot of meanings.

18 There's definition three, definition seven, sold. Hell,

19 there's definition 11 too.

20 Q: But the one thing for certain, it wasn't sold for

21 cash

22 A: That's a for sure.

23 Q:' That's a for sure. Okay. So if you'll just flip

24 through there. The Banker Art Museum...

25 A: But these here wereevery one here was

1 involved. You know, I looked down here and there was
2 involvement with everybody. You know, it might ... what it
3 was sold may have been a promise, may have been a promise.
4 Sold to Itex, maybe he promised Dave something you see.
5 And, you know, maybe ... you know, you see what I mean? There
6 was some involvement. I can look down this t hing and I can
7 see that there's validity to it.

8 We can argue about the-word "sold," but you see
9 what I mean? I think I've cleared what that is.

10 Q: I understand. Yes, you have, yes, you have.

11 A: Okay. And "Sold per contract of Pamela Weston."

12 I give everything I got to her. She's a fine woman. And if
13 she,gets cheated, I'm going to have to hang my head.
14 Hopefully she'll be able to hold on to it and not get
15 cheated out of it faster than I can produce new stuff. So
16 when I'm too old to paint maybe has something.

17 Q: Okay. If you could just flip through there

18 A: Okay.

19 Q: Were all those prepared by David Newren?

20 A: Yeah. This one here definitely was. That one

21 there. This one here I've never seen before.

22 Q: No, not that work sheet, just the Banker Art
23 Museum certificates.

24 A: Oh, okay.

25 Q: Just look at those.

1 A: Oh, I see, okay. Another David Newren, same
2 format. Same exact format.

3 Q: Could you just flip through all of them.

4 A: okay.

5 Q: And if they're

6 A: So these are the paintings that Itex has then.

7 These are the ... numbering is kind of strange on it because i
8 came up with a numbering system that was different, but, you
9 know, there's a little idiosyncracies here and there.

10 Q: What do you mean?

11 A: Well, it says thatsigned and dated 1989, and
12 it says that the number on it is serial number 93, so it was
13 painted in 189 and it was certified in '93. So he wrote
14 this out in 193. Now...

15 Q: But do you remember actually giving David Newren
16 the number to put in these?

17 A: No. He wrote the numbers himself. He made the
18 numbering system himself.

19 Q: But I mean

20 A: That right there. That's my handwriting.

21 Q: So some of these

22 A: The only part of it that's my handwriting is the
23 title of the piece.

24 Q: The title, okay.

25 A: That's it. None of this none of this

1 Q: The dollar amount, you know, the \$62,500 that's
2 showing up ...

3 A: That's replacement cost of the piece estimated
4 and approximate.

5 Q: Right.

6 A: Okay. It's estimated, it's approximate, and it's
7 replacement cost.

8 Q: By whom? Estimated by whom?

9 A: Estimated by an authorized museum curator. You
10 know, and it's estimated and it's approximate.

11 Q: Yeah. But was that David Newren that estimated
12 it?

13 ~A: Yeah. No, no, it was me.

14 Q: You

15 A: I'm the source on all this. I'm the stuff that
16 put's the highest price I can on my stuff. There isn't
17 anybody else that says my stuff is worth more than me. But
18 I'm also the one that calls it junk. And when I say that
19 it's worth \$62,000, that's an estimate, and that's
20 approximate. And not only that, but according to this book
21 here you know, it's probably invalid because it's outdated.

22 But, you know, I'm trying to hedge to cover my
23 butt, but I still want my stuff to be ... you know, I think
24 that ... I think I've been very successful regardless of
25 whatever, the arts go down to the corporations. 'And it's

1 really created a splash. I'll probably get in, a lot of
2 trouble for it but, you know, not if we can clean it up,
3 find out what the problem is, you know.

4 The same thing. I see this all the way down
5 here.. As far as the price, David Newren is ... I'm a
6 manufacturer. David Newren is the ... he was a retailer. He
7 was a business guy. He was the one doing all these dumb
8 business deals and everything. I let him run with the ball.
9 As far as ... I haven't got any problem at all with \$62, 000 on
10 one of these, you know.

11 Q: But did you tell him that before he put it in
12 there or...

13 A: Oh, I went right down the side and I said, "Let's
14 look at all these prices here, all these sizes here I've
15 done. I think those sizes ought to be about that." If you
16 consider that a nine-foot by five-foot is ... and I've got
17 documented on it. You know, by other standards, I've got
18 proof that that thing is worth that much. No question about
19 it.

20 Q: **And what's your reason**

21 **A: I'm not going** to I'm not going to
I mean my
22 stuff is ... we can haggle all over this we want, but if I
23 died this **afternoon**, I'm telling you for sure I'd go down in
24 the history books. Because this is an impact. What has
25 happened here is for sure an impact. if I go to jail for

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1 anything I've done, it'll definitely go dow~. Because, you
2 know why? Because there's so many of them out there. Ah.
3 And you know what? You guys have got a list of I think
4 115

5 Q: \$250 million.

6 A: Well, I'm talking about number of corporations.

7 Q: Oh, number of corporations.

8 A: About 115,113, **115,108** corporations. I want
9 you to know that, you know, you haven't eventhere's at
10 least another 25 or ~0 that you haven't got, and the ones
11 that do have them have split them up, and they split up just
12 like this immediately in this and this and this corporation.
13 And next year they'll be 250 or 300. And it'll just keep
14 going like that, because any corporations that sitting up
15 holding any more than, say, half a million dollars' worth of
16 it, or a million dollars' worth is wasting their time and
17 energy to be able to move this thingso that the best
18 thing to do is to move it now for something that they can
19 get, you know, that they want.

20 This is a different market, you see. It's a
21 different market than a cash market.

22 Q: How is it different?

23 A:- Well, they can't sell that stock for cash because
24 they haven't got any assets. And they go overthe

25 corporation **owner** goes over to the stock market, the stock

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1 broker, and he says, "Why can't you sell my stock?" And the
2 broker says, "Well., geez, you've got a pretty good income,
3 you know. But, geez, you haven't got any assets. Nobody
4 wants to buy that. They know how it goes. He says, "Well,
5 what can I do to get some assets?" "You ought to go talk to
6 Joe Banker."

7 Q: So they get some Sky Jones.

8 A: Not me. You see, it would be see, the pun is
9 that all artists are bankers. They have invested their life
10 and their talent in the creation of beauty and that damn
11 well better be a bankable thing. Because I gave my life to
12 it, you know. It better be a bankable thing. But, you
13 know., - there ' s so much suf f ering in the arts. You know,
14 somebody has got to stand up for the artist and I'm the one.
15 And that's why it's Sky Jones. This is here. This is my
16 communication. This is my communication. I can say David
17 Newren filled it out. But it wouldn't have been in his
18 hands if I hadn't. have done it. We can say, 110h, David
19 Newren, he's just a criminal and he ran out there and he did
20 all these bad things." I didn't care how he got through the
21 line. I gave him the ball and I said, "Man, you bust ass.
22 And if you go down, it's somebody else after you, they're
23 going out." And he did it.

24 Now, I can pretend that i,m that effective. Man,
25 I painted the paintings, I did the books, and I tried to get

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1 people to run my art. And I'm still trying to but not very
2 hard, you know, because I really don't care that much about
3 it, but the fact that you've got \$250 million that you can
4 trace down to me that I have put out into the marketplace,
5 I'll take responsibility for all of it. David who? David
6 who? Hell, he's a peon. Itex. Hell, they're just peons.
7 They're just ... you know, atypical.

8 Q: Okay. Let me ask you

9 A: So there's my confession. Now, how soon can I
10 get some free ... those three free meals. I'm tired of living
11 in this crappy place. I know that the cells only have two
12 or three guys in it, and I've seen it on TV that they've all
13 got easels and they can all paint in there. And there
14 aren't any women to harass them or haggle them in there.
15 And everybody gets a cool outfit that's the same kind, you
16 know. Nobody is going to tease you about whether you're in
17 style or not, because you're all dressed alike.

18 Anyway, I'm just teasing here. Don't take
19 everything I say too seriously.

20 Q: I have another appraisal that's marked as Exhibit
21 16, very similar to the other one you looked at.

22 Could you just flip through that and tell me

23 A:- 'All right. It's another Itex appraisal.

24 Q: Right. Just flip back to the work sheet

25 A: You know what Terry Neal should have done. Is he

1 should have ... as soon as he got the artists, he should have
2 done what we tried to do because ... but he had the power in
3 Itex to mount a massive PR campaign and the dummy didn't do
4 it.

5 Q: How is that?

6 A: Well, he's got every..... Itex has got a huge amount
7 of magazines, huge amount of television advertising, radio
8 advertising. He could have gone out there and he could have
9 said, "Yeah, this guy is really something." But he didn't
10 do it. And where he had traded for the art and he had given
11 us due bills that we couldn't even use to promote Sky Jones
12 and say, "Yes, Sky's a great artist."

13 ..Q: You're talking about the media due bills that we
14 talked about earlier?

15 A: Yeah. And just common sense tells you that if he
16 had this and he's going to try to pass it, he damn well
17 better stand up behind it and say, "Yeah," and get his PR
18 agents ... and get his printers printing up positive things,
19 get his magazine articles on it. And he didn't do that.
20 Not only that, he cheated me of the right to be able to do
21 it.

22 Okay. Now, as a result of that ... are you with
23 me?

24 Q: I'm with you.

25 A: It shows menow, who am I? I am the one that

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1 started the ball rolling, I've got to admit. I confess. if
2 he wasn't a criminal, he would have paid. And the way he
3 could have paid is he could have paid by using media of Itex
4 to help promote the Banker Art Museum and Sky Jones, and his
5 collection, but he didn't do it. And on that alone I
6 condemn the guy.

7 Q: Did you look at the descriptions that are
8 given...

9 A: Oh, all this stuff on canvas. Look at this,
10 canvas on everything. Everything is wrong. There isn't any
11 canvas here at all.

12 Q: So all of those that are in there that are
13 described as being on canvas, and this is Exhibit 16, that
14 that's incorrect.

15 A: That's right. That's right.

16 Q: They were all on paper?

17 A: Every one of them. They weren't on high-quality
18 paper but it was suitable for what we were doing there. And
19 some of them are very nice pieces. But ...

20 Q: But the descriptions of the art work are wrong.

21 A: The descriptions are very wrong. And the

22 Q: And how did you know that?

23 A:- Well, here's the thing, I painted all these. I

24 remember them all. All I have to do is look at them. I

25 named 7000 paintings last year. That means that I sat down

1 for two months everyday and I had people holding paintings
2 up in front of me, and they'd hold it up and I'd say "What's
3 your name?" I had it in my mind, you know, the painting.
4 And I'd sit there -and tell it would answer. "Oh, the blue
5 one." Oh, well, that's the blue one. Okay. Right now the

6 blue one. And I say, "Hold up another one."

7 And I . you know something? I'm rather good with
8 names now. I can look at something, I can give you a name,

9 you know, what it looks like, you know, and it's just

10 wonderful. But I named every one of them. Every one of
11 these here I named too.

12 So I mean if I see them, I some of them I can
13 even remember their names, strangely enough. Gee, there's a

14 lot in here and every single one of them is wrong. This
15 canvas business is ridiculous. And also some values go
16 down. Now, this appraiser here apparently thinks these
17 things here are just right up there. I think these went

18 down but he didn't pay, don't you? I think I think they
19 did. I think they couldn't be worth anywhere near that.

20 - You can't get-anything for free in this life.

21 **What's the matter with** the guy? He's trying to get
22 something for free.

23 **\$45,000.** Ha, ha, ha, ha, ha. Ha, ha, ha, ha,
24 ha, ha. Oh, man. And I put right here in the book, let's
25 read this over once more. Just because, you know, obviously

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1 the appraiser didn't read this. It says right here. "Not
2 all art goes up in value. Some goes down." You know, and
3 it's right in front of the Treasure Book on the treasure
4 this guy did. Now, some treasures aren't going to be as
5 much as others.

6 Okay. So I see here that they've got quite a bit
7 there.

8 Q: Now, let me have this one. Look at the work
9 papers that are attached to that. It's the same thing, with
10 the Bankers Art Museum certificates.

11 A: Oh, the work papers, yeah. I don't believe that
12 any of these pieces were examined personally by the
13 appraiser.

14 Q: Why is that?

15 A: I believe that ... because they weigh a lot of
16 money to ship them down to them, and with Wellborn, the
17 appraiser didn't see any of the paintings that Wellborn had
18 appraised for him.

19 Q: How do you know?

20 A: Because I know, because they were in the trailer
21 and there were eight of them, weighs 50 pounds. And they're
22 in wooden boxes, you know. Big heavy wooden boxes. It
23 costs a fortune to have ... he didn't do it. He didn't even
24 send them photos of the paintings. He just sent them names
25 and sizes and the appraiser just ran this off. And as far

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1 as-these work sheets go here ...

2 Q: Not the work sheets. Look at the Banker Art
3 Museum certificates.

4 A: oh.

5 Q: Starting with the first one here is NIA 463. Is
6 that the one you're looking at there?

7 A: NIA 463?

8 Q: Right.

9 A: 471 I was looking at. 472 here and there's 473.

10 Q: Look back the other way a little bit.

11 A: Okay.

12 Q: Until 463 there.

13 A: Okay.

14 Q: The first one. There is it.

15 A: Okay. Here it is right here.

16 Q: Yeah. Do you recognize the handwriting on this?

17 A: Dave. Yeah, it's Davels.

18 Q: It's Dave Newren's?

19 A: one hundred percent, yeah. See right there?

20 That's my handwriting right there. "Woman in Red and
21 Yellow.,, The working title. That's all I wrote in there is
22 the name of the painting, and that was it, because I named
23 all the art.

24 Q: Okay. So you wrote in the name and then the rest
25 of the handwriting is Davels?

1 A: Everything else is Davels, yeah.

2 Q: Okay.

3 A: See, Dave was Art Carter.

4 Q: Now, were these paintings paintings that David
5 Newren sold for you? Are these I mean

6 A: Does the apple tree ever have anything stolen
7 from it? Tell me that.

8 Let me tell you a funny story.

9 Q: Well, let me just just answer my question if
10 you would.

11 A: Oh, okay, all right.

12 Q: Are these the paintings, the ones that we've been
13 looking at, are these the ones that David Newren stole from
14 you?

15 A: Yeah, he never paid me for them.

16 Q: okay.

17 A: I've never paid for them. I feel awful bad about
18 that too now that you mention it. I just remembered. But,
19 see, let's talk about the apple tree. one time a squirrel
20 came over with a basket. And this wasn't too long ago. And
21 it comes under the apple tree and he grabs a couple of them,
22 and, man, he runs and hides in the bushes and he goes
23 (squirrel noises) and the old apple tree looks over there
24 and he sees the little selfish squirrel and the squirrel has
25 got two apples and he's hiding in the bushes. And he's

1 chattering. And he's hidi ng, you know. He figures he
2 really stole something. And the apple tree is just looking,
3 doesn't even care.

4 Pretty soon the season is over. And the one
5 little squirrel only got two apples because he was selfish.
6 All the rest of them rotted on the ground. The next year
7 the tree loaded right up again and was loaded with apples
8 again. Free as can be.

9 And you know what an apple tree thinks about
10 people that steal? He doesn't even relate to it. It's a
11 free gift. The apple gives freely. The apple tree gives
12 freely.

13 And I'm not here to take anything. Because I
14 don't care, because the stuff I make I feel is better than
15 anything the other people have, you know.

16 Okay, let's go on.

17 Q: Okay. So basically these were all all these
18 Banker Art Museum certificates that are attached to this
19 Exhibit 16 were all prepared by David Newren?

20 A: Yes. I titled the paintings and that was it.
21 I'm looking through here. I don't see any of them. See,
22 that's "Spirit." That's my...I can tell my handwriting
23 right away. None of this is mine except the title of the
24 piece.

25

Q: Do you recognize the handwriting as David

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1 Newren's?

2 A: Yeah. Every single one of them. No question
3 about it.

4 Q: And what the values that were placed in
5 these ... are these the same basis as the other ...

6 A: They're general based, you know. It's a general
7 base. What is done is it's divided down by size.

8 Q: Okay.

9 A: If a piece is four foot by eight foot, it's X
10 amount. If it's 20 by 30, it's \$50,000. If it's 24 by 36,
11 it's \$65,000. If it's eight by 10, it's probably a couple

12 of grand or something. I don't know. But, you see, it's
13 broken down by size.

14 Now, it's based on the fact that there's a long
15 series of four-by-six foot paintings ... four by six foot,
16 four by eight foot, and five-foot by nine-foot paintings
17 that went for way over \$100,000 a piece that I myself put
18 out.

19 Q: These were \$100,000 a piece cash or was

20 A: Trades.

21 Q: Trades.

22 A: Trades, in exchange. They give me \$100,000 worth
23 of their garbage, I give them \$100,000 worth of my garbage.

24 That's trash man talk.

25 Q: Okay. Now, and then one last series.

1 A: Okay.

2 Q: Here is Exhibit 22, which is also an appraisal

3 prepared for Itex Corporation by National Institute of

4 Appraisers. Let me ask you to take a look at that.

5 A: Okay.

6 Q: And tell me if you ever saw that one.

7 A: I've never

8 Q: This has to do with apparently some sculptures.

9 A: Oh, yeah. I've never seen this one here. Geez.

10 Oh, Itex Collection A, 39-Wooden metal sculptures.

11 Q: Do you recognize these sculptures as sculptures

12 that you...

13 A: Oh, I did them all. Every single one of them. I

14 came up with the idea how to do it and I put the whole thing

15 together, and the entire production of the pieces was

16 documented in the 1150-Year Retrospective Book." I recognize

17 the names and so forth on every one of them. Many of them

18 are untitled. These are all in Dave Newren's possession

19 right here.

20 Q: Those are the ones that you gave him?

21 A: These were the ones that he had. He ended up

22 getting them and he evidently..'. .

23 Q: . You gave him these as his partial settlement when

24 you got your paintings back?

25 A: I was happy to get rid of them because they were

1 costing so much. They were big. And they were causing me a
2 lot of aggravation. The storage bills on them would build
3 way up and we'd have to come up with three or four thousand
4 bucks and \$5000 or-something to get them out of hock.

5 And the FBI and Air Pool and the CIA and
6 everybody I don't know who all. We had them stacked out
7 in big black gun boxes this big, and they're big sculptures,
8 and they came down and tore them **all** apart because it was so
9 suspicious looking.

10 You know, there were five or six or 700 of the
11 things and they were in black boxes. Black. We painted the
12 boxes black. Wood, wood. Not out of cardboard. I used it
13 all in the recycling, you know. And so they were really
14 suspicious looking.

15 And the artistic content of them is really nice.
16 It's a New York quality statement I feel but as far as cash
17 sales on this, it was not good. It would be a good trade
18 item or something like that, but certainly not cash. Who's
19 going to buy -

20 Q: Well, tell us why.

21 A: **Oh, why aren't they a good cash item?**

22 Q: Yeah.

23 A:, **Well**, it's like the guy that for his art
24 statement he made umbrellas. He stuck umbrellas all the way
25 around the world. And after he got all the umbrellas out

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1 there, there wasn't much he could do. He took pictures of
2 it and the word got out and everything and about all he
3 could do was sell his umbrellas.

4 It's kind of like that, you know. And these
5 pieces were made as an art statement. The art statement was
6 you take unemployed, you take recycling, because it was all
7 done with recycling. The homeless, you know. And you mix
8 it all together and you can come up... they can make
9 something that's good. And that was the art statement. it
10 was covered by the newspapers and everything. It was staged
11 on that.

12 As far as what the value of them when they're
13 done, they, re nice. You know, maybe you stick one in the
14 garden. You might take one and put it in the house or
15 something in a special place. And they make a nice
16 statement. They're all dipped and marbled, so they've all
17 got a marble surface on them. None of them are sanded down
18 and finished off with high craftsmanship and detail and hand
19 painted. They weren't. It was just a big loss ... and it
20 cost a lot of cash. It-cost a lot of cash to do that. And
21 Dave put up the cash. Okay. It's was Dave's father who
22 came up with the cash on that. And that's ...

23 Q:, How much cash, do you know?

24 A: Oh, man, it was \$35,000 \$30,000 the first 30
25 days. Cash. And after that ...

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1 Q: That was for materials and labor?

2 A: Yeah. Well, there was no materials hardly at

3 all. It was all labor. A massive amount of labor. Yeah.

4 I had a big group working for me.

5 Q: How many people approximately?

6 A: Oh, probably had eight or 10, 12 guys everyday.

7 The overhead was \$1000 a day.

8 Q: These were the homeless people?

9 A: Yeah. Homeless people, just out of jail. I went

10 down to the homeless shelter and talked to the heads there

11 and got the guys over and gave them a break.

12 Q: Now, who came up with the appraised value? Did

13 you, come up with that ...

14 A: Where does it say that? Where does it say

15 Q: I'm looking at the inventory list.

16 A: Oh, what does it say they're worth?

17 Q: Well, they range from \$90,000 to \$110,000 a

18 piece.-

19 A: I don't see a price on that anywhere on mine.

20 Q: Oh, I'm sorry. Look at the Itex inventory. I'm-

21 looking at ... it's stamped at the top of the page IINIA 373."

22 A: okay.

23 Q:, I'm sorry. We're looking in the work papers now.

24 A: Oh, okay. 373?

25 Q: Keep looking. There it is.

1 A: As far as okay. Here we've got Itex.

2 Sculpture.. Now, I had no idea these guys had the

3 sculptures. How many pieces do they have I wonder?

4 Q: Thirty-nine pieces.

5 A: oh.

6 Q: And the 39 pieces were valued at \$4,030,000.

7 A:, I think that's a little steep myself. But first,
8 you know, when I came out with them, I said, "Oh, \$100,000,
9 \$110,000 a piece. Yeah. Get anything you can get." And I

10 said,- "Don't dump them in one big hunk. Do one at a time,

11 you know, one at a time."

12 And I talked..... I called up the appraiser and at

13 one time I did talk to the appraiser and I did tell him that

14 they were over-inflated, that that was a little bit steep.

15 Q: This was Ed Alba?

16 A: Yeah. I said..... I did tell him that, and let me

17 look at the date on here. What was the?

18 Q: The date of the list is February 8, 1996.

19 A: Well, it was over a year ago. He was asking me

20 about this. That was last year. Okay. He was asking me

21 about this. He says, "What do you think about those

22 sculptures, Sky?" And I told him what i thought.

23 . First of all, they aren't all the same value.

24 The first thing you do is you go through and you cherry pick

25 them. You pick the six or eight ones that are just it.

They're the best ones. You put them aside and say these are 2 the most expensive ones, because a guy that's got a good eye 3 'will walk through and pick them out anyway and buy those and 4* what you've got left is junk.

5 So you pick those cut and you raise it. Those
6 would be the \$110,000 ones. And you go through, and you go
7 all the way down to the crummiest ones. They might be four
8 or five grand.

9 And as far as the guy ... let me tell you
10 something. Picasso painted with oil paint on a cardboard.
11 The averagehe did **158,000** pieces. And his
career lasted,
12 you know, how long. When he died, the paintings that he
13 left.were estimated to be \$3.2 billion.
14 He had moved to one-third of the
paintings that
15 held painted in his life and he still had two-thirds in his
16 collection. The reason he still had them in his collection
17 is because there was the difficulty that I have faced and
18 gone out and attempted to solve by keeping the things out of

19 the I can't afford the storage.

20 That's Picasso. Now, I'm not a prolific as he
21 is. I haven't even got anywhere near him. One hundred and
22 fifty-eight thousand, I'll be lucky if I could add up
23 **25,000.**

24 Q: Okay. So this list then of sculptures, had you
25 seen this list before?

140

A:

Q: A:

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Un-uh.

You've never seen the list?

No.

Q: But you did discuss it with David Newren and you did discuss it with Ed Alba.

A: Uh-huh.

Q: About the values of these sculptures.

A: Yes, I did. I believe Ed Alba, after this had come out, I, believe. Because I called him on the phone because I had just ... I had the big upset with Wellborn, "will burn" and I had gone over the paintings that he'd ended up getting that I didn't paint, you know, and he was going to go out there and put them out like they were mine.

And I've got Artie all set up. She's going to be doing some lawsuits. And I haven't had any power to enforce a reality on any of this stuff. The guy's taken my stuff. I don't get anything. They claim this and that and I have no say. Wrong.

All of the assets that are generated by David Newren, he's ordered to turn over to Artie. And anything else that comes in goes over to her. I take zero. The only thing I want, is advice. And what she has she's expected to be able

to found and made right to the Banker Art Museum and do that. And she has a few lawsuits going on that she could use some help if you guys want to come in and say, "Hey,

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1 there's something that's wrong here. We'd like to right
2 it.

3 Q: All right. Let's turn now, if you would, just to
4 the next couple of pages. There's some Banker Art Museum
5 certificates.

6 A: Uh-huh.

7 Q: Do you recognize those that are attached to this
8 exhibit?

9 A: David Newren's writing too. I can tell that
10 right off. "Begging and Pleading" by Sky Jones. Yeah,
11 that's my writing there.

12 Q: So the title is your writing.

13 A: That's it. Everything else

14 Q: The other writing is all

15 A: David Newren's. That's even his signature down
16 there. That weird signature-looking thing.

17 Q: And it says that this was created per contract
18 1992 with ... and it had Carl Newren, David Newren, Pamela
19 Weston, Bankers Art Museum, and there's a percentage beside
20 each one of those.

21 A: Yeah.

22 Q: Do you know what that is?

23 A:- Yeah, yeah, yeah. We talked about this because
24 in the provenance, there were many people that contributed
25 to the creation. It's not just me. And if you go down, my

1 name isn't even on there, is it?

2 (Laughter)

3 And we tried to figure out ..we tried to talk
4 about what percentage ownership should be attributed on this
5 thing so that when the things were moved, there would
6 be ... keep in mind that this here is very rough. We'd never
7 produced a unit like this before. And we wanted to do
8 something-that would come up with the paper for the art but
9 we could never come up with the way how to do it.

10 And even this one here, the most recent one, has
11 changed. The new one is different.

12 Q: Uh-huh.

13 A: The old Treasury book.....the old Treasury book
14 was, you know ... well, they're all just trying to do a better
15 job at each one. And the next one-the next one after this
16 I've already designed and it's much simpler and it'll be
17 more effective. I think I'll put paintings out only for \$10
18 million or \$15 million a piece instead of these cheap old
19 \$100,000 crap.

20 Q: Now, the provenance here on this particular one

21 that **we're looking at, that NIA 375**, that's the page number
22 we're looking at.

23 A: **Uh'huh, yeah.** The provenance, yeah.

24 Q: Tell me about that. I mean it looks like to me
25 these were sold per contract to David Newren on November

1 '92. Is that accurate? It says "Registration and transfer
2 fees paid through November 193.11 And then it was sold to
3 David...

4 A: Dave Olson.

5 Q: Olson.

6 A: Who is a creep who sold a bunch of stuff.

7 Q: Well, who is David Olson?

8 A: Okay. We took the sculptures and we went towe
9 took the sculptures ... okay. I was kicked out of Salt
10 Lake ... it's in the book, you should read it. I shouldn't
11 have to tell you all this stuff. I got kicked out with the
12 sculptures. Well, you know, I got kicked out of Salt Lake.
13 I was working on them. I hadn't completely completed them.
14 So we went down to Provo, Utah, and I was there for two
15 weeks and got kicked out of Provo.

16 The two weeks that I was there in Provo, a Provo
17 subcontractor, by the name of Olson, showed up and said he
18 would handle this city and that he was going to go down
19 there and get a post, you know, with electricity on it. He
20 would handle everything. In two weeks he spent \$12,000, and
21 that was separate from the labor. Just cheating us.

22 \$12,000 cash just flushed.

23 . And then I went-anyway that's who he is. He's

24 David Newren's friend. He's known him for years.

25 San Marino Gallery.

1 Q: Do you know where David Olson is located?

2 A: Provo.

3 Q: Provo, Utah?

4 A: Yeah. Yes. He's in Provo. He's a builder.

5 Dave Olson... I gave him... I authorized his son to construct
6 some of these in this style and paint them. And I said if
7 they were good enough I'd sign them if he did them per my
8 style, I'd sign them and they could move it into the
9 marketplace.

10 And his son built some that were better than
11 these, better than the ones we did. And they flew me in and
12 I signed them, you know. I turned them over to him. I
13 don't know what all happened to them, but I can tell which
14 ones I did and which ones I didn't.

15 And this one here is ..because of the wood. See,
16 the wood on the other ones, they used wood from scrolls, you
17 know, cabinet shops and stuff. You know, I don't know. You
18 know, so ...

19 Q: You can recognize this as one of yours? Or this
20 was ...

21 A: Well, this was one of the 750 that we did on the
22 project, not the 20 or 30 I think that David Olson's son
23 produced. I don't know. I can't remember how many, 30 or
24 40.

25 Q: Okay. Then they were sold to Itex Corporation

1 and then sold to San Marino Gallery. Do you know

2 A: Now, San Marino Gallery is in is one of John
3 Worthen's good friends. It's in Washington. In one of the

4 big cities in Washington, you know, like

5 Q: Does Bellevue, Washington, sound familiar?

6 A: Yeah. That's probably where it is. There's
7 that. And there's a lady. I met her once, you know, and
8 she works with John Worthen.

9 Q: What's her name?

10 A: I can't remember. Do you have it?

11 Q: Does the name Beverly Kamerling

12 A: Beverly Kamerling. That's the lady. That's who
13 it is; Now

14 Q: How did you meet Beverly Kamerling?

15 A: John Worthen took us out to dinner once and
16 introduced us. And said that I should work with her. She
17 had the gallery up there. And David Newren gave her a bunch
18 of my paintings up there and she hung them on her wall and
19 she wanted to get more and give more and give more, but
20 nothing-came.baqk. My paintings are still up there on the
21 wall. I still haven't got anything back from her. She
22 refuses to release the paintings.

23 **What am I going to do?** Can I retain you? How
24 much are you asking5 \$5,000, \$10,000? You know how many
25 paintings I can do on \$200 a week?

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1 So I just hang my head. It hurts. But as an
2 apple tree, I've got my viewpoints that I have to take so it
3 doesn't hurt so much because I get ripped off constantly.
4 Q: So she basically took some of your art work to
5 display at the gallery?
6 A: Framed it up
7 ~Q: How many pieces, do you know?
8 A: Five or six, I think.
9 Q: She never gave you
10 A: No she didn't. David Newren was working with
11 John Worthen and it was their trip, and I
12 Q: Did John Worthen have anything to do with the
13 gallery?
14 A: Yeah.
15 Q: What was his position at the gallery?
16 A: Personal friend of hers and they do a lot of
17 inner organizational stuff between her and him. She used to
18 be married toshe used to be married to one of these guys
19, that opened up the biggest ... Smith and Barney. I think she
20 was married to Barney. It might have been Smith. I can't
21 **remember, you know, but she was a nice** girl, nice enough
22 person. But I could see that it wasn't the type of
23 frequency that I could stand being around.
24 I want you to know I'm real sensitive to whatever
25 would make a bird stop singing. And if I see other people

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1 hurting other people, it kills me.

2 Now, it's my belief that I'm doing a good thing,
3 all right, by putting out valuable art. I can see from a
4 stock viewpoint that investors could be getting cheated if
5 they didn't understand the full story about this, okay. But
6 it's my intention to do good and be a productive artist and
7 make my stuff valuable and get it out the best way I can.
8 My methods aren't the best but something's happened.

9 You've got to admit with 125 corporations and two
10 or three hundred million dollars worth of art out there, and
11 guys all keeping their fingers crossed, "I hope it's booked,
12 I hope it's booked, I hope the SEC don't get me, I hope the
13 SEC don't get me."

14 You know, to hell with them. Their job is to
15 take those paintings that they have and move them around to
16 the galleries, get them framed up and do something with the
17 collection. If you don't fix up your car next year, it's
18 not going to be as good.

19 You know, you've got to put money into your
20 collection and that's where Terry Neal screwed up. He
21 should have, as soon as he got this art work, he should have
22 said, "Okay. I'm **part** of you guys' team now. We'll work
23 together. I'll **help you promote** it. We'll get some TV
24 videos done and we'll get Sky out there so everybody knows
25 him as good as Ajax.,'

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1 All right. Next question.

2 Q: Okay. So let me have the exhibit back please.

3 A: Okay. Oh, these right here.

4 Q: Thank you.

5 A: All right. I hope I'm not boring you guys. I
6 realize you've been over this material an awful lot.

7 Q: You're very helpful. Very helpful.

8 A: Well, I'm the source. I realize you guys did a
9 lot of work before you even asked me to come in. You
10 checked every single other person you could in asking
11 questions. And I think that you probably put me as the
12 prime person and I admire that.

13 MR. KINSEY: I tell you. I think this would be a
14 good time to take a break for lunch, if that's okay with
15 is you.

16 It's now approximately five after 1:00.

17 THE WITNESS: You guys are getting hungry? Okay.

18 That's fine with me.

19 MR. KINSEY: Let's go off the record. It's five
20 minute after 1:00'.

21 (Whereupon, at 1:05 p.m., the hearing was
22 recessed, to reconvene at 1:45 p.m.)

23

24

25

1 BY MR. KINSEY:

2 Q: I want to ask you, if you would please, to take a
3 look at that.

4 A: Okay. This is Book I and this is Book II.

5 Q: Right. Can you identify those?

6 A: Never seen them before in my life, either one of
7 them.

.8 Q: If I could take the rubber bands off

9 A: Oh, that would help. I'll look inside, okay.

10 Q: Just flip through and I'd like to know if you've
11 ever...

12 A: Okay. First of all, this cover thing. I've
13 never seen this cover before.

14 Q: Okay.

15 A: Second of all, I wrote my autobiography
16 rough ... yeah, and this is it. And you guys have no right of
17 having this because she was not authorized to sending it.
18 It's in a rough draft and it was sent up to the typesetter
19 to clean it up and get it back to me so that I could proof
20 it. Things were put in here that shouldn't be in here.
21 Anti-semitic stuff and all kinds of stuff. And you can ask
22 me what you want, but you have no right to have this.

23 Q:, No, I just want to ask you

24 A: You can ask me about

25 Q,: This was voluntarily produced under the subpoena

1 by Pamela Weston...

2 A: Yeah, I know, I know. She was told not to send
3 this. And I'll read to you why. Do you want me to read it?

4 Q: No, that's all right.

5 A: I'll do it anyway so you'll know what you have no
6 right to even have this. Okay. So in here ... in here I toss
7 in some of my poetry that shouldn't be in here.

8 Maybe she pulled it out, maybe she pulled it out.
9 I don't see it yet. I guess it's not here. Oh, well, never
10 mind. Let me check this one. Ha, ha, ha. Okay. Yeah,
11 there was very discrediting... I mean I don't mind, you
12 know...

13 ~.Q: There are just a couple of topics that I want to
14 ask you about, not a lot.

15 A: Okay. Go ahead, you can ask me.

16 Q: Let me just ask you

17 A: Oh, here it is right here. Do you want mehere
18 it is right here. It's called "Circumcised Blues." I'm
19 going to go right to the lowest part of it right here.

20 "You're the only one-you are the one who should be
21 penalized, not a little tiny baby. Hey, can't you
22 sympathize. It's just plain evil. It's unwise and ill-
23 advised. Only an incensed unthinking idiot would ever
24 circumcise. Hey, why not offer a burnt sacrifice along with
25 this. Maybe kill a young calf or little lamb while you're

1 being a misfit. I'm sure God would love you and give you
2 another sacred rip. Maybe another one to justify killing
3 Arabs, you insane sack of shit.11

4 All right. It doesn't feel good to me to have
5 this as part of the material and it's not my will that it
6 was sent here and I told her to pull that poem and the other
7 stuff that was in here before she sent it and she did it
8 against my will. And I told her that she was betraying me
9 when she did it.

10 But aside from that, I want to clarify what this
11 is. This is personal. It hasn't got anything to do with
12 any of these other guys. And if I'm writing it in here, it
13 may or may not be the truth. Because I have a vested
14 interest in it

15 Q: Okay. Let's

16 A: Okay. I'm done now. Go ahead and ask me

17 questions.

18 Q: If I could just have that back.

19 A: All right.

20 Q: I'll put the rubber band back

21 A: I don't want to be too hard about it, but, you

22 know, this is personal and this isn't ... there's stuff in
23 here, **you know, I'm sure glad** I didn't put anything about
24 masturbation in here, and I thought about it. I thought
25 about it, okay.

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1 All right. I'm done talking.
2 Q: If I could have that back. Can I have that back
3 too?
4 A: Sure. I love this book. I brought it January,
5 February, March just for you guys. I knew you'd like it.
6 Q: In the book, there's a mention of
7 A:
8 Q: Well, no. There's a company by the name of First
9 Phoenix Art ...
10 A: Art Capital Corporation. Dale Baker.
11 Q: And that's what I want to talk to you about.
12 A: Okay. Another painful story.
13 Q: What do you know about First Phoenix Art Capital
14 Corporation?
15 A: Okay. I met Artie in 1983, you know, I lived in
16 the warehouse and she lived in the warehouse and I moved in
17 with her.
18 How many copies of this do you have? Is that the
19 only one?
20 Q: This one is marked as an exhibit. This is just
21 something I have ...
22 A:- Oh, you went through and read the whole thing and
23 index tagged it. All right. I can see that. You know, I
24 could see that that had already been done before we came
25 here.

1 Q: Right. I had read it.

2 A: okay.

3 Q: And that's why I had a couple of questions.

4 A: Well, you must be interested. That's a

5 interesting story, isn't it?

6 Q: Yeah. I read it.

7 A: Yes. I'm happy to hear that. You're the first

8 person that's ... what did you think about it?

9 Q: Well, I'd rather not comment.

10 A: Oh, okay. I just wondered. All right.

11 The question, okay.

12 Q: I'm interested in things that would have an

13 effect on our investigation.

14 A: Of course. I understand.

15 is Q: I'm not interested in your personal

16 A: Personal. Okay. I appreciate that. Okay.

17 First, here's what happened. I met Artie in '83,

18 and in '84 we moved out to a place called the David and

19 Margaret Home for Girls. And it used to be an orphanage and

20 they closed down the orphanage in 1953 because of abuse.

21 We went in there and we renovated the building

22 and put Banker Art Museum up there, about 184 I guess it

23 was. And a fellow came along by the name of Dale Baker.

24 And he came along with another guy by the name of Jim

25 Thuney, T-H-U-N-E-Y.

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1 These two guys come over and they said that they
2 were pretty smart and that they could use the art work, you
3 know, to generate some cash for me. And they put it in a
4 public corporation. I didn't know anything about
5 corporations. And this was my first contact with anybody
6 that I'd heard. I had heard that the guys had been taking
7 my prints, limited edition prints, and running them into the
8 marketplace for stock, and then taking the stock and using
9 the stock as a currency to buy real estate.

10 This is what Dave Gerlach was doing in 179, 180,
11 181, like around through there, and I'd heard about it.
12 They'd come over to me. They'd get great big piles of these
13 limited edition prints. They'd take it to a company and
14 trade it for stock in the company, and then they'd take the
15 stock and go buy real estate, income -producing real estate
16 stock. I'd never done it, but I had heard that and my
17 prints kept going out and doing that.

18 Then one day this guy shows up from Snohomish,
19 Washington, and I'm just stupid, I guess, you know, people
20 say things and I just kind of go along with it. I said,
21 "Well, you know, yeah, yeah, we'll put it in the thing.
22 I'll own the stock and anyhow I won't lose anything." "No,
23 **and you'll be working and be** the president, oh, yeah, and
24 everything will be fine, yeah."

25 well, he took all the rest of the art work I had,

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1 and there was a lot of it. And he completely cleaned me
2 out. I never saw him again. And I've only spoken to him
3 once since then.

4 And somebody knew where he was, you know. David
5 Newren and John Worthen knew where he was and got him on the
6 phone and I picked up the phone and I started swearing at
7 him and he was swearing back at me, and I had asked him if
8 he still had my books. I had a large hard book collection,
9 about 2000 volumes that I collected, you know, in my whole
10 life, and he said, "I still have that. I haven't sold
11 that." I said, "You'd better not." And that's the last
12 time I spoke to him. I think he's down in the Phoenix area.
13 He moved from Snohomish to Phoenix. He's still got all the
14 art and everything. And I haven't got anything out of it.
15 I think I took the stock that I was supposed to own in it
16 and gave it to him and told him to put it into the company
17 to help strengthen the company.

18 Q: So he gave you stock and it was First Phoenix Art
19, Capital Corp.?

20 A: Yeah, yeah. Fifty-one percent or whatever it
21 was.

22 Q: Right. And you gave it back to him.

23 A: Yeah. I had it all signed up and I says, "Put it
24 in the corporation to help strengthen it." I don't know
what I was thinking. I gave him all the art and then I gave

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25

1 him the stock back. I said, "Oh, this will help too." You
2 know, but I don't know about these things. And it was, you
3 know, 13 or 14 years ago.

4 Q: Were you familiar with the lawsuit between David
5 Gerlach as the plaintiff against Dale Baker and First
6 Phoenix Art Capital?

7 A: Gerlach.... I never have seen any paper on it at
8 all. But Gerlach told me that he got a judgment against
9 Baker and that if I wanted the judgment, he would trade me
10 the judgment. He would trade out of the judgment.

11 I thought about it, and forgot about it and
12 started singing again. So, you know, I do know that this
13 did happen. I don't know what it's about. I know that
14 Gerlach did get a judgment. And Gerlach walks a thin line
15 and tries to do his very best not to cheat people, although
16 he's tough and I've known him longer than any of these guys.

17 Q: Do you know why he got the judgment?

18 A: No, I don't.

19 Q: Do you know the nature-of the dispute?

20 A: No. Something about art.

21 Q: Did it have something to do with your art work?

22 A: I don't know, I don't know. I've never heard

23 about it. He never told me. Now, I haven't been bartering
24 since about 1983. I was on the cover of "Barter News" and I
25 just stopped doing it as Michael Whipple. Once I went to

1 Sky Jones, there was no more barter. I figured my package
2 was good enough. I didn't have to go out and do it.

3 I may be wrong but I stopped the bartering thing.
4 And the reason is is because ... the reason I stopped
5 bartering is because I ended up getting things that I
6 couldn't use. For example, I got two tons of men and
7 women's.hosiery. Oh, I'm sorry. 30,000 pounds. That was
8 15 tons.

9 I had a guy going door and door, knocking on the
10 doors. Man, I was gut selling them myself, taking them
11 around here and there in big bags, you know. You notice
12 what happened there. I ceased being an artist and I became
13 a sock salesman. This happened over and over.

14 one guy came along and he gave me 30 pounds of
15 prunes. And they were all cured. They were dried and
16 everything, you know, it wasn't like plums, you know. Man,
17 I got them in cold storage right away. And, oh, I'm telling
18 you. I went around door to door with those prunes. I went
19 out to all the places, and finally... I finally sold them to
20 a guy... to a place, you know, that were able to bag it, you
21 know.

22 See, I found that no matter what I got, it wasn't
23 as good as the time spent on a beautiful work of art that
24 moved my heart. I don't want the money. Oh, that was the

25 other story I was going to tell you.

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1 Anyway, ask me another question.

2 Q: Okay. This art show that was held at the Milan
3 Gallery.

4 A: Uh-huh.

51 Q: Do you know anything about that?

6 A: I wasn't invited and I didn't go, and I'm so
7 embarrassed about it because all the paintings that were
8 displayed, none of them were by me.

9 Q: How do you know that?

10 A: I know what was in there. These were paintings
11 that Dave Newren ... okay. Dave used to take like \$20 million
12 at a pop and he ... now, I'm not ... keep in mind, everything
13 I'm telling you is what I think. I might be dead wrong
14 about this. But what I think and what I knew... okay. Sky
15 Scientific in Southern Florida, he moved a bunch of millions
16 of art work to them, a great big chunk. AIN.

17 Q: How do you know that? What do you know about
18 Sky...

19 A: Because he shipped them off.

20 Q: Oh, he shipped them to Sky Scientific?

21 A: Yeah. He shipped them to Sky Scientific. He
22 shipped the stuff that was at the Milan Gallery to AIN,
23 American-Independent Network, a TV cable network here, that
24 goes all over the United States. \$20 million worth of the
25 stuff. AIN contacted the Milan Gallery...

1 Q: Who contacted just for clarification, when you
2 say \$20 million worth of the stuff, you're referring to \$20
3 million worth of art work?

4 A: Yeah.

5 Q: Your work?

6 A: Yeah.

7 Q: Okay.

8 A: Yeah. He shipped off \$20 million worth of art
9 work to AIN and they were supposed to give us TV advertising
10 time, which, of course, you know, Artie got that and she
11 took it and tried to set somebody up, and they came in there
12 and undercut her and wouldn't do it, and cheated her and
13 everything else. And I guess she's handling it okay now,
14 and she's trying to get ... apparently they're running some
15 ads or something now she said.

16 But it's a problem. I won't even go talk to
17 these people. I've never talked to Sky Scientific. I've
18 never talked to one person in AIN. I've never talked to
19 Terry Neal. I've never talked to any of those guys that are
20 doing that, because, you know, they're off my purpose.

21 Q: So this art work that was displayed at the Milan
22 Gallery was not your art work?

23 A: Well, it was done under my direction but it
24 wasn't completed under my direction. I broke my leg in
25 Thailand before I ... when I came back and the did the

1 sculpture. I broke my leg. And I broke the ball in my hip
2 off the femur, okay. Bone. We were out in the jungle kind
3 of, and it took three days to get into Bangkok to a
4 hospital. It was a miserable thing. And when I got back to

5 the United States that ended off right there. There was
6 no more painting. Artie went in. She packed all the stuff
7 up and shipped it back to the United States.

8 After it got back to the United States, Dave
9 Newren went through the stuff, packaged up stuff and shipped
10 it off to different locations that he had been working on,
11 because he wasn't I was in Thailand for six months, and he
12 was only there he was there for about two months or
13 something and came back here. So he had a four-month run
14 saying, "Well, the stuff is coming in," you know.

15 So he went and he packaged the stuff up and I
16 mean these were big paintings. Six foot by four foot, you
17 know, and like that. 51 inches by six-foot-four, and stuff
18 like that. Plus probably some small ones too.

19 Those paintings ended up.. I was surprised at how
20 many there were, you know, the big ones. But there he had

21 the Milan Gallery now. A lot of them down in the basement.
22 They have a vault down there with a big wheel and everything
23 **and they take people down in** the vault and show them the Sky
24 Jones paintings. And that's the only art work that I know
25 that's in the vault down there.

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1 And the paintings that were displayed ... the show
2 was put on without me even being invited, nobody giving me a
3 ticket to it. And I didn't get one thing out of it. Not
4 one thing out of that show. And the only thing that came
5 out of it, was Ronald Wellborn, and he called and said, "110h,
6 I like your stuff," and he apparently picked up a couple of
7 paintings.

8 But according to Tal, 80 or 90 percent of the
9 pieces sold, and over half the pieces sold the first night.
10 That probably means barter. The article said, you know,
11 that's probably what it meant. That was \$5 million worth,
12 the night of the opening.

13 Q: And how do you know this? Is this based on
14 A: Tal Milan told me that, the owner of the gallery.
15 Q: He told you that?
16 A: Yes. And it's also printed in Decor magazine.
17 Q: But you don't have any firsthand knowledge
18 A: I wasn't there. You know, I wasn't there.
19 Q: okay.
20 A: I wish I would have been. Finally when I met
21 Tal, he's **complaining about** this and that. I said, "Well,
22 look, let me give you this painting here. It'll help solve
23 **any of the hard feelings you have** about not having been
24 paid, this and that." He had a problem with the framer. I
25 gave him a painting out of goodwill, and that was the only

1 stuff I've done.

2 Now, Artie handles all that type of stuff. I
3 don't even want to see it, you know, because she's in charge
4 of any galleries and so forth.

5 Tal didn't know that the paintings .. that none of
6 the paintings were by me, that they were all done by my
7 assistants under my direction. Since he found out, he just
8 about had a heart attack. He said, "Don't tell me that-" I
9 said, "Well, you know, they were done under my direction.
10 Do you think Leroy Neiman does all his prints himself?"
11 Everybody knows he doesn't. Do you think Andy Warhol does
12 any of his?" No, he doesn't do it all. He's got people
13 doing them, under their direction.

14 But he said, "Well, I would like to have a show
15 of the stuff that you have painted while you've been here in
16 Fort Worth." And Artie is currently establishing... setting
17 up that show, and they'll print up some posters, you know,
18 do the whole routine. gut it will be some of these new
19 pieces that I've brought it and showed you.

20 Q: Okay. Now, in your book you mentioned the
21 reference to Lennie Lumpkin is really ... you're talking about
22 David Newren?

23 A: Uh-huh.

24 Q: There's another person

25 A: What's the name?

1 Q Dudley

A: Burnass.

3 Q: Burnass.

4 A: These are all a play on words.

5 Q: Who is Dudley Burnass?

6 A: Ron "Will burn."

7 Q: That's Ron Wellborn?

8 A: Uh-huh. Now, I have gone through here and in the

9 autobiography... I haven't finished it. It's 900 pages

10 short. It's at 900 pages right now and I don't know if you

11 have all 900 pages.

12 But can I look at it?

13 Q: Sure.

14 A: Now, this is supposed toBook I and Book II,

15 right? So I haven't seen this Book I and Book II. When I

16 saw it, it was just Book I. It was just one big thing. And

17 I just want to double-check the back here.

18 Q: Who is typing it for you?

19 A: I typed it all myself.

20 Q: Oh, you did.

21 A: I didn't even do it in a computer. I just typed

22 it up. Okay. Yeah. It looks like you're missing ... yeah,

23 there's a big section missing out of this.

24 Q: Okay. That's fine.

25 A: But it's taken up to a certain point. Okay.

1 Q: That's fine. I just wanted to know who

2 A: Okay. That's who those two people are. And

3 Q: What about Rolo Bunker?

4 A: I think Rolo Bunker is Wolfson. You know, Allen

5 Wolfson.

6 Q: Uh-huh.

7 A: Those were the three names I came up with. I've

8 got to rewrite the book and change all the names in it to go

9 with that. Because I'm not going to publish... I don't think

10 I ought to publish their real names. I'll probably get in

11 trouble. I could, you know, but the historians can do that.

12 Q: All right. And there was a mention in your

13 autobiography, there's a quote ... you're talking about First

14 Phoenix Art Capital Corp. and in there there's some quotes.

15 It says, "Stock promoters steal assets with false promises."

16 "Cheating people with worthless stock is sanctioned in this

17 country."

18 Can you explain what you mean by that?

19 A: Well, I only speak from experience, you know. I

20 wouldn't speak for anybody else. My own personal

21 experience. All right? I don't have anything to the

22 contrary by my experience that I can say exists. I do not

23 use this viewpoint as a justification though.

24 Q: Who are the stock promoters you're referring to?

25 A: Oh, let's start off with Ralph Baughman. Have

1 you ever heard of Ralph Baughman?

2 Q: No.

3 A: Well, Ralph Baughman was a penny stock promoter
4 in Salt Lake.. He was ... the wife, April Baughman, who I was
5 with for eight years. We have a son.

6 Well, he always used to tell me his pictures were
7 better than mine. And he was talking about his stock. And
8 he would set up stock things purposefully, fraudulently, to
9 rip,off. And that's just all. That was it. There wasn't
10 any... I'm going to do a service here. If there was any
11 service, it was just a promise to get the money.

12 Example. He went over to San Francisco ... between
13 San Francisco and Sacramento area over there, and sold
14 telephone books, local telephone books. Got a bunch of
15 salesmen and collected the money. Promised ads. Took the.
16 money and left town.

17 Now, Ralph did some time in jail over this. They
18 caught him on some of the stuff. But anyway, that's Ralph
19 Baughman. That was the ... I knew him just off and on. I
20 talked to him. But I never really understood what he was
21 doing. But I knew that every single bit of stock that he
22 had was bogus. I saw him at different times, put deals
23 together-and rip off people and have it go down. I saw Dale
24 Baker do it. He did it to me. I saw John Worthen do it. I
25 saw every single one of these guys. I can't think of one

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1 person that hasn't.

2 Now, maybe it's just that I hang around with
3 slimy guys. I don't hang around with anybody. These people
4 find me. I didn't go after Dale Baker. I didn't call him
5 on the phone and say, "Hey, I need some help." He came
6 right over. Somebody said, "Hey, go over and check this guy
7 out," and he was a carnivorous predator. And that's what
8 these guys are.

9 Q: And they basically used your art work to obtain
10 stock?

11 A: They used my art work to do anything that they
12 want to do and they do not take me in as part of the "must
13 be paid" computation. You see, it's steal.

14 Now, let's take a look at it. Okay.

is Q: Talk to me about stock promotions, how..... I want
16 to stay on that topic, if we can.

17 A: Okay, all right.

18 Q: How companies, public companies, or private
19 companies can use art work to help the companies, and how
20 some of these promoters use the art work to get stock. You
21 were talking about that earlier.

22 A: Well, you see, as of 1983, 1 was just reading a
23 magazine this week, it's an 183 magazine. As of 1983, 300
24 of the Fortune 500 companies had art collections with full
'2 5 time curators. You know, complete collections. Three

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1 hundred of them did. Every one of these 300 corporations
2 had collections of over a million bucks.

3 So when they get up and put up some big
4 buildings, instead of just buying a decoration, they buy
5 name art by somebody who may have a future, you know.
6 They're not always right, but they buy it as an investment.
7 Number one. Art is good. Kings and queens have always had
8 art. If the country goes down, they don't take their silver
9 with them. It weighs too much. They don't take their
10 sculptures with them. It weighs too much. They don't even
11 take their personal clothes. They abandon everything and
12 they roll up their art work. Because the large big
13 beautiful master work can put you in an altered state of
14 peace and reconnect you with your spiritual heritage.

15 Now, this is not something new Sky Jones is
16 talking about. This is an historical fact and the
17 understanding of value of the art. Art has always been
18 valuable. And it is one of the valuables that is ... hey,
19 that car is no good. It's going down. A brand new Mercedes
20 this year. Ten years from now it's going to be at the
21 bottom. Same with that and that and that and that and that.
22 But what about the art? Well, art seems to kind of maintain
23 the whole thing, doesn't it? Well, it sure does compared to
24 cars and compared to this and compared to that. Art seems

25 to kind of maintain their thing.

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1 And I'm in for art. I've spent a lot of money on
2 art. I don't know anybody that spent as much and loves art
3 as much I do, and I know people ... now, I say this qualified.
4 Per the, amount of time and the amount of money I have, I've
5 spent more money on art work than any other person I've ever
6 met in my life. I know that's true. I'm a sucker for it.
7 I love it. I'd steal it. I'll steal it. Now, what kind of
8 a guy would steal something he liked it so much, you know.

9 Q: Let's refocus on I'm talking about the
10 promoters like you mentioned, the John Worthens ...

11 A: The John Worthens.

12 Q: the Allen Wolfsons.

13 A: The Wolfsons.

14 Q: Those

15 A: Well, Wolfson right now is trying to get a tax
16 write-off with some of these 10 paintings. And those
17 paintings were never paid for, and plus they're damaged,
18 because ...

19 Q: I'm talking about where they trade the art work
20 for stock.

21 A: You mean other companies.

22 Q: Yes. In other companies.

23 A: Okay. One of the things that I have head the
24 guys do is they take ... one company will ... well, this is
25 pretty standard. This is pretty standard. Here's what

1 happened.

2 Wellborn somehow gets the paintings from me, and
3 he's got the paintings. What he does is he breaks it up
4 into Global ... this is Global 1 here. He doesn't tell me
5 there's Global 2, 1, 4, 5 and 6. He doesn't tell me that
6 there's April Trust ... and that there's April Trust and that
7 there's Lincoln something. Geez, you know, I can't believe
8 how many this guy's got together. You know, before I know
9 it. And I didn't know any of this. None of it. Until the
10 deposition. And they came in there and they made him start
11 talking about it, you know. I didn't even know he was on
12 parole.

13 Anyway, and what they do is . from what I know,
14 they put the ... a lot of these guys have heavy asset bases
15 anyway. And the art is a minor. or it can be played as a
16 major, depending on who I put it out.

17 A corporation that they create and get audited by
18 a big name, there's the corporation there that may have some
19 value, you know, as an art corporation, you know.
20 Maybe ... but see, guys like Wellborn, what he'll do is he's
21 goes down there and he pretends that this corporation has
22 been running and these papers have been going on. John
23 Worthen does the same thing. Allen Wolfson does the same
24 thing. Paper, paper, paper, paper, paper. Oh, it's going

25 on, it's going on, it's going on.

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1 Does anything really happen? Geez, a million
2 pages. It looks like it, but nothing really did.

3 So they're in the business of manufacturing
4 paper. So what they do is they take the paintings and then
5 they figure, where can they move them? Now, one of the ways
6 is the paintings can be sold good on their thing, but if
7 they can get stock and diversify their assets, their asset
8 base, and get stock in other corporations, and get rid of
9 the art and just keep some of the art, maybe a hundred or
10 two hundred thousand dollars worth, just to handle taxes
11 with their donations or whatever they want to do, they feel
12 that they're covered. And this is what they do. That's one
13 of the things I've seen them do.

14 And I haven't been on any business lines I mean
15 talking to Dave, you know, I had a rough time. I mean I was
16 able to get some of the information out of him but I don't
17 know all the answers. I don't know everything that they do
18 with the stuff.

19 You probably do because they've been doing it.
20 You've been following them.

21 Q: All right. As part of the production by the
22 Bankers Art Museum, Pamela Weston, Artie Freestone, produced
23 a number of documents that were captioned as assets that
24 were turned over to the Bankers Art Museum by David Newren.
25 And these were marked as Exhibit 455.

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1 And I wanted to go through these with you
2 A: okay.

3 Q: and see if you had seen these

4 A: They didn't go from me to her. They went from
5 him to her, although some of them I have seen.

6 Q: Now, let me let you look at Exhibit 455. Just
7 flip through there if you would.

8 A: All right. "Assets turned over to BAM by Newren,
9 have not been able to collect on any." This is Artie's
10 handwriting here. Okay.

11 (Laughter)
12 Oh, geez. This is such a heart breaker. I don't
13 want- to go through this. Let me tell you. This is loss,
14 loss, loss, Rip off, rip off. Two-faced stuff. Okay.
15 I'll go through it.

16 Penny Saver, North Tampa News. I've never seen
17 this. It says that they've signed this over to her. That's
18 nice. I think-that she might be a criminal if she tried to
19 move it. If she tried to trade it.

20 Q: Who are you referring to?

21 A-: Artie. You know, they gave her this and then she
22 trades it out and it's no good, then who was trading no good
23 stuff? It was her, wasn't it? The first thing I tell her
24 is I say, "Look, Artie. If it's no-good... Oh, the phone
25 cards. Oh, geez. Wellborn and those stupid phone cards.

1 He's got a million of them. And he lied to me about how
2 many he got. And he gave them all to me and then they were
3 no good. And I gave them to poor Artie while they were
4 still a little bit good, and she traded out a bunch of them.
5 I don't want anything to do with that stuff, you know. She
6 traded out a few of them and then they turned out to be no
7 good.

8 She went back and had to pay back on every one.
9 You know, but she neverthe art's gone. I says, "Have you
10 gone after that guy yet? Have you gone after that guy?"
11 "Oh, no, but I'm thinking about it." oh, great.

12 Okay. So I don't know about this.

13 Q: When you're looking let's make sure it's clear
14 for the record.

15 A: Okay.

16 Q: You are looking at an affidavit of publication

17 A: Uh-huh.

18 Q: and the page number is PW 305 down at the
19 bottom of the page.

20 A: **Yes**, sir.

21 Q: Is that the one you're looking at?

22 A: Yes. PW 305.

23 Q: Right. And there's some notices in here

24 regarding;the Bankers Art Museum. It says "The undersigned
25 intends to register with Secretary of State, Tallahassee,

1 Florida, the trade name of Pamela Weston doing business as
2 Artie Freestone.

3 Is this what you're referring to? You didn't
4 know about this? Are we looking at the same ...

5 A: I've never seen this. Oh, this is an affidavit
6 of publication.

7 Q: Yeah. This is just

8 A: Oh, she just published that. I figured she
9 got...I figured that what I was looking at was ... she got
10 some advertising in here that she'd never be able to collect
11 on. That's what I was responding to.

12 Q: Oh, yeah. No, apparently this was

13 A: okay. well, this is the d/b/a here

14 Q: Right.

15 A: It says that she is Artie Freestone and she
16 paints, writes and sings.

17 Q: Right.

18 A: Okay. That's fine, that's fine. Here's another
19 here. That is good.

20 Q: okay.

21 A: Here's Florida Department where
22 apparently ... Federal something. The following signed
23 document number. "Please refer to this number whenever.11

24 Okay. So, they got a number from Florida.

25 Q: All right.

1 A: "Articles of Incorporation. The name shall be
2 Banker Art Museum." So she did this here. It says they're
3 going to have some shares or something. I think she's got
4 them all.

5 Okay. And here's an address where she registered
6 and when she did the registration. I want you to know that
7 she was ... it was requested by me of her that she get
8 straight and legal. She's going to take responsibility for
9 the Banker Art Museum. And that it was in fact her baby and
10 that she was the run it as legitimate and I would empower
11 her with my art work and anything that came my way or that
12 she could build a type of a civic center that we could
13 display the art of mine and hers and other artists in these
14 types of things.

15 A man is only as valuable as he can be of service
16 to his fellow man and the purpose behind the Banker Art
17 Museum.

18 Okay. I see here "Registered agent." She
19 registered. It's been registered. Okay.

20 Q: Yeah. Now, the next page there.,

21 A: PW 312?

22 Q: Yes.

23 A: Okay.

24 Q: It looks like an advertising due bill. Do you
25 know anything about this? Have you ever seen this?

1 A: Oh, okay, yeah. I know what these are.

2 Q: Have you ever seen this before? What is this?

3 A: Let me go over..... okay, let me tell you what this
4 is. This is PW 312. What this is is David Newren went over
5 and talked to Terry Neal. And Terry Neal ...

6 Q: How do you know that?

7 A: Dave told me. Dave went over and talked to Terry
8 Neal and Terry Neal told Dave that rather than to
9 individually give out these media due bills that he was
10 acquiring,, for him to start a company and have the company
11 offer... have the company offer it.

12 Now, that way 15 or 20 different types of media
13 could-be clunked in. Okay. Now, what he did is he went out
14 and he set this little thing up. It was never registered.
15 It was never...

16 Q: when you say "this thing," you mean Global
17 Market ...

18 A: Global Market Systems packaged

19 Q: David Newren set this up?

20 A: Yeah, he did. And he's got \$4,600,000 due bill
21 to give the Banker Art Museum and he is Global Market
22 Systems, and here's his signature down here. It says right
23 here he's ...

24 Q: The managing director.

25 A: Managing director. And he started it up and

1 everything. Now, he did this when he was officing with
2 Allen Wolfson, and that address, 268 West 400 South, No.
3 300, is Allen Wolfson's office.

4 And so what Newren did is he took in . I wouldn't
5 even talk to them when they were down there. I was

6 varnishing the paintings and just after that he came over
7 and stole everything, you know. So I mean I wasn't even
8 The last seven, eight, nine months, I wouldn't
9 talk to Dave because I couldn't trust anything he said. He
10 was constantly lying to me and he was stealing, and I told
11 himI said, "You can't come around here and take any art
12 out of here ever again unless you have a letter of intent
13 from.the people that it's going to. other than that, we
14 don't have any recourse, Dave." And he never ever did it.
15 He never could put in that policy. So I just had to let him
16 go.

17 But this is his kind of . this is Dave's way
18 of oh, geez, here it is. The promissory due bill is for

19 advertising the Travel Agents Hotel Guide.

20 Q: Yeah. Do you know what that is?

21 A: It's Michael Neal's thing.

22 Q: Now, what is the Travel Agent Hotel Guide?

23 A: It's a book that's this thick or something that's
24 full of it's a magazine advertisinghotels all around the

25 world for travel agents to look through and so forth.

1 Q: So the Bankers Art Museum then received a
2 certificate for \$4.6 million worth of this due bills of the
3 Travel Agents Hotel Guide?

4 A: Yeah.

5 Q: Do you know if the Bankers Art Museum ever was
6 able to use them?

7 A: I sent him a four by five transparency and I
8 said, "Put this up" and he came back and he said, "Give me
9 \$350 and we'll talk." I said, "Send me the transparency and
10 the color separations back" and he did. And that was it.

11 Q: So you never were able to collect

12 A: Michael Neal is slime. Terry Neal is slime.
13 These guys put out stuff and won't stand by it. I might be
14 slime, but at least they get a painting, damn it. And this
15 right here, they're worth nothing. You know.

16 Q: Okay. So the Bankers Art Museum never was able
17 to collect on these?

18 A: No. They didn't collect on any of this stuff.
19 It's uncollectible. It's a scam.

20 Q: Now, there-are a number of stock certificates
21 following that.

22 A: Of OTS.

23 Q: OTS Holdings, Inc. Do you know anything about
24 those?

25 A: OTS was apparently a pretty good deal. They got

1 some good art and gave up some stock but we never got any
2 money out of it. And I sure wish I could get some. But my
3 art's gone. They got the stuff. They've moved it some
4 other places I've heard, and the Internet has a couple of
5 dozens locations you download. I think OTS or somebody else
6 who got some paintings from OTS ... I don't even know the
7 whole story. But ...

8 Q: Did you deal with anybody at OTS Holdings?

9 A: I never met any of them or talked to them ever on
10 the phone, not even one of them.

11 Q: Do you know if any of your art work was ever
12 transferred to OTS Holdings?

13 ~.A: Yeah. They got a bunch of it.

14 Q: And how did they pay for it?

15 is A: With stock.

16 Q: And this is the stock that they gave to Pamela
17 Weston?

18 A: Yes.

19 Q: And were you ever able to cash in on the stock?

20 A: No. I have never cashed in on any stock in my

21 whole life, not even one share. I want you to know that.

22 Not even one penny have I ever received in my whole life for

23 any stock. Now, that ought to tell you something about this

24 investigation.

25 Q: Well, do you know why you weren't able to cash in

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1 on the stock of OTS Holdings?

2 A: I can't sell it. It's no good. Preferred
3 shares. Oh, yeah. Well, first of all ... first of all ... I
4 don't know all the lingo, but I do know that if it's
5 restricted, then there's this double split thing where the
6 stock that you had was no good anymore. Then there's
7 the ... well, you didn't show up at the shareholders meetings,
8 so we voted you out. Then there's ...

9 (Laughter.)

10 Q: So you didn't

11 A: I don't know why. I told her to try to get money
12 out of anything. I'm broke. She never could get any.

13 You know where my money comes from?

14 Q: No, where?

15 A: From people that I meet daily. A guy sold one
16 painting to Jim Metcalf in the last month. I just got a
17 \$200 check from him this month, and last month I got 200
18 bucks.

19 Q: Jim

20 A: Jim Metcalf. He's been my supporter. And I went
21 up there. I had to paint six paintings.

22 Q: who is Jim Metcalf?

23 A: He's a doctor. He could give you a lot of
24 information.

25 Q: Where is he located?

1 A: He's a doctor i n Oklahoma City. Do you want
2 phone numbers and stuff?

3 Q: Yes.

4 A: You ought to talk to him. Say, "Who is this
5 Whipple? Who is this Jones?"

6 Q: So he paid you \$200

7 A: "How much money have you given this guy for his
8 art? How have you supported him?"* He claims he's given 25,
9 30, 40 thousand dollars in the last few years to me, since
10 180 something. I'm looking for Jim Metcalf's number here.
11 Here's his address right there. This is his new office he's
12 just opened up.

13 Q: So his address his name is James P. Metcalf.

14 A: Uh-huh.

15 Q: M-E-T-C-A-L-F.

16 A: Uh-huh.

17 Q: M.D. 4115 Classen Boulevard. That's
18 C-L-A-S-S-E-N, Oklahoma City, Oklahoma 73118. Thank you.

19 A: You bet.

20 Q: How much art work have you given to Mr. Metcalf
21 over the years?

22 A: Well, we have an unusual relationship. His phone
23 number at **home is (405) 478-4722** at home. And his office
24 phone number (405) 946-5623. Heis been a supporter over the
25 years. I believe I met him in about-eight or nine years

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ago maybe. 188 maybe. And he's ... I use him to avoid
2 suffering. When I first met him, he wanted to give me
3 \$25,000. So what I did is I told him, I said, "I'm just
4 going to go blow it right away. I'll just spend that right
5 away." I said, "It would help me if you sent me \$100 a
6 month," you know, or \$200 a month, or something like that.
7 I said, "That way I won't suffer. I'll always be able to

8 buy to have enough to get through and I won't have to go
9 begging."

10 You are dealing with a guy here .. you know, you
11 don't know the whole story about me. I don't take pay.

12 That's a topic.

13 Q: So he over time has received art work from you

14 A: I go out there and paint and just leave the stuff
is there and he can take what he wants out of it.

16 Q: Howmuch have you gone, would you estimate over
17 the years, that you've given him in exchange for the
18 support?

19 A: Hundreds of paintings.

20 Q: Hundreds of paintings?

21 A: Uh-huh. He's got them all shrink wrapped. He's
22 got big piles of them. You can just flip through them.
23 What I do is I go up and I go into a retreat there. He has
24 out in his backyard, he's got an old church. An old
25 Pentecostal church that was closed down years ago and he

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1 likes to work in wood, so the lobby part of it is full of
2 his woodworking tools. And the back part is where he keeps
3 his lumber. Back in there I have an easel, and about every

4 six months or a year I'll go over there for a while.

5, But the last two months . he just opened this new
6 office here, and he's supposed to send me \$400 a month, and

7 thelast two months he dropped it to \$200. And it caused me
8 some difficulty because I had arranged for that in January.
9 I painted six paintings. I went up there and sat in the
10 studio and I was just broke, you know. Had been ripped off
11 and everything. I got to get some money from this guy
12 because he's so tight. This guy takes Metamucil three times
13 a day and I'm not joking. And he's skinnier than me. And
14 notonly that, girls can't stand to bearound him because
15 he's so damn tight. And he'll get you on a line and he'll
16 shrink it. Less and less and less. That always got me
17 down, you know.

18 It started out with **\$400, \$400, \$400**, and the
19 last couple of months it's \$200 and \$200. And my cigarette
20 habitis \$35 a week.

21 Q: **So what would you** estimate he's paid you over
22 that time?

23 .A: He says **\$20,000** in the last nine years. You
24 know, I think 20 to 25 thousand dollars is what he

25 Q: For all those paintings?

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1 A: H e didn't buy them individually from me. Keep in
2 mind, I'm not here to sell art. I give them to him for his
3 generosity and his support and he can pick out anything he
4 wants. And if I go and stay at your house, and I'm going to
5 be there two weeks, I may leave and leave all the paintings
6 with you because I don't want to take them with me. Or I
7 may take ... I may pick out a nice one and give you and take
8 the rest. But it's standard, pretty standard, that I'd
9 leave everything with you. Just turn it over, you know. Be
10 generous and be a good guest, you know. That type of thing.

11 Go ahead.

12 Q: Do you know what Mr. Metcalf does with your
13 paintings?

14 A: Yeah. Nothing to do with stock. He frames them
15 up and he puts them in his house and he puts them in piles
16 up in the second bedroom. And he's had them framed up and
17 he's had them put in his business office to decorate his
18 doctor's office. He loves the stuff. He's a big heavy
19 supporter of the symphony and things like that, you know.
20 Very good guy.

21 Q: Does he ever donate them to charities?

22 A: Never has.

23 Q: Okay. The next document in the stack that we're
24 looking at, U.N. dollars stock certificates.

25 Do you know anything about those?

1 A: Geez, there's an awful lot of these OTS Holdings
2 here. Okay. U.N. dollars. I've never seen this
3 certificate before. What have we got? Barbara Cherry.

4 Q: Do you know who that is?

5 A: Never heard of her. Who got this?

6 Q: This is something that was produced

7 A: Artie gave it to you?

8 Q: Artie Freestone.

9 A: Yeah. See, I don't follow this stuff. I've
10 never seen this. She must have got it from somebody.

11 Q: Okay.

12 A: I don't know if it's worth anything.

13 Q: What about Video Marketing Network, Inc.? Willis
14 Miller.

15 A: Never heard of him.

16 Q: Have you ever heard of Video Marketing Network,
17 Inc.?

18 A: Un-uh. Never heard of it.

19 Q: Do you know Artico, Inc.?

20 A: That's Artie.

21 Q: Artie Freestone?

22 A: Uh-huh. That's Artie.

23 Q: Okay.

24 A: I said, "Well, now, you've got to give me half

25 the stock in these corporations in this article." She says,

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1 "Okay, I will." She sent me a blank certificate. She sent
2 me one that looked like this, you know. or something. See
3 here? And I looked at it had her name on it, and nothing
4 had my name on it. So she could be just fit in the same
5 category as the rest of the guys. I don't know.

6 I treat her nice. You have to find someone to
7 trust, at least one person.

8 Q: Okay. What about this attorney Richard T. Avis?
9 Do you know him?

10 A: I never met him or talked to him.

11 Q: Okay. Number of due bills for legal work for
12 Artico.

13 A: Oh, yes. He probably see, I told her the
14 Banker Art Museum cannot loan or borrow money. And, in
15 fact, it doesn't own any of this art. This art all belongs
16 to me. And they've have an agreement with me that if they can
17 move a profit, I believe that's good. The Banker Art Museum
18 is just a certification service. And I said, ~'If you're
19 going to do any business, you're not going to do it out of
20 the Banker Art Museum. You're going to do it out of your
21 own company." She started up Artico.

22 I said, "You can have a special .. whatever you
23 want." I said, "But you can't jeopardize the Banker Art
24 Museum because it's my entity" and when I die, I want to
25 have a public display and it might be in New York City,

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1 don't know where, and then donated to some city,
2 municipality, like Miami or someplace that appreciates the
3 arts, you know, and I'll be gone.

4 That dad of mine ruined me, you know. Worked for
5 the family, right?

6 Q: If you could flip on to the

7 A: okay.

8 Q: There's a due bill in here from the American
9 Independent Network.

10 A: AIN.

.11 Q: AIN, right. Made out in favor of Pamela Weston.

12 A: Uh-huh.

13 Q: It looks like \$100,000 worth here. There's a
14 number of ... it looks like, I don't know how many of them,
15 \$100,000 ..there's a number of \$100,000 due bills.

16 Do you know if Bankers Art Museum ever was able
17 to use any of these?

18 A: Not even one of them. She worked.....that pool
19 girl. She works so hard and she's dedicated. She went in
20 there and she ... listen, oh, geez. I don't even want to tell
21 you the stories. It's so sickening. She's got a good
22 attitude, you know. She's got ... that girl's got a good
23 attitude to be able to put up with this.

24 She goes out of her way to get a guy that will
25 buy it. on the face value.

1 Q: To buy what?

2 A: To buy the AIN, the TV advertising.

3 Q: Right.

4 A: And it's hard work. And she gets the guy to go

5 over there, you know, and this guy here, whoever's in charge

6 of the company, some guy, Randy Moseley. Randy Moseley

7 undercuts her certificate. Says that to use the

8 certificate, they have to pay cash, and that he's got a

9 special deal, and steals the thing right away from her.

10 Q: So the guy that she had lined up

11 A: She's getting ready to

12 Q: to use her due bill was basically taken by

13 American Independent Network who...

14 A: Yeah, they undercut.

15 Q: They undercut and got cash.

16 A: And said that they wouldn't honor this unless the

17 guy came up with cash and stuff and, you know, it is just

18 not right. That poor girl. Listen to this. She went up to

19 the coach, the he-ad coach of the Miami Dolphins, when she

20 had the phone cards. That takes a lot of guts. They were

21 staying in the hotel. They were over eating and she walked

22 up to him. She's a gutsy gal. I wouldn't do it. She

23 pulled out her phone cards and she says, "Look, I've got

24 some phone cards here. maybe every one of your guys can

25 have one."

1 "Well, if they work good, we'll buy them from

2 you," the guy said, and they walked right over to the pay
3 phone. The head coach from the Miami Dolphins. And they
4 didn't work. I could have cried for her. I was so

5 embarrassed just to hear this story.

6 Q: Well, tell us about ... you've been mentioning the
7 phone cards. Tell us what was the first story?

8 A: Ronald Wellborn goes out and see, I got this
9 guy here. He's putting out these phone cards here. He says

10 he'll give us half a million dollars. That's a million
11 dollars worth for art. I said, "Oh, yeah, go ahead and do
12 it. It sounds good. Just make sure you get yourself
13 covered. It might be no good, you know." I said, "It's up
14 to you. Do your due diligence." "Oh, okay. Well, geez, it
is looks like a great deal."

16 Q: What was the appraised value of the art work that
.17 she gave up for the phone cards?

18 A: This was Ronald Wellborn.

19 Q: Wellborn. I'm sorry.

20 A: Two to one, I believe. I believe it was on a two
21 to one.

22 Q: So for every

23 A: **Forevery million dollars** you get a half a
24 million dollars of phone cards. Okay. Well, it turned out
25 that he lied to me and he actually took in two and a

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1 half ... I believe ... I'm not sure about the numbers, but I'm
2 telling you pretty much what I know. He took in two and a
3 half million dollars worth of phone cards and told me ... I
4 believe he told me he only took in a half a million and then
5 he gave me \$200,000 or some numbers like that.

6 In the deposition, when I finally took him to
7 court, you know, got on him and everything, it turned out
8 that he had taken two, almost three times as many phone
9 cards in trade as held told me, and held moved more art than
10 he had said he would.

11 And then when the phone cards were no good, you
12 know, after I got ... it turns out that it was no good, and he
13 says, -oh, well, he'll give them all to me now. The guy's
14 got the art and I've got the phone cards.

15 I gave all the phone cards to Artie. I says,
16 "See if you can get a junkyard dog and sic it on him."

17 Okay.

18 Q: Then there's some stock here for Sky Scientific
19 Entertainment Properties. Class A preferred stock. It
20 certifies that D'Var Institute ... do you know a company by
21 the name of D'Var Institute?

22 A: No, I don't. Sky Scientific Entertainment
23 Properties. **Now, I've never even seen this** certificate.
24 This must have been a new one. D'Var Institute. I wonder
25 what that is.

1- Q: Okay. So you don't know about that?

2 A: No. But this might be Sky scientific that Dave
3 did the original deal with, and this may be some other type
4 of a deal that Artie did something with later. I don't
5 know. I don't recognize it.

6 Q: Okay. That's fine. I just wanted to see if you
7 had seen it.

8 A: David Yeaman took Art from Newren and didn't
9 deliver it. Oh, yeah.

10 Q: The Parkside Industries, Inc. Stock certificates
11 made out to Profit Financial Corporation.

12 Do you know anything about that?

13 A: No, I don't. But I see Parkside. I think
14 Parkside is one of Dave's friends. Parkside Industries is
15 Dave's friend in California, something. I can't remember ...

16 Q: This is Dave Newren's friend?

17 A: Yeah. Dave Newren's friend. Parkside
18 Industries. Apparently Dave gave him a bunch of my work.

19 Q: Okay.

20 A: I don't know whatI mean Parkside. I recognize
21 Parkside. It's some guy. I can't remember the name of the
22 guy. It's one of Dave's friends. I only met him once.

23 Q: What about Profit Financial Corporation?

24 A: No, I never heard of that one either.

25 Q: Okay. That's fine.

1 makes me happy.

2Q: You've heard of Omar Sharif's Casinos?

3A: I've heard of that before. It seems like it was
4another one of those David Newren's deals.

5 Q: Okay.

6A: I don't see it in here. I remember hearing it,
7 you know, or something, or reading it on a piece of paper
8 once.

9Q: There's a stock certificate in here at page PW
10 381.

11A: Oh, okay. Just a few more pages here. Oh, here

12 it is. Look at that.

13 Q: Do you know anything about that?

14 A: No. It looks like something you'd want to own

15 though, doesn't it? I don't know. I've never seen it.

16 (Laughter.)

17 Q: And-it's made out to Global Market Systems which
18 is David Newren's company.

19 A: Yeah. It's such a heart-breaker.

20 Q: What about the United States Basketball League?

21 A: **Dave traded** for those and apparently Artie has

22 them right now. And you have to have ... from what I heard,

23 you have to have a bunch of them open at the same time and I

24 don't think she's been very good at doing much of it. I

25 told her to get rid of everything, but, see, it was no good

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1 and you're a criminal if you pass it. And so if you get
2 cheated, then you've got to say, am I going to... I've got a
3 choice at this point. I got cheated. Am I going to be an
4 accomplice in this crime, or am I going to eat it?

5 You know it's hard to eat them, and a lot of the
6 guys won't do it. They just keep on passing the garbage
7 around, but I told her you're going to have to eat them.

8 Q: Okay. Then if you'll turn to PW 391, there's a
9 media due bill.

10 A: Okay. I see it here.

11 Q: This is for script writing, television commercial
12 preparation and production.

13 A: Uh-huh.

14 Q: Do you know anything about the due bill?

15 A: Elvin Feltner.

16 Q: Who's that?

17 A: You want the street expression or okay. It's
18 no good. It's just no good. He took what he took and he
19 won't deliver.

20 Q: Do you know who Elvin Feltner is?

21 A: Never met him before. All I know is he's a two-
22 faced liar and a thief. He came out with his promissory due
23 bill and he's never ever, ever, ever, ever delivered on it.
24 You can't even get a hold of him. If you can, he doesn't
25 return the phone call. You know, he's not a good person.

1 The same with Bill Butters. The same thing. The same
2 garbage. Item number ...

3 Q: PW 392?

4 A: Right. The same thing.

5 Q: Media

6 A: Television air time. You can't use any of this
7 stuff. They promise, promise, promise, promise.

8 You know what I had to, tell Dave finally? I
9 said, "Dave, Dave, Dave, these aren't real. They're just
10 promises." He thought they were the real thing itself. I
11 said, "They aren't, Dave. This is a promise. Don't get any
12 more promises. Just get real stuff." I said, "Anybody can
13 make a promise." This is a promise. It's just a promise.
14 And everybody lies.

15 Q: Okay. So none of these due bills are any good.

16 A: No. Television air time. Bill Butters is
17 another thief, same thing. And this media due bill that
18 Dave Newren, the ones that he put out earlier that we came
19 under that, that's all bogus. Nothing was ever...

20 Okay. There's more of the same I see.

21 Q: Yeah. Let me just ask a general question. We've
22 gone through most of these.

23 A: **Uh-huh.**

24 Q: All of these, as I understand it, from Artie

25 **Freestone ...**

1 A: Uh-huh.

2 Q: is that these were the assets that David
3 Newren turned over to the Bankers Art Museum for the art
4 work that he took. And that none of these assets were
5 ever... she could never collect on any of these.

6 A: , He was told to turn everything over to her 100
7 percent and then it would be split with him 50-50.

8 Q: And so this is what he -turned over?

9 A: Yeah. And he didn't and he didn't turn it all
10 over. Right from the beginning, he kept things, you know,
11 cherry picked. He cherry picked and kept things, and he
12 also, he didn't have a real strong constitution. People
13 would come over and say, "Think you can get some art for
14 me?" "Sure." "Get me a million dollars worth?" "Yeah."
is "Well, what's Sky going to say?" "Well, he won't let me do
16 it. I can just go get it. He doesn't care." And he'd go
17 do it, you know.

18 They'd talk Dave into this type of stuff. It was
19 kind of ridiculous.

20 Q: So all of the assets that are contained in
21 Exhibit 455 you never got ... Bankers Art Museum never
22 collected anything?

23 A: No. Unfortunately. I'd like to, you know, have
24 it happen sometime, you know. I'd like to get tougher about

25 things. You know, it's hard to make a horse run backwards

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1 in a race. Most of the stuff is about that, you know. What
2 you think is a horse's head is really something else.

3 Q: Have you ever heard of a person by the name of
4 Brad Smith?

5 A: Un-uh.

6 Q: No? You have to

7 A: No, sir. I don't believe I have. Brad Smith? I
8 don't recognize it right off.

9 Q: What about McKean Worthen?

10 A: McKean Worthen? I never heard of him either. I
11 don't know who he is. It might be John Worthen's son. I
12 don't know though. I don't believe his son is involved in
13 business ...

14 Q: Have you ever heard of a company by the name of
15 SynFuel Technologies, Inc.?

16 A: No. Sin Fuel?

17 Q: It's S-Y-N-F-U-E-L?

18 A: They ought~ to change their name. Anyway, no, I
19 haven't. What have they got?

20 Q: There's aI have an exhibit here, No. 456, and
21 it appears to be minutes of a special meeting of directors
22 of SynFuel Technologies, Inc. It indicates that the
23 chairman of the meeting was called for the purposes of
24 issuing authorized but unissued stock to be traded for Sky
25 Jones statues valued at \$20 million; 16 acres of land in

1 Long Island, New York; \$3.5 million media advertising and
2 property in Houston and Louisiana. And apparently they
3 authorize the company to issue 1.2 million shares of SynFuel
4 Technology stock in exchange for those assets.

5 And I was wondering if you knew anything about
6 that transaction. Let me let you look at the exhibit.

7 A: Okay. It was held at Salt Lake. Okay. And you
8 got Worthen right on there, as plain as day.

9 Q: But you don't know if that Worthen is related to
10 John Worthen.

11 A: No, I don't. No, sir, I don't. I've never heard
12 of this 16 acres of land in Long Island or the \$3.5 in the
13 media.

14 Q: What about the \$20 million worth of statues.
15 Were you aware ...

16 A: Well, this is what shakes this thing loose here.
17 It says \$20 million worth of statues, the David Newren deal.
18 There's his name right down here.

19 Q: Yeah. He got stock.

20 A: Yeah, he got stock in it. Okay.

21 Q: But these are the sculptures that you gave him?

22 A: Some of them. This isthe SynFuel, this is
23 McKean N. Worthen. I'm sure it's John Worthen, because
24 Worthen is not a real common name around there, and Brad
25 Smith they're probably a group here, you know, and he gave

1 him some of the stock.

2 Q: Okay. So you're not familiar with

3 A: I don't know. But if you notice, it's Worthen.
4 It sounds like a very worthy name. It's really "wort hen."
5 *W-O-R-T H-E-N.*

6 Q: I'm going to hand you Exhibit No. 458, which
7 appears to be the inventory of Sky Jones paintings. This
8 was a document that was provided to us by the Bankers Art
9 museum.

10 I was going to ask if you'd look at Exhibit 458
11 and if you could identify what that is.

12 A: The inventory of paintings, it says. "Current
13 inventory on the paintings mostly held by Wellborn and Cox."

14 Q: Who is Cox?

15 A: Oh, he's the flaky attorney along with the other
16 guy. Jim Cox, that handled Wellborn for me and took 800
17 paintings for themselves.

18 Q: The law firm took 800 paintings?

19 A: Yeah. They're a bunch of slime buckets. Excuse
20 me. I slipped. I've got more than one entity here and one
21 of them's out of control. Although you've probably noticed.

22 These right here are boxes of eight, this part
23 right here.

24 Q: Well, let's look at the first page. There's a
25 cover sheet that's marked 422, right?

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1 A: The cover sheet?
 2 Q: The cover sheet is 422, PW 422.
 3 A: Right, 422.
 4 Q: The next page, PW 423, there's the Lincoln Health
 5 Fund, Inc. inventory.

6 A: Okay. I recognize this now. This is the this

7 is papers what this is is these are what happened is

8 Wellborn went out and had the things itemized and put them
 9 in these different corporations, Lincoln Health Fund is one
 10 of the corporations.

11 Now, he went through here and he had the NIA
 12 appraise off this list, packages, there's 120 of them maybe
 13 for this first one. Let's look. Sure enough. So this
 14 first list right here, he took it out and he had a little

is package, and he had the see, I didn't see any of this

16 stuff until I had the deposition and we got him over there
 17 and got him cornered where he had to come up with some
 18 stuff.

19 There's 120 pieces here, \$50,000 a piece, that he
 20 had the NIA appraise, and he gave you guys a copy and he

21 Q: of the appraisal?

22 A: Yeah. Well, this. This came from him, didn't
 23 it?

24' Q: No. This came from Artie Freestone.

25 A: Oh, well, Artie got a copy of this then.

1 Q: Oh.

2 A: Now, what happened is the attorneys, as they were
3 splitting up the paintings, instead of just saying, "Here's
4 some for you and here's some for us and here's some for
5 Sky," they picked every third one or every fourth one to
6 chew up the numbers, so that in the future, the number
7 showed up, the person would have to have a list or they
8 wouldn't be able, off the top of their head, say where it
9 came from. It was a dirty thing that he did. They
10 scrambled all the numbers.

11 Q: Why would they do that?

12 A: To protect themselves, so that if I go out there
13 and I say, "Well, hell, none of the stuff that he's got is
14 any good," well, none of the stuff that I've got is good
15 because he's got every other number I've got.

16 Now, I came up with another new numbering system
17 to shake loose of this stuff here so that I could say, "Hey,
18 wait a second, none of those 20 by 30s are by me unless they
19 are edge dipped, and none of them are. And nobody paid any
20 appraisals on these things and nobody has exchanged with me
21 for **the art even, per** the agreements that I have had."

22 So these things here are all bogus. And I'm in a
23 position to do it. I'm going to tell her to fight. I'm
24 going to tell her to get down on these guys because, you
25 **know**

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1 Q: Well, who produced this list?

2 A: Wellborn.

3 Q: This was produced as a part of the litigation
4 that you have going on...

5 A: No. He put this stuff together to generate
6 companies with it. Here's another of them right here. The
7 Best of American Art, Incorporated.

8 Q: All right.

9 A: Inventory. There's another business he put
10 together. And let's see. Here's Churchill Advancements. I
11 imagine this is another one of his. or it sounds like a
12 Dave one. I don't know which one. Oh, I think it's
13 Wellborn. I don't know. Yeah. It's says Jerry Condit.
14 Check that name out. "Conned it."

15 I sat down and I talked to that guy and I said,
16 "Hey, listen. You know," and I've been ripped off by David,
17 and all this talking about thieves around. And Jerry spoke
18 up and he had just had me notarized ... or he just notarized a
19 paper that gave away 600 of my paintings for nothing, and
20 held just had me do it.

21 And I did it because I trusted these guys, and I
22 had a pile of six or seven papers. "This is just so we can
23 get some business done. Go ahead and sign them, Sky. I'm
24 giving you this Mercedes out here," he says. "Oh, great."
25 I, signed the papers and I come out later and get into court,

1 and it turned out that he had set this whole thing up and he
2 was trying to rip me off right from the beginning.

3 Q: So tell me about the Wellborn litigation. I mean
what started that? And what's the status of it? You sued
5 Ronald Wellborn, is that correct?

6 A: Yeah, to get my art back. What started it?

7 Q: Well, he took your art work.

8 A: Yeah.

9 Q: And then after he took your art work, you filed a
10 lawsuit to recover...

11 A: My art work.

12 Q: Your art work. So what's the status of that?

13 A: Well, supposedly finished except for the fact

14 that I wasn't authorized to give him these books. They

15 belong to the Banker Art Museum and to Artie, and she's

16 going to fight for them because he's out there promoting

17 these things. They're worth \$50,000 a piece and she's going

18 to rain on his parade hard.

19 Q: How is that?

20 A: Because they aren't worth \$50,000. It's a bunch
21 of ... not good things.

22 Q: Well, why do you say it's not \$50,000?

23 A: Because he didn't pay for them.

24 Q: The same reason that the other art work that you
25 testified...

1 A: It's all junk. It's all junk unless they paid
2 for it. There are no free rides around here. And I'm
3 willing to trash the whole network. And I'm dead serious.

4 Q: And you're including the work, the art work that
5 David Newren...

6 A: I don't even care. I'd go right down here carte
7 blanche say, "Hey, according to the artist, none of these
8 pieces were paid for. According to the artist, and the
9 Banker Art Museum, -not-a thing was paid for. These things
10 are absolutely worthless. Absolutely worthless. They're
11 just house paint on cardboard. If you want to talk to the
12 artist, maybe he'll personalize it for you. You know, it
13 might-be worth some more."

14 But see, I look at this and ..what good is it
15 doing me? Say, well, these guys might over the next, few
16 years, you know, get my name out. AIN did get me into the
17 Milan Gallery. It did have a successful show there. That
18 was good.

19 Q: Did you make any money out of it?

20 A: Not a pl~!nny. Under the notoriety, I'm living
21 here in a place that hasn't got any utilities, and I haven't
22 got enough friends here that care enough about me to bring
23 me over some food. And you wouldn't believe ... I mean it's
24 Metcalf, my doctor, you know, he's cut back on the cash, YOU
25 know, cutting down, cutting down, cutting down. Pretty soon

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1 it'll be down to nothing.,

2 You wouldn't believe where the money ekes in
3 from. And it's just from common guys that are just workers,
4 and they work everyday. And they come over and see me
5 paint, dedicated to my thing, and they see what I'm doing
6 and they like it. And they say, "Wow, I like that, "you
7 know, and they give me something, whether it's a few dollars
8 or whatever. There's not a lot of people that have a lot of
9 money. But I'm able to be supported by the environment
10 rather than...

11 Look at this. This is amazing. I should be a
12 multi-millionaire. But let me tell you. In my own mind,
13 I'm a billionaire. But it's all internalized. I haven't
14 got an external thing, because my daddy told me a weird
15 thing. He says, "Don't take it on the outside. Just take
16 it on the inside. " He says, "Internalize your gains, Sky,
17 and you'll be able to carry them with you."

18 Q: Now, tell me about this lawsuit. You sued
19 him-what's the status of it?

20 A: Well, I suppose it'll be settled.

21 Q: Well, what were the terms of the settlement?

22 A: Oh, you know, he I'm just getting read bad
23 feelings right here. It was really the big take. Well, he
24 got the art work that he took, right?

25 Q: Right.

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1 A: I went over to his property to help pick out the
~2 things that I should have, and he just yelled and yelled and
3 yelled at me, and I had a couple of wimps for attorneys and
4 they just cowed right down. And then when he came to
5 tearing up things and taking what he wanted... he cherry
6 picked through every single thing. He's a -- And there's
7 nothing good he can do for my career. I can let him run,
8 but he's going to do it to other people too.

9 Q: Well, what did you ask for in your lawsuit?
10 A: I wanted my art work back.
11 Q: And what was the value
12 A: I got less than half of it back. I don't, know.
13 There, was a God-zillion dollars worth probably. I don't
14 know. Let me think. How much was there?

15 Q: Right. Do you remember how much
16 A: Oh, geez. There was at least 1000 paintings
17 three foot by four foot. And there was at least 150 of them
18 four foot by six foot. And there was about another 6000 of
19 them 20 by 30 inches. About 5500 maybe, something like
20 that.

21 Q: **And so the** terms of the agreement were you were
22 going to get half of those paintings back and he's going to
23 keep half?

24 A: No. It wasit boiled down to pieces, you know.
25 He was going ... we were going to split ... he was going to get

1 a third of some stuff and a third of these \$50,000 ones.

2 Listen. I want you to know that right away,
3 right up front, I haven't got one good thing to say for the
4 profession of ... the law profession. Now, listen, you are
5 different, okay. And I want you to know any attorneys in
6 here, you guys are different. okay. I appreciate that. I
7 realize everybody's not the same. My experience with these
8 guys hasn't been good. I don't want to lay out a five-mile-
9 long expletives about the type of creatures that they are,
10 but, you know, you can't buy loyalty. You can't buy
11 integrity. You can't buy nobility. You can't buy
12 integrity. None of these guys have it.

13 Q: So the attorneys got some of the art work.

14 A: Oh, they got 800 pieces, \$40 million. You tell
15 me, justify that for me. How do these attorneys justify \$40
16 million. All he did was steal my belongings. I want to get
17 my stuff back. Oh, they get \$40 million. Thanks. Right
18 away, I said, "You aren't going to get a percentage of the
19 stuff. I'll give you a few paintings." Oh, no, don't
20 worry about. Just sign the paper anyway. We'll worry about
21 it." I said, "They ain't getting a percentage."

22 Signed the paper anyway. Oh, I'm under pressure.
23 The guy is over here ripping me off. What do I do? I'm
24 suffering. I can't even think straight. I just got my
25 whole life's work that I put everything I had, I give

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1 everything to my work, ripped off from me with a guy that's
2 ordered me off the property at gun point. He's got an ankle
3 bracelet . He's not supposed to have a gun. I get an
4 attorney. It turns out he's on probation and parole. 'He's
5 under house arrest. What the hell is going on with these
6 dumb attorneys?

7 "Oh, well, Sky, you'd just better give him the
8 art. We'll split it up and it'll be all over. Everything
9 will be fine. Forget about it." Well, they got their art.
10 It was over. It wasn't until after I found out he was on
11 parole. He had an ankle bracelet on. He was a convicted
12 criminal. The guy was running ... you know what he was
13 arrested for? I don't want to get too worked up on this,
14 you know, but I am a little bit. What he was arrested for
15 is, he was arrested for reporting automobiles stolen,
16 collecting the insurance, and then reselling them in Mexico
17 across the border. He pleaded guilty.

18 All right. while I was there, he was taking my
19 **\$50,000** paintings, boxes of them, **\$400,000** a box, running
20 them across the border, and selling them in Mexico. Don
21 Emilio is the guy that he took them down to. He was a large
22 housing developer in Mexico. Don Emilio. These names ... you
23 should know all the names because...

24 Anyway, that's who it was. Anyway
25 Q: okay.

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1 A: I feel about it. Let me just flip through here.

2 That's what it all is.

3 Q: That's where you got the list.

4 A: It's all Wellborn's stuff. I just really feel
5 bad about that whole t-hing. Because it wasn't anything I
6 could do. And I have to assume the apple tree viewpoint and
7 it makes me feel better. Or the Johnny Appleseed ain't a
8 bad one either.

9 Q: Okay. So these pieces that are listed in the
10 Exhibit 458, these are all the Wellborn paintings that were
11 part of your litigation?

12 A: Yeah. I don't know what I don't have any of
13 those'paintings in my... all those paintings I have, eight,
14 nine, 10 of them. Ten. Artie has the bulk of whatever is
15 left. But, you know, on the certificate of authenticity,
16 there were two books. There was the one ... the most recent
17 one was gold tip pages. And then the one just before that
18 was just all in full color. The one just before that was
19 full ... it was all black and white.

20 Now, I painted, personally painted, every single
21 painting that was certified in the black and white books.
22 All of them. There wasn't one painting that was put out
23 that **I didn't personally paint from A to Z**. But when it
24 comes to this gold book, I used help on those.

25 Q: And you're talking about the book that is marked

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1 as Exhibit 454, the black work with gold

2 A: Yeah, yeah. Now, Exhibit 454, the paintings that
3 are certified on the appraisal page, they were done under my
4 direction, daily direction, by my employees. The book that
5 came out before this certificate, which is I don't have
6 the exhibit number here, but it's black and white and it's
7 not gold tipped.

8 Now, all those paintings I personally did, and
9 there were about four or five thousand of them and I don't
10 even know how many went out. Some of these numbers surprise
11 me. But I am running down some forgery things.

12 Q: Now, we talked about San Marino Gallery and
13 Beverly Kamerling.

14 A: Yeah, what's the story about her?

15 Q: Well, there were some transactions between Itex
16 Corporation and Bobby D Slacks, Inc., doing business as San
17 Marino Gallery.

18 And I was wondering if you knew anything about
19 these transactions. These were transactions that occurred
20 November 7, November 8 and November 9, 1995. I'll let you
21 take a look at these agreements.

22 A: Okay.

23 Q: These are Exhibit 232, 233, and 234.

24 A: She tried to get me to go up there. She promised
25 hotels and everything and I just didn't even go. Okay. The

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1 settlement agreements. They're talking about some paintings
2 from Itex.

3 Q: Yeah. I was just wondering if you'd ever seen
4 them or if you knew about the transactions.

5 A: No. Itex, no. There's none of them that looks
6 like they're doing it again here. Must be the same one.

7 Q: No, it's a different one.

8 A: A different one. It looks like they had another
9 sales agreement here. She was a creep and a thief and it
10 was a complete loss on the line as I didn't get anything out
11 of it, and it's a ... I'm pretty gullible. I go along
12 with... all you've got to do is act excited and with strong
13 intention, and I'll agree with you.

14 Q: So you don't know anything about these
15 transactions ...

16 A: No.

17 Q: You didn't get anything out of these
18 transactions?

19 A: No, I didn't get anything I didn't even know
20 about them.

21 Q: Okay. I have a few others I'm going to ask you
22 to look at.

23 Were you familiar with any of the transactions
24 that Global Market Systems had with Itex Corporation ...

25 A: Un-uh.

1 Q: involved in your art work?

2 A: Un-uh. No. This is Wellborn's Global or David
3 Newren's Global?

4 Q: David Newren.

5 A: Okay. With Itex?

6 Q: Right.

7 A: Yeah, I knew something about it. He told me
8 something about it but I didn't know that much. Here's what
9 I knew. I knew that they were ... I already told you they
10 were going to put the art or something in an offshore thing
11 and do some bogus-schmogus so that they could get this and
12 that. And I never got anything.

13 ..Q: But you didn't have anything to do with this?

14 A: No. I would like to get a bunch of stuff, you
15 know, but it's getting a little late now.

16 Q: Okay.

17 A: One thing I always said about Terry Neal. Drop
18 the N and you've got an eel.

19 Q: Do you know any offshore entities that Terry Neal
20 was involved in?

21 A: Just the one I said, the Rose Trust that David
22 mentioned, and that's all I know.

23 Q: What about ... you mentioned April Trust. What's
24 that?

25 A: April Trust. That was one that Wellborn was

1 stamping in the book, the certificate book here.

2 Q: Okay. So it's

3 Yeah.

4 Q: Those are the only two trusts?

5 A: See, the philosophy behind the provenance thing

6 is the more times the painting changes hands, the greater

7 the \$50,000 is substantiated, the value there. Now, as a

8 manufacturer, my cost, I may sell them for 200 bucks or 300

9 bucks. The next guy, he's not going to get \$50,000. He may

10 get a couple of thousand. Sooner or later, after it changes

11 hands four or five times, from the manufacturer to the

12 retail marketplace, at that point it might hit \$50,000.

13 Now, if you chart out from a manufacturer to the

14 retail marketplace, it usually goes through several hands.

15 And that's the way these things are supposed to do before

16 they hit that \$50,000.

17 Q: Have you ever heard of a company by the name of

18 Bailey Mutual Fund?

19 A: No, but it ringsI hear Ronald Wellborn ringing

20 in the back of my mind on that one.

21 Q: Okay. It doesn't

22 A: It might not be. I don't really know. I don't

23 recognize it.

24 Q: What About the Wycliff Fund? Have you ever

25 heard...

1 A: It sounds like another Wellborn thing, but I
2 don't recognize that either.

3 Q: What about Wycliff Indemnity Fund?

4 A: No. That sounds like something Dave might get
5 into because it's insurance. It sounds like him.

6 Q: Okay.

7 A: I went down the long list that you provided in
8 the subpoena. I went over it and I was surprised at how
9 many I didn't know the names of the people and the names of
10 the corporations. But I also did know that there were ... I
11 believe you had 108 or 110 or something. She counted them
12 and I went over it and I said I know that it's way over
13 that. This is an understatement and that there's for sure
14 over 125 of them. And I said, "Well, geez, take a look at
15 some of these places." You know, we've got Home Bank, you
16 know, that was right away from the first connection. Who
17 knows what they've done with their collections.

18 Q: Who's Home Bank?

19 A: Home Bank is Cherry Street in it's a bank.
20 It's a Home Bank. Called the Home Bank. And they have a
21 large collection. They hadoh, we paid off \$180,000 note.

22 Q: With your art work?

23 A: Yes. When I met Artie, she was going bankrupt.
24 She was worth... I'll just tell you some stuff for your own
25 interest because you're interested in who the people are and

1 what they do.

2 She's a famous architect that's really an
3 accomplished person. At one point she was worth 50 million
4 bucks. Two years prior to her meeting me in the early,, '80s,
5 the real estate market fell apart and the bad marriage she
6 had with a lazy guy, trashed out her entire thing. She had
7 like seven mansions she owned, and she went down there and
8 he went out there and tore all the.kitchens out to remodel
9 them and then didn't put them back in. Couldn't get the
10 places rented and sold. She went bankrupt and lost
11 everything.

12 Q: Okay.

13 A: She liquidated everything she had and paid it all
14 off except for \$380,000 to Home Bank. When I met her, I
15 went over with her that it's not okay to cheat these people.
16 I said, "Let's go talk to them." We went and talked to
17 them. They come over to the studio and the bank owner and
18 the bank president came over and looked at my art and said
19 that they would be willing to... in favor of my art work
20 cancel the \$380,-000 debt that she had. She's still been
21 trying to pay me back ever since.

22 Q: Let me ask you, did youyou mentioned something
23 about an automobile. Did Mr. Wellborn give you an
24 automobile.in exchange for paintings?

25 A: It didn't say that on the thing. It said he just

1 gave it to me. It was a **1985** Mercedes that had a lot of
2 problems. Black one.

3 Q: An 185?

4 A: Yeah. **184, 185.**

5 Q: How many paintings did you give him for it?

6 A: Well, he put down on the paper I gave him 600.

7 He had me sign remember he had me signing these bogus
8 things. On the one paper, it says I give him 600 and on the
9 other one here it says that he gives me the Mercedes.

10 Now, I've got two papers signed here. I didn't
11 know that they went together and that, you know, he gave me
12 the Mercedes for the things. He said it was worth about
13 five grand, you know.

14 Q: For five grand he got 600 paintings?

15 A: In his book he did. And I get in there, and I
16 find out I was cheated out of 600 paintings on the thing.
17 And he couldn't in the deposition, he couldn't remember
18 how old the car was. He said, "Well, I think it's a late
19 model, you know." It's **190s** or something. No. It was an
20 184 or 185, and it was in bad junky shape.

21 **And you know what** I did with it? I immediately
22 gave it to Artie because she's an important person in my
23 life and needs to be supported in every way, you know.

24 Q: Now, the phone cards that you were talking about
25 earlier, was that with One World Communications?

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1 A: Yeah, yeah. Are they a public corporation?

2 Q: And do you know who got the cards? I mean you

3 didn't have anything to do with that. That was ...

4 A: I never even talked to the guy. I didn't even

5 know his name. .

6 Q: That was Pamela Weston.

7 A: That was Dave Newren. That was Pamela

8 didn't ... wasn't in on it either until it was all over.

9 Q: I see.

10 A: She didn't do any deal on it. It was Wellborn's

11 idea. Wellborn's idea. And then after the deposition and

12 everything, and I got the cards, I just gave them to her and

13 said, "Do what you can."

14 Q: What aboutdo you know about any of the

15 companies or museums that were in Belize, Central America?

16 A: Well, Belize is the John Worthen location and

17 there is one lumber company there that he claims to own, and

18 he also says that he knows the president personally. And...

19 Q: Who is it?.

20 A: John Worthen. John Worthen is the man we're

21 talking about. You know, this is all I know.

22 Q: okay.

23 A: I know that he did imports of rosewood from the

24 place there. And I did see the rosewood. Large ...

25 Q: Do you know if David Newren had an address in

1 Belize, Central America?

2 A: I believe that Worthen conspired with Dave to put
3 that in. Dave became kind of John's little gofer, you know,
4 and Dave liked John because John lived up on the hill "in a
5 big fancy house and proved that you could make it with bogus
6 stock.

7 Q: Do you know a company by the name of Mid-Nevada
8 Art?

9 A: Mid-Nevada Art? Not right off. I don't remember
10 ever hearing it. Mid-Nevada Art? Un-uh.

11 Q: What about CEC Industries?

12 A: Un-uh.

13 Q: No?

14 A: No, I haven't heard of those.

15 Q: What about Bio-Fluorescent?

16 A: The same.

17 Q: You mentioned something about Dave Yeaman

18 earlier. What do you know about David Yeaman?

19 A: I think David Yeaman is probably a pretty okay
20 guy. Now, this is just my first feeling because I only met
21 him once or twice. David Newren took me into his office.
22 And he's a good guy and he's clean and he presented himself
23 well and he spoke about what he was doing. And apparently
24 he was one of these guys that's making corporations and
25 selling them. And he had found a loophole so that he could

1 produce a corporation or a certain amount of corporations
2 and sell the shells, or something like that. And that's all
3 I know about it.

4 I wanted to do some I had hoped that, yodknow,
5 I'd be able to do some art with him or something, get
6 something, but nothing ever happened. Never got a penny
7 from him. Never did a trade. Unless Newren did something
8 that I'm unaware of.

9 Q: To trade art work for stock of public companies?

10 A: Well, to just get a public company. To trade the
11 art for a company, get a shell, you know, from him because
12 he was manufacturing shells. He had eight or 10 or 12 of
13 them:that ...

14 Q: What was he doing with the shells, do you know?

15 A: Held sell them for eight or 10 or 20 thousand a
16 piece. Now, he had some type of a loophole. Yeaman has
17 published a lot of writings and a lot of tapes and stuff on
18 how to ... you know "Yeah man." He's a real motivator.

19 Q: Did you ever have any dealings with Neal &
20 Associates?

21 A: Well, I did walk across a lawn once and step in
22 something but I don't know if it was from or not. It might
23 have been. A lot makes it real good though. It was real
24 slippery kind of a gooey stuff.

25 Q: Did you know

1 A: But other than, I don't remember anything.

2 Q: Do you know the company Neal & Associates?

3 A: No, I don't. I've never heard of them unless

4 it's Terry Neal, you know.

5 I have a pretty simple premise. I live along.

6 Nobody lives with me. I haven't got a girlfriend. No kids

live with me. And I just make art, certifying as it goes

8 out. All these things we've been-talking about happened.

9 Q: What about

10 A: And this isn't the end. It'll be going on too in

11 the future I know...

12 Q: What about Red Star Holdings? Have you ever

13 heard-of that company?

14 A: Red Star Holdings? Never heard of them.

15 Q: Worldwide Barter Consultants?

16 A: No, haven't heard of them.

17 Q: Have you ever heard of San Pedro Securities?

18 A: Un-uh.

19 Q: No?

20 A: San Pedro-Securities? No.

21 Q: In Belize, Central America?

22 A: No. Haven't heard of them.

23 Q: Micron Trust?

24 A: Un-uh. I feel like I'm lying and I should say,

25 "Oh, yeah, I know about all of them," but, you know, I

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1 haven't ever heard of any of them, and I'm pretty much off
2 the front lines.

3 Q: Do you know Martin Cagan?

4 A: Now, that's a familiar name. I

5 Q: How do you know that name?

6 A: Okay. Martin Cagan. Dave talked about him.

7 He's one of the wheeler-dealers out there. Martin Cagan.
8 Artie probably knows who he is. He must have been involved
9 in something barter or something. I don't know. Can you
10 give me a hint? Ha, ha, ha. I don't ... I mean I've heard of
11 him. Okay. I've heard that guy's name but I can't remember
12 what it was. He was doing some business.

13 MR. KINSEY: Why don't we take a break. It's
14 about 3:15. We'll take a break.

15 THE WITNESS: Okay. I'll go downstairs and have
16 a cigarette.

17 (Whereupon, a brief recess was taken.)

18 MR. KINSEY: Okay. We're back on the record now
19 at approximately 3:20.

20 There were no matters of substance discussed
21 during the break.

22 BY, MR. KINSEY:

23 Q:- Mr. Jones, have you spoken to anyone regarding
24 this investigation?

25 A: I've told everybody that I was very flattered

1 that the Government was calling me in to talk to me about
2 this, and this was the high point of my career, and that I
3 felt that if I had got official recognition for my actions
4 that it wouldn't matter what happened after that. I have
5 told a few people that know about it, but just around me,
6 you know.

7 Q: Who have you talked to about it?

8 A: Well, the Milan Gallery knows this is going on.

9 Wellborn. You guys ... you guys spread the word. I mean Dave
10 Newren and Wellborn both got things, and Wellborn came over
11 and give me his package already. And the word was around.
12 I mean most of the guys knew about it already.

13 Most of the people I've just mentioned it to have
14 been locals I've met, you know, that aren't even in the art
15 business. Guys that make a living as carpenters and they're
16 building my stretchers. It doesn't even mean anything to
17 them.

18 I said that there was an investigation that had
19 been going on for some time and that, you know, when it
20 drew ... when it finally came to a close, no matter what
21 happened, it would be in my benefit. How can I lose? This
22 is a win-win situation. I'm happy.

23 Q: In your autobiography you made a statement that
24 Lennie Lumpkin started the SEC investigation.

25 Can you tell us what you meant by that?

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1 A: Yeah. He went out there and it was my
2 Q: And you were talking about David Newren, right?
3 A: of course. It was my observation that this guy

4 did things that weren't right. Consistently and
5 continuously and encouraged other people to do them too.

6 Q: Like what?

7 A: The guy by the name of Chuck White. Chuck White
8 lived in California. Dave went over there and at the time I
9 was up in Walsburg at his grandfather's house with Artie.
10 Dave went over there and said, "I've got to have a million
11 dollars worth of art to give this guy." I said, "What for?"
12 He says, "It'll really help him out." I said, "I don't
13 think it's a good idea. You know, what's he giving you?
14 Give me some papers or something." No papers, no nothing.
15 He went and he took a million dollars worth of the art and
16 gave it to him.

17 A week later the guy had to go to prison for
18 eight years.

19 Q: Which guy?

20 A: Chuck White.

21 Q: What did he go to prison for?

22 A: I don't know. But he was a felon and Dave was
23 dealing with him and it was just prior and the guy was still
24 trying to do it, and the guy stole another million dollars
25 worth of my art from Dave. Dave just took it over and just

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1 gave it to him. The guy went to jail. Left it with his
2 girlfriend. There went the art and I never saw it again.

3 Now, these types of things, you know, I mean if
4 there would have been a decent exchange. Let's just, "for an
5 example, say that on any one of the exchanges, any of them,
6 you can show me piles of them. That's only nothing compared
7 to what's gone on. There's mountains of these exchanges.
8 It's just one of them, just one of them I could collect on.

9 I could take money, instead of operating on the
10 seat of my pants, like I do, which I don't mind doing now,
11 but I could take the money and I could put it back into the
12 business to upgrade the product. Instead of painting on
13 cardboard with house paint, I might start using regular art
14 paint. Instead of cardboard, I'd do something like poster
15 board.

16 But, you know, it's tough. If you've ever
17 studied art history and if you've gone down and read the
18 history of the artists' lives, it's the toughest occupation
19 a man can pick out. And the reason I picked it wasn't for
20 the money but because I knew it was the toughest, and I've
21 taken it as far as I can and I'm still not through. Maybe
22 by ... maybe another 10 or 20 years, you know, they'll say,
23 "110h, yeah, he was something."

24 And at 70 years old, I'll stand up. I'm already
25 limping. I try to walk straight, but at 70 years I'll stand

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1 up and I'll say, "Thank you very much." And they might give
2 me some money. I might get some money. Somebody will give
3 me some money or something and I'll say, "Thank you very
4 much." And I'll sit down. And you know something? It's
5 all garbage and none of it means a thing. There's only one
6 important thing to me and that is the actual creation,
7 creative process, step-by-step process, that occurs when you
8 create a great piece. And the thought process that goes
9 with it. And that's got to be ...

10 Q: Well, let me get back to that question about the
11 SEC investigation.

12 A: Okay.

13 Q: Why did you think that David Newren started the
14 investigation?

15 A: Indiscretion. Lack of protocol.

16 Q: Just because of the activities he was engaged in,
17 is that ...

18 A: Yeah. He ran immediately. Look at some of these
19 guys. John Worthen's done time. Allen Wolfson's done time.
20 He's dealing with Terry Neal that's doing something criminal
21 right there, right up front. And I saw all the stuff going
22 on, and what can I do? Call the cops and say, "Oh, I'd like
23 to turn in bad guys." I don't have any evidence. I didn't
24 have nothing I could say.

25 Q: Well, what do you think Terry Neal's doing wrong?

1 A: I believe thatI believe that Terry Neal may be
2 a genius and he may be a ... he may be a genius and the
3 effects that he has done have really helped barter in the
4 United States. And he may have made some mistakes in the
5 way he managed it, and so forth. However, it's a philosophy
6 concept that's incorrect on that man. And I'll tell you
7 exactly what's wrong with the philosophy.

8 You cannot give a man a promise and expect
9 him ... he's going to promise you. You are going to give him
10 something solid. He's not going to feel like he wants to
11 carry out on the promise. If he's paid up front, he won't
12 carry through on the promise.

13 Now, I'll give you an example of that. They had
14 two children... they had two groups of kids. This was on TV
15 is two weeks ago. It was on the news. They had two groups of
16 kids. And one of the groups of kids, they were having to do
17 mathematical problems. The other one ... well, they had both
18 of them I think do mathematical problems, something like
19 that, and they paid one of them five bucks for doing them.
20 Oh, they couldn't get through them done fast enough. They
21 were half done and they didn't even want to do it anymore.
22 Well, the ones. that they didn't pay, they were still'
23 curious,,they were still trying to figure the stuff out.
24 They never got paid. The kids that did get the five bucks
25 for doing it ... and.this ain't the only case, example, that

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1 they've had.

2 Q: But I was curiousyou made the statement that
3 you thought Terry Neal had done something criminal, and I
4 was trying to find out what was your basis for making that
5 statement was.

6 A: Because he took art from me and he did not
7 deliver what he promised, and that's a lie and that's
8 stealing and it's not right and that's why.

9 Q: okay.

10 A: okay.

11 Q: Now, did you speak to anyone else regarding what
12 your testimony would be here today?

13 ~A: No. I talked to Artie last night. She came over
14 and rubbed my back a little. I was hurting. I just said,
15 "I'm just going to go and tell them what I know, you know."
16 I mean it's pretty obvious who I am. You guys don't have to
17 wonder about that. The word's been out for a long time. I
18 made sure it was out. I am the one that started it. okay.
19 Where it went, maybe I didn't shoot as straight as I wanted,
20 but I shot as good as I could, you know.

21 And only time will tell once they get through
22 this stuff. I would like it not to hang in the air, if some
23 actions are going to take. I'm a firm believer in penance.
24 And I'm a believer of the judicial system. That it does
25 help people of the rule, you know. And I think that if

1 there's something to be learned or laws or something that I
2 made a mistake in my career, you know, I'm sure it will come
3 around to me and I'll pay penance.

4 But I have done what I can by reason of my
5 intelligence to stand up for the arts. And if the stock
6 market has suffered as a result of it, it's not as a result
7 of the stock. It's a result of lack of appreciation about
8 one man's creative endeavors in fine arts and a man's
9 dedication and integrity to ideals.

10 And the ideals I've seen generated by these guys
11 with these stocks here aren't what I would call noble. I
12 know for a fact that John Worthen is ... I've gone over. I
13 mean I've gone down. I've heard some of the things that
14 he's picked up and how I did it. Dale Baker is the same
15 thing. I saw Ralph Baughman doing the same thing.

16 Most of the guys that I've known, the doctor, the
17 guy with a lot of money living in a big house, that keeps
18 bringing up six or seven million bucks once in a while, you
19 know ' stock. Ralph Baughman. One time he had \$7 million.
20 One time he had \$12 million. His stock, or a doctor, a
21 professional like that, you know, very few other people can
22 afford that.

23 So I went in that area knowing that the -- is
24 now corporates' businesses. Unfortunately there's a lot of
25 pink sheet start-up companies that the government lets get

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1 started up and they aren't really worth much. And they
2 needed help. And maybe they'll come around in the future,
3 you know, and somebody will pick them up, you know. The

4 stock promoters have got a lot of stories of why and i lndt
5 their thing is.

6 You know, I really I really don't have any
7 future intentions with stock. I am not into starting, a

8 public corporation and selling stock in what I do. I am
9 only here for-one purp ose. And when. Ilm done, I'll die and
10 go onto my next place And the nextplace I go rumor has it
11 they have a blank canvases.

12 So I'm not worried.

13 MR. KINSEY: All right. Mr. Jones, we have no
14 further questions at this time.

15 THE WITNESS: Okay.

16 MR. KINSEY: However, we ma y need to call you
17 back sometime

18 THE WITNESS: Okay. I'd like to say that the '800
19 number in the Banker Art Museum book is managed by Artie and'
20 Artie will, if you call her or called her wherever she is,
21 and she will be stable right now. She is stabilized out and

22- she's riot going to be ... she's going to operate out of this
23 area for" a while and she will stay in. communication with
24 you.

.25 If YOU need to see me again for further-

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