

Michael R. Whipple aka Sky Jones July 10, 2001  
Oklahoma, City, Oklahoma

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

2

SECURITIES AND EXCHANGE COMMISSION)

3

Plaintiff,

4

CASE NO.

V. ) 1:99CV02568 (HHK)

5

(D.D.C.)

6

C.E.C. INDUSTRIES CORPORATION,

6

GERALD H. LEVINE, and MARIE A.

7

LEVINE,

8

Defendants.

9-

10

11

12 VOLUME I

13 DEPOSITION-OF MICHAEL R. WHIPPLE aka SKY JONES

14 TAKEN ON BEHALF OF THE PLAINTIFF

15 IN OKLAHOMA CITY,, OKLAHOMA

16 JULY10, 2061

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24 REPORTED BY: KERRI L. WOOD, CSR TRENA K. BLOYE, CSR

25

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10  
I I

Also Present: Marie A. Levine

12  
13  
14  
15  
16  
17  
18  
19

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I STIPULATIONS

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1

BY THE COURT REPORTER: (Addressing the

2

witness) Do you solemnly swear that the testimony you shall give shall be the truth, the whole truth, and nothing but the truth, so help you God?

3

4

5

BY THE WITNESS: As well as I'm able, yes.

6

Is that good enough, or do you need it

7 more qualified?  
8 BY MR. KREITMAN: I think that's good  
9 enough.

10 BY THE WITNESS: Okay.  
11 I know under pressure, people lie; and  
12 they can't help it. If they think they're  
13 going to be punished, they automatically  
14 lie.

15 BY MR. KREITMAN: Okay.  
16 BY THE WITNESS: Okay? So, let's clear

17 that up right away.

18 BY MR. KREITMAN: Okay.

19 BY THE WITNESS: The next thing is -- is  
20 the truth is a thing that's based on subjective  
21 experience, not objective experience. My truth is  
22 different than your truth. So, I think I could  
23 rewrite the oath so it would be more meaningful. But  
24 under the circumstances, I promise to tell the whole  
25 truth and -- you know, per what it appears to be the

6  
1 truth to me.

2 Now, I have found in the past that  
3 what I thought was the truth turned out not  
4 to be the truth. So, I must have been  
5 lying. I said I'd promise to tell the  
6 truth, but as it seems to me and appears to  
7 me. I certainly will cooperate and -- and  
8 say the truth as I perceive it.  
9 Okay? Is that good enough?

10 BY MR. KREITMAN: That's good enough.

11 BY THE WITNESS: Okay. Good.

12 BY MR. KREITMAN: Okay.

13

14 MICHAEL R. WHIPPLE aka SKY JONES,  
15 being first duly sworn, deposes and says in reply.  
16 to the questions propounded as follows:

IT

-18 DIRECT EXAMINATION

19 BY MR. KREITMAN:

20 Q Good morning, Mr. Jones.

21 A Good morning, sir.

22 Q You're here pursuant to a Notice of  
23 Deposition?

24 A Uh-huh.

25 Q You have to answer audibly.

7

1 A Oh, yes, sir.

2 Q Okay. And -

3 A I did read that.

4 Q Okay. And I'm going to show you a  
5 document and ask you if this is, in fact, the Notice  
6 of Deposition and Document Request that you received  
7 and pursuant to which you appear here today  
8 (Tendering).

9 A (Reviewing document) All right.  
10 Where's Donna? Donna couldn't make it?  
11 Q Donna couldn't make it.  
12 A Okay. That's fine.  
13 All right. Yes, sir, I believe this is  
14 the exact same one that I received.  
15 Q Thank you.  
16 A Uh-huh.  
17 BY MR. KREITMAN: I'd ask the court  
18 reporter to mark this as Commission Exhibit --  
19 Commission Deposition Exhibit I -- 6r let's make that  
20 Commission Jones Deposition Exhibit 1.  
.21 (Commission Exhibit No. I marked  
22 for identification and made part  
23 of the record)  
24 BY MR. HARPER: Do you have copies for me?  
-25 BY MR. KREITMAN: I don't, but it's the

8  
1 BY MR. HARPER. Okay. Do you have copies  
2 from any of the other -- of the other?  
3 BY MR. KREITMAN: I think I probably will  
4 have them.  
BY MR. HARPER: I hope you do.  
6 BY MR. KREITMAN: If -- If any - If I  
7 don't - If there's any that I don't have, I will  
8 certainly make it available to -- for you to examine.  
9 BY MR. HARPER: Okay. Well, can we get  
10 copies made here?  
I I BY MR. KREITMAN: ' Sure enough, as far -- as  
12 far as I know.  
13 BY MR. HARPER: Okay.  
14 Q (By Mr. Kreitman) Okay. Mr. Jones,  
15 what's now been marked as Commission Exhibit Jones 1  
16 contains a Document Request in three parts.  
17 A Uh-huh.  
19 Q And I'm  
19 A I mean yes.  
20 Q Okay. -  
21 And I'm going to read each part to you  
22 and ask you whether you have produced any document  
23 pursuant to that request' Ile first one is: Any and  
24 all - Any and all documents that relate to, refer  
25 to, reflect, describe, evidence, or concern each

9  
I piece of artwork described in the lists attached as  
2 Exhibit A, including all documents relating to their  
3 value and authenticity. And Exhibit A is identified  
4 in the upper right-hand c6meras Exhibit A and is,  
5 in fact, the last two pages of Jones Commission  
6 Exhibit 1; and it bears Bates Nos., in the lower  
7 fight-hand comer, CLO000529 and what appears to be a  
8 Bates No. 078 1.  
9 I'm going to ask you to take a look at  
10 these -at Exhibit A and tell us if you have brought  
I I any documents responsive to the request that makes

12 reference thereto.  
13 A I don't have any documents relating to  
14 any of these paintings here; although, some of them  
15 were on public display. And I'm familiar with what  
16 these paintings are here.  
17 Q Okay. Did you make any search of your  
18 documents to see if you had any responsive to that  
19 first  
20 A Yes.  
21 Q -- document request?  
22 A Yes, I did. And I came up with this  
23 right here (Procuring).  
24 During this time, Mr. David Newren and  
25 Ms. Pamela Weston were schlepping thy art. And  
10

I David Newren I had to call the police because he  
2 pulled up a semi and he held off everything. And  
3 when I finally signed the settlement, it was prior to  
4 the inspection. There's a lot of things missing from  
5 the semi.

6 Pamela Weston -- This here is to  
7 Detective Jeff Craig where -- Detective Jeff Craig of  
8 the Fort Worth Police Department, reporting  
9 Pamela Weston from stealing the semi trailer and its  
10 contents. And this happened over four years ago.  
I I've notified them.

12 I furnished the -- Now, in the semi  
13 there's all kinds of information. All my legal files  
14 are in there, all my invoices. The -- She cleaned me  
15 out. There's -- She disappeared. There's a lot of  
16 paintings. I spent a lot of time working on them;  
17 and she took them all, took all the papers. She  
18 was --

19 BY MR. HARPER: Did you say "she" took them  
20 all?

21 Sorry.

22 BY THE WITNESS: She She did, yeah.

23 A And David Newren, he he took a lot of  
24 papers, too. I never received any papers from him.  
25 He was an independent art dealer that contacted these

I folks and did whatever happened for them to get the 2 art.

3 And this --

4 Q (By Mr. Kreitman) Let's do this just to

5 expedite things.

6 A Okay.

7 Q Why don't you just tell us very briefly

8 what the documents that you brought are; and at a  
9 break --

10 A This is --  
I I Q -- we'll have a look at them --  
12 A Okay.  
13 Q -- and then ask the --  
14 A All right.  
15 Q -- questions about them.  
16 A This Item No. I here is from Detective

17 Jeff -- to Detective Jeff Craig about Pamela Weston  
18 stealing all my stuff and not bringing it back.

19 Q Okay.

20 A All right? And that's what that is. And  
21 I would like a copy -- I would like the original  
22 back.

23 Q Okay.

24 A It's the only one I've got.

25 Q And I see --

12

1 A Then --

2 Q I'm sorry.

3 A Okay. And --

4 Q I -- I see you have some other documents\*  
5 there.

6 A Uh-huh. But

7 Q Why don't -- Why don't you just give them  
8 to me and we'll look at them over the break and then

9 you can identify them for

10 A You already

I I Q the record.

12 A have a copy of every one -- everything  
13 that's in this book here.

14 Q Okay.

15 A This right here you don't have a copy of.

16 This is the one that happened after -- First of all,  
17 it was David Newren and then it went to Ronald  
18 Welborn and then it went to Pamela Weston. Then it  
19 went to Pastor Mark Papendick and his son, Michael  
20 Weston, the Seventh Day Adventist Church of Glendale,  
21 California- They also ran off with a semi load full  
22 of stuff. So --

23 BY MR. HARPER: Can you identify what  
24 you're reading -- the document?

25 BY THE WITNESS: This right here says: "To

13

1 the Seventh Day Adventist Leadership of Glendale,  
2 California." And then it says: "December 17th,  
3 2000. Dear sirs, on December 21st, 22nd, and 23th, I  
4 will be passing this letter out in the Glendale

5 community."

6 Q (By Mr. Kreitman) I'm going to interrupt  
7 you for a minute, Mr. Jones.

8 A Okay. But, anyway, you should  
9 Q Okay.  
10 A -- read over what that is.  
I I Q We will look overall --Why not just

12 give us all the documents that you've produced that  
13 are responsive to the document request?

14 A Uh-huh.  
15 Q And we'll look them over during a break  
16 and --

17 A And then give me back --

18 Q Okay.

19 A Well -- Well, the -- The only thing  
20 that --

21 Q Any of them that you want the originals,  
22 we'll give you back

23 A Oh, okay.

24 Q -- and make copies.

25 A All right. Now --

14

I Q So, why don't you just,--

2 A Now --

3 Q -- give them all to me.

4 A Now -

5 Q And we don't even have to identify them

6 for the record at this point.

7 A Okay.

8 Q We'll do so later. Thank you.

9 A Okay.

10 Q Are these also documents that you've  
11 produced?

12 A No.

13 Q Okay. Now, if you can, return the--

14 A Okay (Tendering).

15 Q -- Subpoena to me.,

16 Okay. Have you now given us all of the

17 documents that you found that were responsive or that  
18 are responsive to the first part of the document  
19 request, the one I read into the record?

20 A I believe so. I -

21 Q Okay.

22 A You understand that this isn't the first  
23 time I've been - had this - had a deposition; and  
24 the last time I had it, all of the - the things on  
'25 file are available to you. And there isn't anything

15

1 that I have that you do not have in your files; and I,  
2 am familiar with what was delivered by -- not by  
3 myself, but also by the other people that you  
4 deposed.

.5 Q Very well.  
6 And we do have those --tome of those  
7 documents here with U's.  
8 A Excellent.  
9 Q Let me ask you to listen to the second

10 request -- -

11 A Okay.

12 Q -- which was -- in the -- in the document  
13 request attached to the Notice of Deposition and  
14 Subpoena--

15 A Sure. Sure.

16 Q -- which was "any and all documents that  
17 relate to, refer to, reflect, describe, evidence, or  
18 concern any legal or -- or beneficial ownership  
19 interest in or any acquisition or disposition of any

20 Sky Jones'artwork by C.E.C. Industries Corporation; 21 OTS  
Holdings, Inc.; Mid-Nevada Art, Inc.; 22 David Newren; Gerald  
H. Levine; and/or Marie A. 23 Levine at any time during the  
period from January 1, 24 1993, through the present.

25 And my question is: Have you brought any

I&

I documents today with you that are responsive to that  
2 request?

3 A I have no documents in that area. The  
4 What I would have had has been stolen.

5 Q I see.

6 And the third request which is "any and  
7 all documents that relate to, refer to, reflect.  
8 describe, evidence, or concern a public cash market  
9 for Sky Jones' paintings or the existence of such a  
10 market during the period from January 1, 1993, to the

I I present.

12 A I haven't brought any papers relating to  
13 that, but it doesn't mean that it doesn't exist or  
14 hasn't existed.

15 Q Okay. But do you have any in your  
16 possession?

'17 A No, I don't -- When it comes to -- In  
18' -barter we have a rule. The rule is: Whoever takes  
19 possession loses. Now, that is a pretty profound

120 rule if the person ' s trying to acquire. I practice 21 that; and,  
so, I don't take possession because in 22 every case, you know,  
you're -- you're taxed for 23 whatever you take possession of  
or you have to pay 24 rent and so forth. So, we just have a rule  
not to 25 take possession.

17

1 Q Very well.

2 A That way, you can you can control the  
3 object; and the object isn't controlling you. So,  
4 1 1 -- Another thing is: I'm nowhere near the  
5 cash market. I don't even mess around with cash.  
6 Huh? Cash -- what's that?

7 Q Okay.

8 A I live on, 30 to \$40 cash a week; and what  
9 -1 do need in the line to do my job, I can get very  
10 easily through barter

11 I I Q Very well.

12 A -- which is same as cash.

13 BY MR. KREITMAN: The attendees at the  
14 deposition did not introduce themselves for the  
15 record when we began, and I'd like us to do that now.  
16 My name is Mark Kreitman. I'm a trial attorney with  
17 the Securities and Exchange Commission.

18 BY MS. LEVINE: I'm Marie Levine.

19 BY MR. HARPER: I'm John Dean Harper,  
20 attorney for Marie and Gerald Levine.

21 BY MR. KREITMAN: Very well.

22 Q (By Mr. Kreitman) Mr. Jones, you were  
23 subpoenaed here as Sky Jones; but I understand that  
24 that might not be your actual christened or given  
25 name.

18

1 A Uh-huh.

2 Q What is your --

3 A Michael Richard Whipple.

4 Q Very well. #. -

5 And are there other names that you have  
6 been known by?

7 A Uh-huh.

8 Q What are they?

9 A Well, let's see. I use Joseph Banker,  
10 Arthur Carter, Richard Dickens.

11 I I Q I see.

12 And none of those people exist other than  
13 as names for you? That's right?

14 A Uh-huh.

15 Q Okay. Where do you currently live?

16 A Just down the street here in No. 16  
17 Northeast 2nd. It's just about two and a half blocks  
18 from this building --

19 Q Is that a --

20 A -- in a place called the Banker's Art  
21 Museum. And I have a photo of it here if you'd like  
22 to see it.

23 Q Yes.

24 A I acquired the building 90 days ago.  
25 IVs been a lot of work fixing it up. But here's --

19

1 Here's a -- the front - front of the building as 1  
2 started working on it~ cleaning it up. And here's  
3 pictures of me on the inside, you know, painting it,  
4 making it nice.

5 Q Okay. Very well.

6 BY MR. KREITMAN: I'll ask the reporter to  
7 mark these photos as Commission Jones Deposition  
8 Exhibit 2.

9 (Commission Exhibit No. 2 marked  
10 for identification and made part  
11 of the record)

12 BY MR. KREITMAN: Thank you.

13 Q (By Mr. Kreitman) Now, how did you  
14 acquire the building that you live in now?

15 A How did I get it?

16 Q Yes.

17 A. On my reputation.

18 Q Who owned it before you?

19 A I didn't buy it. It was given to me as a  
20 gift --

21 Q By who?

22 A -- for five years.

23 By -- They're named Sallyers,  
24 S-a-l-y-e-r-s. They are wealthy people in town here  
25 that support the arts. And they're familiar with my

20

1 accomplishments. and they knew I was the right man  
2 for that building. It had been empty for 35 years.  
3 And I went in personally, single-handedly; and I've  
4 cleaned it up in the last 30 days, plus set 'Out to  
5 produce a lot of artwork.

6 And everyone in the room is invited by.

7 There isn't a sign up yet because there's still a lot  
8 of work to get done -- get it inspected and, you  
9 know, permits and the whole thing. But I do have a  
10 real nice line of tomatoes going right along the  
11 curb, you know. They're beautiful, big, and healthy.

12 And it gives the whole place a nice feeling.

13 A dollar a month, five years. Sallyers.

14 Q That's your --

15 A That's \$125 for five years.

16 Q That's your rent for the premises?

17 A Yeah.

18 I also have an option to purchase it.

19 So--

20 Q Very well.

21 Do you expect to exercise the option?

22 A Depends on what partners I can pull in on  
23 the deal.

24 Q I see, .

25 A As time goes on, it will -- I think it

21

1 would be very nice as a jazz/blues bar, you know,  
2 because it opens right up on the parking lot that the  
3 City just is developing for Bricktown.

4 Q I see.

5 Is there electricity in the building now?

6 A No.

7 Q Is there running water in the building  
8 now?

9 A Yes.  
10 Q When was running water  
I I A Right away.  
12 Q -- hooked up?  
13 Is there a telephone there?  
14 A No.  
15 Q Okay.  
16 A I don't do phone.  
17 You know why?  
18 Q Why?  
19 A Next time it rings, think about it.  
20 Q Okay.  
21 Does anyone else live in the -- in the  
22 museum?  
23 A No.  
24 Q Is it finished?  
25 A Not really.  
22

1 Q Okay. Now, you referred to your earlier  
2 testimony; and I think that was in Securities and  
3 Exchange Committee investigative testimony in the  
4 matter. of ITEX Corporation on September 4, 1997; is  
5 that right?

6 A Yes, sir.

7 Q Okay. And at that time, I think you  
8 testified that you were living in a trailer.

9 A Uh-huh.

10 Q And --

11 A Yeah.

12 Q -- the trailer had no water,  
13 electricity --

14 A No, it didn't have any.

15 Q -- or phone.

16 A Mosquitoes were hideous.

17 Q Okay. But is it true that --

18 A I live like a --

19 Q -- that the trailer was, as you as I  
20 have described

21 A Yes.

22 Q -- back at that time?

23 A Uh-huh.

24 Q Okay.

25 A By choice, not because of poverty.  
23

I Q I understand.

2 A You understand that.

3 Q I do.

4 A You understand that there's choices that  
5 go along with this thing.

6 Q You also testified at that time that your  
7 plan was to perhaps live in a car or a tent.

8 A Uh-huh.

9 Q Is that true?

10 A That that was my plan?

I I Q Yeah, I think that's what you testified

12 in here

13 A What were the exact words?

14 Q -- investigative testimony.

15 (Reviewing document)

16 Excuse me

17 The question was -- This was a question

18 by Mr. Walter Kinsey at Page 23 of that investigative

19 testimony: "So, there's no phone at this address?"

20 ~ "ANSWER: There's no nothing, no

21 utilities at all.

22 "QUESTION: Okay. Are you going to be at

23 this location for a while?

24 "ANSWER: No. I'm moving.',

25 "QUESTION: Can you tell us where you're

24

I moving?

2 "ANSWER: Yes, sir. I'm going to be

3 sleeping in my car -- the back seat of my car unless

4 I can find another situation, of course, which I

5 will."

6 A Okay. Now, there it is right there: "of

7 'course, which I will."

8 Q Okay. So

9 A Did I go to a tent or a car? No, only

10 when I'm traveling.

I I Q Okay. So, to that testimony --

12 A I rented up - I got a place on trade

13 Q I see.

14 A - all the utilities paid and everything.

15 It was great. It had air conditioning and all- last

16 year. Barter.

17 Q I see.

18 A Barter works.

19 Q Okay. So, the testimony that I've read

20 to you from this September 4, 1997, transcript is -

21 is accurate, is it?

22 A Sure.

23 Q And I think you told us that at the time,

24 you - back in this investigative testimony, that you

25 had previously lived in warehouses, on roof tops, or

25

1 in tents.

2 A Pretty standard when you're sacrificing

3 for something. You know, nothing in life is worth

4 getting unless it's worth sacrificing for; and I -- I

5 sacrifice a lot for what I get. One of the things I

6 sacrifice is I go without certain things. And

7 although I realize that that's unusual, it gives me

8 an edge that the others don't have.

9 Q So, the -- What I've recited to you

10 concerning where you had lived prior to the

I I September 4 testimony was accurate?

12 A Uh-huh.

13 Q Correct?

14 A Sure. I've lived in a lot of mansions,  
15 too. Huge, fancy places. I've spent the bulk of my  
16 adult life in warehouses and places -- garages,  
17 places I can paint. I'm a painter, you know, first  
IS and foremost and something else some other time  
19 maybe.  
20 Q My wife is a painter. So, I have  
21 A Uh-huh.  
22 Q -- some inkling of it.  
23 A I understand. It's dedication.  
24 Q Absolutely.  
25 A 'Vou don't do it for money. If you do it  
26

I for money, you know, that's not smart. You end up  
2 unhappy.

3 Q She actually lives in a trailer --

4 A Does she?

5 Q --during the year in Florida in a  
6 place called Alton.

7 A Oh. I have --

8 Q Teaches at Stetson.

9 A That's cool.

10 Q Uh-huh.

11 A I have a studio in Florida, too.

12 Q Where is that?

13 A Indecisive. There's four different  
14 places, any one of the four I can go to and

15 Q Astor --

16 A -- paint --

17 Q Astor, Florida --

18 A for three or four months.

19 Q is the name of the town.

20 A Astor, huh.

21 Q Astor is where she lives.

22 A Well, art is a - Art is a prayer.

23 Q You testified back in this 1997 testimony  
24 that you were living on approximately \$50 a week  
25 from - given to you by a gentleman -- gentleman

27

1 named Jim Metcalf. That was -- That was true at the  
2 time, wasn't it?

3 A Yeah. He quit giving me money, though.  
4 He got mad.

5 Q Okay. And you said that you also were  
6 living, sometimes, on donations from workers.  
7 Remember that?

8 A I had one worker give blood --

9 Q Okay.

10 A -- go and give blood so I could have  
I I money because he respected my purpose so strongly.

12 Q So, what is your -- What is your means of  
13 support or income right now?

14 A Well, it's a subjective answer I have to  
15 give. What happens is I postulate something. Then 1

16 get it like that or I get it within three days or  
17 1 -- I have to go into a patient mode. I get it  
18 within six weeks, virtual.  
19 1 don't have to go work by the hour with  
20 a lack of confidence that my dreams will not come  
21 true. You see, after the second or third week, if  
22 you don't get what you want, you start worrying. It  
23 might be food. It might be utilities.  
24 So, what I've done is I've developed a  
25 lifestyle where you make a decision; and then you

28

1 watch the physical universe change in accordance with  
what -- the decision you made. So. what I do is 1  
3 make a list of what I want and make my wish and wait  
4 for it to come true. Sometimes you have to - "  
5 communicate to other people about it a little, of  
6 course.  
7 But having made a wish that I want a  
8 masterpiece this big in an unbelievably ornamental  
9 frame that very few people on the plant are capable

10 of producing and then doing it time after time and  
I I then making the decision again and doing it again and  
12 making the decision, I'm -- I'm a manifester  
13 (Indicating).

14 What a manifester is -- is they're a --  
15 someone who is able to get the job done. My motto  
16 is: Let's have some fun and get the job done. It's  
17 not like -- It's not: Let's go get some money. So,  
18 1 sort of have an interesting approach.

19 If you come by the museum, you'll be able  
20 to see. "So, where did this come from? Where did  
21 this come from? Where did this come from? Where did  
22 this come from?" And I'll tell you. It comes out of  
23 the air. And when you get connected on that level,  
24 you can have anything you want. You name it.

25 You at a mansion? It comes with a tag

29

1 and set of responsibilities. You want a place that's  
2 nice and air-conditioned, you know, that's got maids  
3 and, you know, got a Mercedes parked out front, you  
4 can have that and you can have it quick, but you  
5 better be able to ride the pony.

6 Anyway, go ahead.

7 Q Now, are you still painting?

8 A Uh-huh.

9 Q How many paintings have you produced

10 A This year?

I I Q -- during the -- this year, sir?

12 A January and February I did about 115 --

13 January, February, March, about 115 pieces. 1  
14 sculpted six frames -- big, heavy, ornamental  
15 sculpting. And I -- Out of those paintings, I guess

16 a half a dozen of them were portraits. Another half  
17 a dozen of them were -- These are pretty good size  
18 paintings, some of them, you know (Indicating). At  
19 least a dozen of them are 4 feet wide and 31 inches  
20 tall. I did a lot of work this year.  
21 Q Have you sold any of that work?  
22 A It's easier to get money to do the  
23 project rather than sell the project after it's done,  
24 Q I see.  
25 A So, I got money to do the project; and  
30

that was where I got paid because 2 Q I see. 3 A -- I had the -- I  
was able to have the 4 privilege of do the work - doing the work..  
5 'Q How much were you - How much money did 6 you get for  
the work that you have done this year? 7 A Nothing. Nothing at  
all. 8 Q Okay. 9 A Oh, let me think. I went over and -- I 10 can't  
say "nothing" because the money, that comes to I I , me is as a  
result of the work that I do and the money 12 does come in and it  
does come in on a regular basis. 13 So, I can't say that -- But as far  
as I gave a guy a 14 painting and the person gave me something,  
you know, 15 or something like that, that hasn't happened. 16 Q  
So, you don't actually sell paintings for 17 cash?

-18 A No, they're all barter items.  
19 Q Okay.  
20 A Sometimes the paintings are sold for  
21 cash. 1 tjust depends on who's around. Some people  
22 have more cash than they have barter. So, you go for  
23 the cash. Some people have -You know, it just  
24 depends on what their.- you know, what's available,  
25 pretty much. Sometimes all they've got is a credit

31

I card, you know; and all I've got is a itory.  
2 And-, you know, even though I don't have a  
3 credit card, that credit card is just as good as mine  
4 if the story is bigger than the -- They might be  
5 saving it for an emergency. This might be an  
6 emergency, see.  
7 Q So, you don't -- You don't carry credit  
8 cards yourself?  
9 A I haven't had a credit card or a bank  
10 account since 1976. Isn't that wild?  
11 Q Have you ever owned a residence?  
12 A No. I found out -- I'll tell you the  
13 story that goes with that. Clearlake, Northern  
14 California, beautiful place. All around the lake  
15 there, had 75 lots -- beautiful lots. I went up  
16 and looked at them, and they were selling for 5- to  
17 \$6,000 a lot.  
18 The tax man wrote me a letter and said 1  
19 owed \$25 apiece on those lots. I took the titles and  
20 ripped them in half and threw them in the garbage.  
21- All right. So, you're talking to a guy that's  
22 base --- I'm basing my life on other principles

23 Q I see.  
24 A -- you know -- stupid principles. You  
25 know, you can't raise a family on it, you know. But

32

I they're principles that you have to go through if  
2 you're going to be able to be an artist of the type  
3 of artist I am.

4 Q The -- What is now the Baker Art  
5 Banker Art Museum, of which Exhibit 2 is some  
6 photographs --

7 A Uh-huh.

8 Q - what was the building used for before  
9 you lived there?

10 A Oh, it hadn't been used - used for  
11 35 years. At one point, it was a bank. Liberty Bank  
12 was there. They still got their signs all up down  
13 there. There's a dozen signs - parking signs down  
14 the side of it - Liberty Bank Building.

-15 Then it was used for a garage for a,  
16 while. And then there were apartments put upstairs,  
17 and they had rentals upstairs. It's got the - The  
18 lower floor is 5,000 -- about 5,000 square feet. No  
19 rooms. At's one big room; the next floor, same  
20 thing. So' you've got two big rooms there right  
21 away, perfect for display.  
22 And then the top - or top floor is -  
23 They tore out all of the little rooms that were  
24 there, and the owners told me not to fix up the  
25 upstairs. They wanted to keep that for

33

I entertainment. They like the rough look. But  
2 they're going to have to spray something over it  
3 because it puts out a lot of dust and dirt, you know,  
4 that rough type of thing.

5 Q Are you doing the renovation work  
6 yourself?

7 A Uh-huh. Sure. I work everyday.

8 Q And how -- How long have you been in  
9 there working on it?

10 A 90 days as of -- I moved in April 1 Ith,

I I and in 90 days I've been able to do major magic.

12 You know how you move big things?

13 Q How?

14 A An inch at a time.

15 Q Oh.

16 A Now, a lot of people will go and try to

17 move it and it won't move and, so, they just kind of

18 give up.. All you've got to do is do it an inch at a  
19 time. If it's a-huge -- There was a huge mess of  
20 garbage in that place. It was a lot of work to get  
21 it out. I did it single-handedly in an amazing -way.  
22 you couldn't believe it happened.  
D But I'm using my body. It's like --  
24 I'm -- I'm not here to -- I'm not bui It to- be  
25 comfortable; I'm built to be fast. This isn't a  
34

1 sit-around-on-my-fat-butt body. This is a working  
2 body. The reason I picked it prior to my birth was  
3 because it came from a working family where everybody  
4 just worked. And that's kind of refreshing versus  
5 just sit around and talk, -you know.

6 So, I'm basically very active. I get up  
7 in the morning; and I sacrifice. I don't do these  
8 certain things other people automatically do. I  
9 sacrifice for what my education has told me is the  
10 most important thing to do, and that's for me to be a  
I I productive person and produce a whole bunch of  
12 whatever I do. So, I get up; and I work. I make  
13 art, or I set up.

14 Right now, the first cycle was to get the  
15 building in a place so that I could paint in it. So,  
16 the building's there. The next thing to do is to set  
17 up a place suitable for a person like me to paint  
18 in -- paint and sculpt. And I'm just about done with  
19 that. I've got the tables built and the easels put  
20 together, and it's livable.

21 I have to secure the building now; and I  
22 just, this week, got enough iron bars to secure all  
23 the windows, which was nice. And I didn't pay any  
24 cash for it. I got the welding thing and all the  
25 wire and everything. Didn't pay any cash for it

35

1 Got the wrong kind of welder. That's okay. I didn't  
2 have to pay for that. I just made a wish, and here  
3 comes the right kind of welder.

4 So, people are very supportive of a  
5 person like me. You know, you can always bet your  
6 money on a horse that's at I east standing up.

7 Q So, you're self-employed right now,  
8 really?

9 A Uh-huh.

10 Q Have you always been self-employed?

I I A Uh-huh. -

12 Q You've never had a --

13 A Yes, sir.

14 Q -- paying job?

15 A Oh, people give me cash every once in a

16 while; but as far as a regular paying job, I haven't  
17 had one for a long, long, long, long time.

18 Q Have you ever had a job that you --where  
19 you work for somebody else?

20 A Sure, lots of them.

21 - Q I thought that in your prior testimony,  
22 you said that you had worked for the Scientology  
23 organization at one point.

24 A Uh-huh. Uh-huh.

25 Q You have to answer audibly.

1 36

1 A Oh. Yes, sir.

2 Q And how long was that?

3 A They employed me for a couple years,  
4 part-time.

5 Q When was that?

6 A Nineteen- seventy --'76,'75.'7

7 Q Okay. Do you keep your artwork in the  
8 Banking Museum right now?

9 A Whoever takes possession loses. Remember  
10 that? We said -- established that. That means that  
11 I if I have to keep it around, I'm in a state of loss.  
12 I have to pay to do it. Every time I turn around, I  
13 have to move it.

14 When you're as productive as I am, that  
15 a -- may equate to a pile of paintings over there on  
16 the floor. And every time I want to change things  
17 around, I've got to pick that dumb thing up and move  
18 it. Best thing to do is to liquidate them.

19 Now, there are a variety of ways to  
20 liquidate the works so that the space is left clean  
21 again. Now, if you come into my space, there's no  
22 paintings on the walls. "Well, I thought this was a  
23 art museum." Well, it's a art museum where arts  
24 created; and after it's created, then it's displayed.  
25 And the full process is what the museum activity is.

37

1 So, it's generally a

2 Q There must be some times when you have  
3 some paintings or some sculpture in the museum for  
4 some period of time.

5 A Uh-huh.

6 Q You have to say "yes."

7 A Oh, yes, sir. Yeah. Uh-huh.

8 Q Okay.

9 A I'm in agreement with you. Yes.

10 Q Okay.

11 I I And during those times, do you have  
12 insurance for the work?

13 A No, just the insurance that I can --In  
14 my mind, I always think that I can do something  
15 better if I lose it.

16 Q Have you ever insured any of your  
17 paintings?

18 A No reason to, although I think that maybe  
19 I should, you know. I think of that every once in a  
20 while. But, you know, you still have to -- Then  
21 you're working for something else.  
22 Insurance is a guarantee in your mind  
23 that somebody's going to rip you off and you're not  
24 going to be able to recoup from the losses and you're  
25 going to need help recouping from the losses when  
38

1 they rip you off.  
2 You can't -steal from me. I'm just using  
3 the place.' It belongs to God, you know. I'm not  
4 here to possess it.  
5 And once I do my thing, once I get a  
6 blossom where one of the paintings goes to blossom,  
7 at that point, I get paid because I had the privilege  
8 of being there and creating it. And it is good, and  
9 I love it. Get it out of here. - Where should it go?  
10 Anyplace but around me because it's a distraction and  
I I all distractions lower your IQ.  
12, So, if you want to operate optimally, you  
13 better keep that old water going out of the hose or  
14 you won't get that new water coming in. And all you  
15 have to do is have a reminder of the past. "Oh,  
16 here's - Here's something I did a long time ago.  
17 Oh, you -like it? \$5? Jeez, maybe I should have kept  
18 doing that." And he did They call him Leroy  
19 Neiman. And he did, and they called him Andy Warhol.  
20 And they did. They call him Pablo Picasso.  
21 And what does it look like? The same  
22 old, same old, same old. Why? Because they sold  
23 out. The money came along; and they said, "Oh, I can  
24 finally make a living." That must have been their  
25 purpose because their style never changed once they

39

I got the money. "Oh, people will eat this? Well,  
2 I'll just keep putting this out."  
3 Well, you know, it's not that fun to do  
4 -the same thing over and over and over again. Only  
5 hacks do. So, in order to keep my vision free, I  
6 I get rid of as much as I can as fast as I can  
7 because what's coming in and what will come to me is  
8 directly proportional to how fast I can move this  
9 other stuff I've been producing.

10 Q Let's talk about the paintings that

I I A Okay.

12 Q --that you've done. What-- What medium

13 are they in?

14 A Paint.

15 Q What kind of paint, and what kind of

16 surface?

17 A I use every kind of paint, you know. I

18 use every kind of paint I can get my hands on.  
19 Q And what surfaces do you  
20 A I --  
21 Q paint on?  
22 A paint on everything I can get to paint  
23 on. Right now, I've got wood. I can paint on  
24 pressboard or paint on, you know, Masonite or  
25 plywood. In the -- The most durable thing is

40

I Masonite.  
2 All right. I have a big giant roll of  
3 canvas, 7 feet tall, that I pick off chunks from.  
4 So, you know, Fdo a lot of stuff on canvas. On the  
5 big pieces like the two - two large pieces they have-  
6 mentioned there, they're on canvas. The  
7 Omniprescient, Mysterium, and that other painting  
8 big, expensive ones  
9 Q Now  
10 A they're on heavy canvas.  
11- Q prior to living in the museum  
12 A Uh-huh.  
13 Q -- where were you living?  
14 A Well, I went to Salt Lake for three  
15 months to try to solve that legal thing I had going  
16 on, you know, with the pastor robbing me. I went to  
17 Salt Lake, tried to solve that; and I couldn't get it  
18 solved, you know. I stayed there for three months,  
19 painting -- painted. Drove into Los Angeles, tried  
20 to handle that. Stayed at my buddy's place and  
21 stayed at -- stayed at my mothers place.  
22 And prior to that I stayed at Appleton  
23 Place Apartments over on Northwest Expressway for  
24 about a year and a half. I had an apartment there -  
25 two apartments., one to work in and one to live in --

41

1 and stayed there, I guess it was, a year, year and  
a  
2 half, 100 percent.  
3 Q Were you -- Were you paying rent there?  
4 A No. Well, it was barter.  
5 Q I see.  
6 You were living there in exchange for  
7 for paintings?  
8 A I live in another world than you do. You  
9 live in a world where that money is either yours  
or  
10 it's theirs. I live in a world that their  
money is  
I I  
12 also mine. What that means is that because of my  
and  
13 kind deeds in the past, all I have to do is ask;  
14  
15 1 receive because of -- not you personally, but  
16 4 hypothetically -- because of the other person.

15 He hasn't done that many good things for  
16 people. He's uncertain and insecure about his own  
17 survival because he hasn't done that much good. He  
18 dang well better get a paycheck Friday or he might  
19 just starve to death, and he knows it. And the  
only  
20 reason he knows it is because he hadn't been  
around 21  
22 long enough and done enough good to have people like  
23 him well enough to take care of him.  
24 Now, the arts have to be supported and  
215 cared for. A year and a half at that place was not  
as a result of "I'll give you this. You give me

42

I that." You have to understand how wealthy I am. 1  
2 am Joe Banker.  
3 Now, who the hell is Joe Banker? Well,  
4 I'm connected to all the other Joe Bankers around.  
5 Well, who are they? They're the ones that have  
6 anything that can use it as a currency, you see? So,  
7 having been phenomenally generous to the tune of  
8 hundreds of thousands and even millions of dollars  
9 worth of barter over the years to others who needed  
10 it, when I get needy, I belong to the club.  
I I There's dozens of guys that I can call  
12 right now on the phone for anything that I want, and  
13 they'll give it to me no strings attached or "What  
14 are you going to give me backs?" So, it's a  
15 preferable place to be and has a lot more security  
16 and certainty in it.  
17 And there's magic in it because you  
18 really know who your friends are. But when you're  
19 out there shaking that old 20-dollar bill, it's hard  
20 to tell who your friends really are until you're down  
21 and out; and then you find out you didn't have any  
22 because you weren't serving humanity. You were  
23 serving your selfish interests which were just to get  
24 some money so you could live and you and your family  
25 could make it, you know.

43

1 So, I think thats all okay. I'm not  
2 criticizing it. There is other alternative - The  
3 competition of -- The competition in capitalism,  
4 there isn't that competition in barter. Barter is  
5 more of a club or a friendship thing. You get to  
6 know the guys first. If you don't, you might get  
7 cheated. You get to know them, and you develop a  
8 network. And this is what I have.  
9 And all of the guys that barter and deal  
10 with merchandise through the United States have  
I I always been very generous with me when I show up.  
12 I'm their friend. And I can afford to be generous  
13 because it all doesn't come down to the bottom line,  
14 you know: "Well, give me some money or we won't be

15 friends."

16 "I'm sorry. All I've got is all these  
17 zillions of paintings. Here's one for you and one  
18 for you and one for you."

19 "Gee, that Sky Jones is a nice guy."

20 Yeah, he is; and whatever he wants, he  
21 gets. So

22 Q So, what kinds of

23 A - you know --

24 Q - things do you -- do you barter the  
25 paintings for?

44

1 A Okay. Here's my -- Here's my items I  
2 really, really, really like. This just gets me going  
3 right away: Art materials. Art materials. I like  
4 welding outfit -- Any tools. Tools are all good!

5 Anything to make art with. Paint, you know; canvas;  
6 anything that relates to art; artsy-oriented Stuff

7 Oh, in -- When -- I have, like, loose -- -

8 sort of a loose barter thing going on. If I need a  
9 windshield for my car, I just call somebody that  
10 deals in that that I -- I -- like the barter

I I exchanges. Call a barter exchange and the barter  
12 exchange will say, "You've got new tires for your  
13 truck. Your car's being worked on. You've got a new  
14 windshield. I've got a paint job here for you if you  
15 want it." And then when the brothers need their barn  
16 raised, we all show up. I ,

17 And sure enough, the man who owns one of  
18 the barter clubs here who's getting elderly and isn't  
19 getting around well needed to have his place fixed;  
20 and I was there. I was the first one there. He had  
21 enough money to hire six guys. He says, "You're  
22 going to have to get about six guys."

23 I said, "I do the work of six." If I

24 have to get six guys, then I'm a -- or three to six  
25 guys, then I'm a manager. I won't be able to work.

45

1 I'll just be able to watch.

2 So, I went in there and did all the work'  
3 myself single-handedly., You know, I hauled  
4 everything out, ripped up all the carpets, repainted  
5 the place. Then the carpet man came in.

6 Now, that was just out of friendship. I

7 would -- I would prefer to operate on a

8 friendship-brotherhood basis where I can with people  
9 versus, you know, a hard line type of a cash thing.

10 It's easier on them.

I I Sometimes you go up and you ask somebody

12 for money and you know it's going to hurt them. They  
13 can't really afford it. You need it. Who needs it

14 more -- you or them? So, you have to kind of say,

15 "Well, I am doing a job that they need done, but."

16 It's like my buddy Jerry. He called up.  
17 He said, "Sky, I need to help -- have you -- How much  
18 will you pay me to -- How much -- How much can I pay  
19 you to have you come over and help me paint this  
20 place I've got to have painted?"  
21 And I said, "I know you're in -- in  
22 trouble, Jerry; and I wouldn't feel good taking money  
23 from you. I'll come over and help you for free."  
24 That was -- Of course, it wasn't for  
25 free. When it came time to paint the museum, he was  
46

1 there with his airless. So - And then when I ran  
2 out of food, man, there were -- these big old boxes  
3 of food started showing up. And, you know, the story  
4 goes on and on. And that, to me, is more wholesome  
5 to live like that. It's more personable.  
6 Q Where did the -- Where was the museum  
7 located before it was in its present building?  
8 A Why don't you hand me that blue pack; and  
9 'I'll hold up all the pictures of all the places.  
10 There you go.

I I Q The blue pack?  
12 A Yeah, the green one. You've got it.  
13 Q The green one?  
14 A Yeah.  
15 Q (Tendering)  
1,6 A All right. First of all, Banker Art

17 Museum is my entity, you know. Wherever I go,  
18 whatever I do, that's me. Every place I've been and  
19 set up a studio, I've called it the Banker Art Museum  
20 and opened it, when possible, to the public.  
21 Here's a -- Here's a picture of the  
22 Banker Art Museum in La Verne, California. It's on  
23 page - I can't even read the page number, but --  
24 Page 53. Banker Art Museum; La Verne, California,  
25 1984 to 1985; 47,000-square-foot of museum display

47

I play -- display space. And this was actually -- had  
2 all the paintings in it and everything. It was all  
3 painted and a beautiful building.

4 BY MR. HARPER: Can we mark this as an  
5 exhibit so we can know what we're referring to?  
6 BY MR. KREITMAN: Yes. Let's mark this  
7 as --  
8 BY THE WITNESS: As Exhibit No. Page 53.  
9 BY MR. KREITMAN: Well, let's mark the

10 entire book as Commission's Jones Exhibit 3.

I I A Here's the Banker Art Museum Executive  
12 Office; 1989; in Venice, California. This is the  
13 location of the Santa Monica recycling project, which

14 is mentioned in this book.  
15 - BY MR. KREITMAN: Mr. Jones, let's give the  
16 book, for a moment, to the reporter so she can put  
17 a -- an exhibit tab on it.

18 BY THE WITNESS: That's you?  
19 BY THE COURT REPORTER: (Nods head)  
20 BY THE WITNESS: Oh, okay.  
21 BY MR. KREITMAN: Okay.  
22 (Commission Exhibit No. 3 marked  
23 for identification and made part  
24 of the record  
25 A You notice it says "Banker Art Museum"

48

I right on the front of the buildings. So, it's not  
2 like I took a picture of a building and -

3 Q (By Mr. Kreitman) Now, does the museum  
4 show -- Does it show your art?  
5 A Uh-huh.  
6 Q Where it is currently?  
7 A Currently?  
8 Q Yeah.  
9 A When I open it, it does. When it's -

10 opened up to people and stuff, it's a display area  
11 I I for people to come and visit the studio and look at  
12 the display, as such.

13 Q Have you done that with respect to the  
14 current location of the -  
15 is A I just told you. I moved in 90 days ago,  
16 and it had been unoccupied for 35 years.

17 Q So-  
18 A It will cost at least 200,000 cash to get  
19 an occupation permit and have that thing open enough  
20 so that people can come in.

21 Q Immediate -  
22 A In other -- In other words, before I put  
23 a sign on there that says, "Banker Art Museum," I  
24 have to redo all the plumbing in the whole building  
25 and all the-electrical. It's been vacant for

49

1 35 years.

2 Q Before -- Well, more than - three months  
3 ago

4 A Uh-huh.  
5 Q -- before you were in the present  
'6 location, where was the museum located?

7 A It was up in the air. It was an idea

8 Q I see.

9 A -- backed by confidence in a currency.

10 Q Have -- Have -- Has the museum ever shown

I I the works of artists other than you?  
12 A Not in a regular show, no. It's just for  
13 my stuff.  
14 Q I see.  
15 A Although, it's supported Pamela Weston  
16 supported her art, Beverly Martin. These are people  
17 that were involved in it and, you know, displayed  
18 their stuff and so forth.  
19 Q Now, who is Pameia Weston?  
20 A She was in charge of the Banker Art  
21 Museum for a few years. She was -- took  
22 responsibility for it.  
23 Q Is she also an artist?  
24 A. Uh-huh, artist and architect.  
  
25 Q And did she display her work in the  
50

1 Banker  
2 A Uh-huh.  
3 Q --Art Museum?  
4 A And produced.  
5 Q I see.  
6 Has the museum -- Say, during the period  
7 from -- the -- from January of 1993 --  
8 A Uh-huh~  
9 Q -- onward, was there a physical building  
  
10 where the Banker Art Museum was located?  
I I A Sure, many times.  
12 That is not a thing I brought to drop off  
13 with you. You already have a copy of that.  
14 Q Okay.  
15 A AndIwantitback. If you're going to  
16 photocopy it, that's great; but I want that back.  
17 Q Very well.  
18 A Go on.  
19 Q During nineteen-ninety  
20 A You didn't get -- Why don't you hand it  
21 back, and I'll keep showing you pictures --  
  
22 Q Okay.  
23 A -- of the Banker Art Museum.  
24 You know, you ask me a question; and you  
25say, "Well, was there ever a Banker Art Museum

51  
1 anywhere, duh?"  
  
2 And then I say, "Yeah," you know. And  
3 then you go ahead, and you take it away. You won't  
4 leave them.  
5 You know, the last time I had a  
  
6 deposition, the guy asked me, he says, "What's your  
7 education?"  
8 "Well, I went to the University

9 "Okay. Next question," you know? He  
10 didn't even let me finish. So, obviously, he had an  
11 agenda to make me look stupid and uneducated; and,  
12 you know, that's offensive.

13 Hand it here. I'll -- Hand it here. Let  
14 me -- Let me dig it out. I'll hold onto it.

15 Q Let me go on to something else.

16 A Okay.

17 There's -- Okay. First of all, let me  
18 just state -- say that in there, there's photos of at  
19 least five or six or seven other Banker Art Museums  
20 that have been set up in different locations for  
21 periods of time. There's one in Salt Lake City.  
22 There's one in Vallejo. There's one in La Verne.  
23 There's one in Venice Beach. There's one in Beverly

24 Hills.

25 And I want to -- I don't want to slight

I that and say that, "Oh. Well. this is just a hrrh, 52  
2 hrrh, hrrh." It's not a "hrrh, hrrh, hrrh." It's a  
3 "uh-huh, uh-huh, uh-huh."

4 BY THE WITNESS: (Addressing the court  
5 reporter) You want me to spell those?

6 THE COURT REPORTER: (Nods l7ead)'

7 A Anyway, I just feel I should say

8 something about that. I do not want the -- That is  
9 my public outreach program. That's where I hire the  
10 homeless through. It's where I do my work. It's  
11 where people can come and have the joy of the fine  
12 arts, you know, and experience what goes on there.  
13 And I can go through there; and, you  
14 know, you should - It's the last half of the book.  
15 There's lots and lots of photos of it.  
16 I went to great extent -- extent making  
17 signs to go on the front of the thing. And one of  
18 them I did it all out of brass, and it was 17 feet  
19 long. So, that was the Salt Lake one.  
20 Don't worry about it. Go on to the next  
21 question. At least I made the statement and then,  
22 you know - And also - The Banker Art Museum also  
23 publishes documents (Procuring document). This right  
24 here is one of the Banker Art Museum's publications.  
25 Now, you notice its gold stamped, gold-tipped. It

53

I says, "The Treasure, " on there "by Sky Jones." You  
2 open it up

3 BY MR. HARPER: Can we mark that too,  
4 please?

5 BY MR. KREITMAN: Sure. Let's mark that  
6 as --

7 A You -- You open it up. You know, you're  
8 coming in here with the -- You know, the first page,  
9 you open it up. It says: The Banker Art Museum

10 Certificate of Authenticity for members only.  
I I Now, that would be -- A member would be a  
12 person that's involved and personally is  
13 contributing. And according to the rules back --  
14 Have you ever seen this before? You haven't, have  
15 you? Why won't they let you -- You don't even have  
16 to answer. I'm so embarrassed. Here you're sitting  
17 here criticizing this gigantic institution I've  
18 created that's powerful and has already stood up to  
19 the test of time.  
20 You think I'm joking? Let me tell you:  
21 I know what you're here for. You're going to try to  
22 tell these people that their art's not any good and  
23 that they can't use it as assets. You're barking up  
24 the wrong tree. The reason is -- is because with  
25 this book right here -- gold-tipped book. It's full  
50

1 Banker

2 A Uh-huh.

3 Q --Art Museum?

4 A And produced.

5 Q I see.

6 Has the museum -- Say, during the period

7 from -- the -- from January of 1993 --

8 A Uh-huh.

9 Q -- onward, was there a physical building

10 where the Banker Art Museum was located?

I I A Sure, many times.

12 That is not a thing I brought to drop off  
13 with you. You already have a copy of that.

14 Q Okay.

15 A And I want it back. If you're going to  
16 photocopy it, that's great; but I want that back.

17 Q Very well.

18 A Go on.

19 Q During nineteen-ninety

20 A You didn't get -- Why don't you hand it  
21 back, and I'll keep showing you pictures --

22 Q Okay.

23 A -- of the Banker Art Museum.

24 You know, you ask me a question; and you  
25 say, "Well, was there ever a Banker Art Museum

1 anywhere, duh?"

2 And then I say, "Yeah," you know. And  
3 then you go ahead, and you take it away. You won't  
4 leave them.

5 You know, the last time I had a

6 deposition, the guy asked me, he says, "What's your  
7 education?"

8 "Well, I went to the University

9 "Okay. Next question," you know? He

10 didn't even let me finish. So, obviously, he had an

I I agenda to make me look stupid and uneducated; and,  
12 you know, that's offensive.

13 Hand it here. I'll -- Hand it here. Let  
14 me -- Let me dig it out. I'll hold onto it.

15 Q Let me go on to something else.

16 A Okay.

17 There's -- Okay. First of all, let me  
18 just state -- say that in there, theres photos of at  
19 least five or six or seven other Banker Art Museums  
20 that have been set up in different locations for  
21 periods of time. There's one in Salt Lake City.  
22 There's one in Vallejo. There's one in La Verne.  
23 There's one in Venice Beach. Ther&s one in Beverly

24 Hills.

25 And I want to -- I don't want to slight

I that and say that. "Oh. Well, this is just a hrrh,  
2 hrrh, hrrh." It's not a "hrrh, hrrh, hrrh." It's a  
3 "uh-huh, uh-huh, uh-huh."

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10 homeless through. It's where I do my work. It's  
I I where people can come and have the joy of the fine  
12 arts, you know, and experience what goes on there.  
13 And I can go through there; and, you  
14 know, you should - It's the last half of the book.  
15 There's lots and lots of photos of it.

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17 signs to go on the front of the thing. And one of  
18 them I did it all out of brass, and it was 17 feet  
19 long. So, that was the Salt Lake one.  
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17 here criticizing this gigantic institution I've  
18 created that's powerful and has already stood up to  
19 the test of time.  
20 You think I'm joking? Let me tell you:  
21 I know what you're here for. You're going to try to  
22 tell these people that their art's not any good and  
23 that they can't use it as assets. You're barking up  
24 the wrong tree. The reason is -- is because with  
25 this book right here -- gold-tipped book. It's full  
54

1 color in there. It's done to--- It's museum quality.  
2, There's a photo of a painting that goes  
3 right here in the book. It says that according to  
4 this, on this day this is worth X number of -- 50,000  
5 bucks or whatever. Well, now, the question is:  
6 Is -- Is that worth \$50,000 or not? That's a big  
7 question.

So, let's just really take a good hard  
9 look at it. Okay. Now, here this man over here has  
10 the book and the painting; and here you are over  
I I here. You're not going to buy it. You're saying,  
12 "That's no good. I don't think it's worth much."  
13 Well, let me tell you: The guy that's  
14 got it in his possession really does think it's worth  
15 a lo ' t; and he'll fight tooth and nail to stand up for

-16 the value because he knows that in the marketplace,  
17, the first thing that happens is the buyer comes in  
18 and says, "Oh, you-all -- Everything is junk. Your  
19 prices are all too high. I'm --- I'm going to run you  
20 into the ground."  
21 And the guy that's got the goods is  
22 saying, "Oh, no. My valuables are real valuable."  
23 And, you know, once a guy's got one of these in his  
24 hands, he's got a valuable. He actually has a  
25 treasure.

55

I Now, if this treasure changes hands,  
2 well, that just triggered a tax event. So, let's all  
3 wake up. "Well, we better do it under the table.  
4 Let's not tell."  
5 And if it's a public document  
6 documentation, then what happens? Well, you better  
7 lie. So, the guys come in; and they say, "Oh, no. I  
8 never paid much for that. I got it at hardly for  
9 anything," and knowing full well if the IRS comes  
10 down on them, they will pay just like it was cash and  
I I just like they got something else.  
12 So, these things, no matter what -we

13. decide in this deposition or in the -- what ensues,  
14 will always, always be accepted by the majority as  
15 having value even if it's stuck on the front of the  
16 Time Magazine that, "This guy and his work is all no  
17 good," it still will because it's better than stock.  
18 And when the stock goes out and the guys  
19 go belly-up and everybody gets cheated, there's still  
20 a painting. You still actually have something here  
21 with the art, So, it's more valuable than the stock.  
22 It's-more valuable than land because did you really  
23 own that land? No, somebody else who you're paying 24  
taxes to owns it. It's actually owned by the 25 community.

56

I                    So, of course, thats my viewpoint. But  
2 1 just wanted to make that point about this. This is  
3 a power-packed entity. What is it? Well, along with  
4 some house paint and cardboard, it's a 50,000-dollar  
5 painting. Thats what it is. And will it fly?  
6 Well, the IRS seems to think so because every time a  
7 trade club barbers one of these, their member gets on  
8 his papers that he just purchased a 50,000-dol lar  
9 thing; and he will pay tax on it just like cash. -And  
10 that's the way it goes. And if it - It's the IRS  
I I law.  
12 If you lose the painting; somebody comes  
13 'along and steals it; it gets burnt, gets water  
14 damage, your insurance company wants to see this book  
15 real bad. And they're going to say, "Wow. You sure  
16 have something valuable."  
17 And you're going to nod your head and  
18 say, "Yeah, I sure do, don't IT'  
19 And they're going to say, "Wow. I wish I  
20 had something valuable."  
21 You say, "Well, go talk to the artist.  
22 Maybe he'll give you something valuable," you know.  
23                    -Q (By Mr. Kreitman) Well, do you -  
24                    A Anyway -  
25                    Q -- know of, personally, anyone who made a

57

1                    successful insurance claim for any of your paintings?  
2                    A Insurance companies call often when they  
3                    can find, you know -- when they can find a phone'  
4                    number to reach me or the Banker Art Museum or any  
5 other responsible entity.  
6                    There's an 800 number in here -- in here  
7 to call if you have any questions about the Banker  
8 Art Museum. That 800 number has been up there since,  
9 I guess, 1993 or something.  
10                    Q Do you know -- And really the same  
I I question. I understand that you've  
12                    A Okay.  
13                    Q -- had calls from insurance companies.  
14 But do you know anyone who's actually~ collected on an

15 insurance claim, for a painting of yours?  
16 A Yes. Yes, I do.  
17 Q Who?  
18 A Don Card.  
19 Q And where does she live?  
20 A It's a man.  
21 Q Oh.  
22 Where does he live?  
23 A Don -- Well, he had a furniture place  
24 down in Sebring, S-  
25 Q In Oklahoma?  
58

I A S-e-b-r-i-n-g, Florida-  
2 Q Florida?  
3 A A tornado hit their place and trashed it  
4 out, and they got some money out- of it. I don't know  
5 what; but they got someting, you know.  
6 And let me think. Every once in a while,  
7 I hear other people that get money.  
8 Arnold White. He got money from  
9 insurance.  
10 Q Where does Mr. White live?  
I I A Los Angeles.  
12 Q And how much --  
13 A He got money.  
14 Q -- did he get?  
15 A I don't know. These -- Well, they aren't

16 going to tell me. Come on. How much money did they  
17 get? You think they're going to tell me? "We got a  
18 half a million dollars."  
19 "Gee, I wish you'd give some to me." No,  
20 they -- They never -- They're always, you know --  
21 They play it down. You can probably find out, but -  
22 Q Do you know anyone who paid taxes to the  
23 Internal Revenue Service as a result of halving sold a  
24 painting of yours?  
25 A I think -- I assume that everybody that's

59

1 involved with any barter club at all pays taxes on  
2 their barter dollars. It is the law.  
3 Q Okay. But do you know -- Can you give us  
4 the name of any person who paid tax to the Internal  
5 Revenue Service as a result of having sold a painting  
6 of yours?  
7 A Have they paid tax to the IRS as a result  
8 of having sold a painting of mine. I don't -- I'm  
9 not in the marketplace. You asked a marketing  
10 question and -- and distribution, you know. The  
I I people that -- that have the pieces and they're  
12 bartering them, you know, have accounts at barter  
13 clubs. I have no access to those accounts. Where  
14 the paintings have come in and gone through, I've  
15 seen thousands and thousands of paintings change

16 hands-

17 Q Do you know --

18 A -- and tons of prints.

19 Q I'm sorry.

20 Do you know of any cash sales of any of  
21 your paintings?

22 A Yes.

23 Q Tell us the names of the buyer and seller  
24 in one such transaction.

25 A Is that my job? Hand me my blue book.

-670

1 Q No. I'm just asking you whether you --

2 A Well, hand me the blue book. I'll show  
3 you the paper --

4 Q When

5 A -- that's got it right in there. You can  
6 see it.

7 Q The green book?

8 A Yeah. That's it.

9 Q (Tendering)

10 A Exhibit No. 3.

I I Okay. Well, it looks like there was an  
12 auction over at Harris Methodist. Harris Methodist  
13 is a hospital in Fort Worth. It says right here:  
14 The painting was purchased by -- for \$16,000 at a  
15 auction by Don and Gloria Siratt, our honorary hosts  
16 for the evening.

17 Well, there's \$16,000 right there. It  
18 was real fine.

19 I happen to know that Pastor Mark  
20 Papendick sold one for \$35,000.

21 Q And where does Mr. Papendick live?

22 A North Glendale, California.

23 Q When was that painting sold?

24 A In the last two years, last year and a  
25 half. Actually, it was a year and a half ago.

61

1 Q And how much was it sold for?

2 A \$35,000.

3 I happen to know

4 Q Do you know who the buyer was?

5 A Do you think he would tell me? Of  
6 course, he wouldn't. Why would he? I'd go bypass  
7 him and, you know, kind of -- These people ' are all  
8 secretive about this. You're asking very, very hard  
9 questions. Where did they -- Where did the painting  
10 go? Who paid for it?

I I You know, where I've given the  
12 information before, the guy was called up on the  
13 phone -- a guy -- big collector out in California and  
14 really put out a lot for it. You call him up and  
15 say, "Well, what did you pay for it?"  
16 He played it down all the way: "Junk,

17 junk, junk, junk, junk, junk, junk."  
18 Well, it sure -- sure seemed like it was  
19 valuable, valuable, valuable, valuable, valuable up  
20 until when you guys got interested in it. "Oh, no,  
21 it's junk," you know. Just by you guys putting your  
22 nose in there, you know, these guys start hiding the  
23 thing and downgrading what they paid.  
24 Q Well --  
25 A In barter we all call it "junk." It's  
62

I junk for junk. So, what ever junk I get from him, I  
7 will give him my junk; and he gives me his junk.  
3 Sometimes we call it 'trash,' but "junk" is more  
4 common.

5 Q Well, Mr. Jones, I mean, as you know, one  
6 of the -- one of the issues in this lawsuit is the  
7 cash value of some of your paintings.

8 A Uh-huh.

9 Q And one of the issues or questions that  
10 arises in that connection is how that value was  
I I determined.

12 A I'd like to ask the same question of the  
13 SEC how they evaluate stock values. Is it just what  
14 the market will bear, or do you have some artificial  
15 thing that you put up there to kind of -- You know,  
16 is there a -- What's this natural market adjustment  
17 that comes down the line? Uh.

18 Its what the market will bear. I put  
19 on - I can put on any - I'm - I've got a suggested  
20 retail price. I'm a manufacturer. That's what I do.  
21 I manufacture. I have a suggested retail price. ,  
22 You're going to judge my product by how I live and  
23, what I say and so forth? Wrong idea. I'm a .  
24 manufacturer. I'm not supposed to get retail.  
25 Manufacturers don't get retail. You're asking me

63

I retail questions like I'm a retailer. I'm not a  
2 retailer. All right. I'm a wholesaler and a  
3 manufacturer, at the most.

4 And when the stuff gets out, it goes out  
5 in big job lots. And as it goes out, it changes  
6 hands and it goes into other people's hands and it  
7, keeps on going. By your records alone at my last  
8 deposition, there's 127 publicly-held corporations  
9 that are booking my art. That was 127 and I knew of  
10 15 or 20, other than that you didn't even have down on  
I I the list and you gave me the names of 65 of them.

12 Now, you're asking me if there's a  
13 market? Come on. What's the matter with you guys?  
14 The IRS is just hungry for this. They're hungry for  
15 it. "We want to see his stuff change hands." And I  
16 do, too, because it's good for the economy, it's good  
17 for the corporations.

18 And when those guys come over with those

19 long looks on their face and say, "You know, I got  
20 cheated by a corporation, you know. They gave me  
21 their stock and I thought it would be good and it was  
22 no good."  
23 And I said, "Yeah? What kind of  
24 -corporation would do something like that?"  
25 "Well, it was one of those pink sheet

64

1 high things, you know. It -- You know, one of those  
2 pink sheet start-up corporation. I guess I was  
3 gambling."  
4 I guess you were gambling there, weren't  
5 you? You would have done better with the art. At  
6 least if it would have got ran over by a Mack truck,  
7 at least you would have had the insurance company  
8 talking to you.  
9 But once you drop out on this stock and  
10 you get burned on the stock, there's no recourse.  
I I You signed the paper right to begin with that there's  
12 no recourse. The paper says, "I realize that I've  
13 been cheated and that there's no recourse on this and  
14 no matter what I do, I just-- I got ripped off even  
115 before I started; and I know it."  
16 I I know. It's a tough, tough, tough  
17 letter to get somebody to take restricted stock.  
18 First thing they do, you know, is they've got to  
19 sign, saying that they know they got cheated.  
20 Q Well, I mean, one of the issues in the  
21 lawsuit, as you well know --  
22 A Uh-huh.  
23 Q -- is the value of the paintings --  
24 A Well - 1  
25 Q -- at the point in time as you describe

65

1 it  
2 A Uh-huh.  
3 Q --where they're being wholesaled.  
4 A They're being what?  
5 Q Where they're being wholesaled.  
6 A Uh-huh.  
7 Q In other words  
8 A Uh-huh.  
9 Q -- how do you assign a value to your own  
10 paintings?  
I I A You're not, the first person to ask me-  
12 that. But I'll tell you: It's whatever the market  
13 will bear. Now, if they don't want the paintings  
14 because they're too expensive and I can't sell them,  
15 it's just like any other market. You lower the price  
16 until they'll sell.  
17 Q But as I understand it, you've told us  
18 that you do appraise your own paintings.  
19 A Yeah. Have you got a dictionary? Let's

20 look up the word of "appraisal" right now because it  
21 doesn't say anything about being bonded or licensed  
22 or anything. All right? The word "appraisal" is a  
23 free word. I can use it if I want. Nobody's got any  
24 exclusive to that word. And you bet I put out an  
25 appraisal on it.

66

1 In fact, here's my most recent one and  
2 you'll kind of like this. I brought some stuff for  
3 you; but you're getting so cantankerous, I probably  
4 might not give you some of it. I'm just joking --  
5 joking there.

6 Here's my CD. It's a bunch of songs I  
7 wrote on it and sing. And then there's a little  
8 appraisal that goes with the CD. And it says:  
9 "Banker Art Museum Certificate of Authenticity and  
10 Y2K Appraisal." All right? "\$200. This is to  
I I certify that the drawing entitled 'Don Coyote' --  
12 it's not "Quixote." It's "Coyote" - "Museum  
13 No. 2001 is a rare, one of a kind original thumbnail  
14 drawing, drawn and embossed by the hand of the famous  
15 and celebrated master artist Sky Jones. If you own  
16 this treasure, you have also purchased copyright and  
17 reproduction rights to the piece. Any licensing fees  
18 or royalties generated with this drawing are  
19 100 percent yours. Welcome to the world of  
20 Sky Jones, America's Picasso." Signed Joseph Banker.  
21 So, you open up this little thing here;  
22 and there's the drawing. \$200 is what the appraisal  
23 says it's worth. All right. Then we look in here,  
24 and it's got -- It says right here that - Let's  
25 see - see if I can find this part here.

67

1 It talks in - It talks in here about  
2 painted under the name of Michael R. Whipple; by  
3 1984, changed the name to Sky Jones; and talks about  
4 the movie posters I did.

5 Q Well, let me interrupt you, Mr. Jones  
6 because we do --

7 A Okay.

8 Q -- we do want to -- we do want to finish  
9 this deposition today. I don't want to

10 A You don't want to drag it on?

I I Q No.

12 A Okay.

13 There was a 10-million-dollar show of the  
14 artwork at Milan Gallery. That was - is in here.

15 Q Could I see this drawing?

16 A Sure (Tendering).

17 BY MR. HARPER: Can we mark this entire CD  
18 and the documentation as the next exhibit,  
19 Mr. Kreitman?

20 BY MR. KREITMAN: Sure.

21 A Okay. Now, we've got a --

22 BY MR. KREITMAN: Would you mark that as  
23 the next exhibit?  
24 (Commission Exhibit No. 4 marked  
25 for identification and made part

68

1 of the record)  
2 A Let's see. I don't want to get  
3 distracted here.  
4 Q (By Mr. Kreitman) Yeah. Let me ask some  
5 questions, Mr. Jones.

6 A There's a -- There's a

7 Q We'll go a lot

8 A There --

9 Q -- quicker that way.

10 A Good.

11 There was a -- There's a

12 10-million-dollar show here. There's a  
13 10-million-dollar show. Fort Worth -- This is in the  
14 newspaper. This has nothing to do with me. All  
15 right? This is in the newspaper.  
16 It said right now -- I wasn't even  
17 invited to it and I didn't plan the show and I didn't  
18 even know the people who had the paintings that did  
19 it. All right? Totally out of my control. I wasn't  
20 even invited to the opening.  
21 All right. This all came down after.  
22 They even printed up a poster on it. Didn't even ask  
23 me what to do or anything.  
24 Fort, Worth. Milan Gallery to host  
25 10-million-dollar art exhibition.

69

1 So, here it is in one newspaper there.,  
2 Here it is in another newspaper here. All right?  
3 So, they had the show.. Well --

4 Q Well, let me ask you this question,

5 Mr. Jones: You have no idea, do you, how those

6 newspapers got those 10-million-dollar figures?

7 Isn't -- Isn't that right?

8 A I have no -- They -- They added up the  
9 art that they had that was on display at the show.

10 Now, the largest art magazine, after the  
11 I I show, published the fact -- according to them, not my  
12 words -- this show -- Half the paintings were sold  
13 during the opening reception of the show. 90 percent  
14 were sold by the end of the show. That's September,  
15 1995, Decor Magazine.

16 Q Now, you don't -- You weren't at that  
17 show, do -- were you?

18 A No. I wasn't even invited.

19 Q So, you don't know who bought any of  
20 those paintings, do you?

21 A Not even one of them.

22 Q And you don't know, of personal  
23 knowledge, whether any of them actually were sold,  
24 correct?  
25 A I went and talked to the guy, and he told  
70

I me that they were -

2 Q I see.

3 A - the guy that took

4 Q But of your personal knowledge

5 A - possession.

6 Q - you don't know whether any were sold

7 or

8 A I wasn't --

9 Q - at what prices?

10 A I wasn't - I wasn't there.

I I Q Okay. So --

12 A I wasn't there.

13 Q So, you don't know whether anyone --

14 A And I didn't get any money out of it, and

15 I do not know

16 Q You don't know

17 A for sure.

18 Q whether any were sold, and you

19 don't

20 A I know -- I know for sure they were sold.

21 Q You were told that they were sold,

22 correct?

23 A By the owner of the gallery, yeah.

24 Q Okay., But you don't know of your

25 personal knowledge whether any were sold, correct?

71

I You just were told that, correct?

2 A Well, see, now you -- That's true.

3 Q Okay.

4 A That's true.

5 Q And you don't know what prices were paid

6 for the paintings, of your own knowledge, do you?

7 A I know that it was heavy barter.

8 Q I see.

9 A I know it was heavy barter and then -

10 Q Do you have any --

I I A that it was real estate.

12 Q training as an appraiser?

13 A In my own stuff, I'm highly qualified.

14 I'm the most qualified person in the universe to put

15 a price on my own stuff.

16 Q And -- ' ,

17 A By reason of what?

18 Q -- when you value -- When you appraise

19 your own work

20 A Uh-huh.

21 Q -- you appraise, then, your -- those

22 works, as I understand, at replacement cost, correct?

23 A Suggested retail of what --

24 Q Suggested retail price?  
25 A Suggested retail, replacement costs,, or

72

1 whatever a current market would possibly be for that  
2 in some area.

3 Q I see.

4 Do you take into account the rarity of  
5 your work?

6 A Yeah. It's all one-of-a-kind -originals.

7 Q I see.

8 A And I'll be dead

Q Do you

10 A real soon.

I I Q take into account documented cash  
12 sales of your paintings?

13 A Yes.

14 Q Well, please tell us what cash sales of  
15 your paintings you're aware of

16 A I just did, and you won't even listen to  
17 me. You keep changing the subjects.

18 Q And those cash

19 A Okay. Now

20 Q You -- You

21 A Now, Ronald Welborn

22 Q No. Now, I'm asking the questions

23 A Okay.

24 Q -- Mr. Jones.

25 A All right.

73

1 Q And you have to answer them.

2 A Okay. I will.

3 Q Okay. Other than reports in newspapers,  
4 are there cash sales that you're aware of?

5 A Okay. The answer is "yes." I gave

6 you -- Here it is right here. There was one that

7 went off at auction. Ronald Welborn, art dealer,

8 sold a lot for cash out of Fort Worth. Okay? Pastor

9 Mark Papendick, cash.

10 Now, you're asking me: Do I have any

I I papers on this? No, I don't. Was I there, and did I

12 meet the people? No, I ' didn't. Did I get any of the

13 money? I don't know whether I did or not, but not  
14 directly from the person.

15 Q Well

16 A Now, they

17 Q -- tell us the name. Do you

18 A I

19 Q Do you

20 A I don't sell. 1,

21 Q I understand.

22 A -- do not sell.

23 Q I understand.

24 A I am not a salesman.

25 Q I understand.  
74

1 A I'm not here to sell my artwork.

2 Q Can you give us a list of buyers and  
3 sellers and prices of actual transactions in -- in  
4 your paintings?

5 A This has already been gone through. This  
6 is the second time it's gone through. They already  
7 did that with ITEX. I gave them the list of all --  
8 SEC versus ITEX. I gave them the list of all of the  
9 art dealers and art representatives that would have  
10 that information and a list of everyone who I knew  
I I was a collector. Well, they called them all on the  
12 phone and they talked to them and they -- The  
13 appraising -- Appraisal company, National Institute  
14 of Appraisers --

15 Q Excuse me (Procuring documents).

16 A Go ahead.

17 National Institute of Appraisers, they  
18 had something to say with it -- say about it.

19 I'm distracted here.

20 Q Yeah.

21 Well, let me ask you a -- a specific  
22 question.

23 BY THE WITNESS: Do we have to go outside  
24 the building to smoke?

25 BY MR. HARPER: Why don't we take a break?

75

1 Is that all right -

2 BY MR. KREITMAN: No. We'll --

3 BY MR- HARPER: -- with you?

4 BY MR. KREITMAN: We'll take a break in  
5 just a moment.

6 BY THE WITNESS: All right.

7 A I know you want me to say that

8 Q (By Mr. Kreitman) This

9 A my work --

10 Q is a document

I I A is worth nothing; but

12 Q This is a --

13 A -- you know, it's not true.

14 Q This is a document that was marked as  
15 exhibit --

16 BY THE VIDEOGRAPHER: Hold on a second.  
17 You just unplugged me there.

18 BY MR. KREITMAN: I'm sorry.

19 BY THE VIDEOGRAPHER: I think you hit the  
20 switch. Just hit that little switch right there.  
21 Yeah.

22 Hold on just a second, and I'll I get  
23 back on.

24 A Mid-Nevada Art, Inc.

25 Q (By Mr. Kreitman) Here's a document that

1 was --

2 BY THE VIDEOGRAPHER: Hold on.

3 Q (By Mr. Kreitman) Here's a document that  
4 was marked as Exhibit 24 at the ITEX deposition. Let  
5 me show it to you and ask if -- if you've seen it  
6 before.

7 BY MR. HARPER: Do I get a copy of that?

8 BY MR. KREITMAN: No, I don't have a copy.  
9 You can come around and look at it.

10 BY MR. HARPER: Mark, you know the rules.  
11 I I You're supposed to always bring three copies: One  
12 for the court, reporter and one for the opposing  
13 counsel. I would say that we stop this now and you  
14 make copies of anything you're going to use as  
15 exhibits so I will be entitled to look at them. You  
16 know that.

17 BY MR. KREITMAN: You're entitled to look  
18 at it.

19 BY MR. HARPER: Otherwise, I ask that the  
20 deposition be stopped.

21 Q (By Mr. Kreitman) This is -- I believe  
22 this is a copy except for the first page.

23 BY MR. HARPER: I'm objecting to the fact  
24 that I am not entitled to look at this exhibit and --

25 BY MR. KREITMAN: No, you are entitled to

1 look at it.

2 BY MR. HARPER: I would like to have a copy  
3 as is proper in every deposition I've ever been in my  
4 life.

5 BY MR. KREITMAN: You can take a look at it  
6 if you'd like.

7 BY MR. HARPER: No.

8 BY MR. KREITMAN: It's right here.

9 BY MR. HARPER: No. I am asking to stop  
10 this and make copies. This is ridiculous.

11 Q (By Mr. Kreitman) Have you seen this  
12 document before?

13 BY MR. HARPER: Move to strike.

14 A Not as it is.

15 BY MR. KREITMAN: You have a standing  
16 objection.

17 Q (By Mr. Kreitman) Please give it back to  
18 me, and I'll ask about specific pages.

19 A Wait a second. Oh, I see. This isn't --  
20 doesn't look -- doesn't look like my signature there.

21 BY MR. KREITMAN: John, I'll give you what  
22 I -- what appears to be a copy of the document  
23 without the cover page. Well, I can't attest to its  
24 completeness.

25 BY MR. HARPER: Well, why don't we stop the

78

1 deposition - we're here anyway. You called it --

2 and ask them to make copies here. It doesn't look  
3 like you have a lot, Mark.

4 Q (By Mr. Kreitman) Just as an example, I'm  
5 going to ask you to take a look at a document that is  
6 a part of what was marked as Exhibit 24 at the ITEX  
7 deposition

8 BY MR. HARPER-. Same objection.

9 BY MR. KREITMAN: And, John, you're welcome  
10 to come here and take a look at it, if you like.

11 BY MR. HARPER: What, I have in come and  
12 lean over your shoulder to took at it?

13 Q (By Mr. Kreitman) -- which was, it  
14 appears, appraised at \$62,500.

15 A, Uh-huh.

16 Q Will you take a look at that, please?

17 BY MR. KREITMAN: John, you're welcome to  
18 take a look --

19 A All right.

20 BY MR. KREITMAN: -- at this page.

21 A Uh-huh.

22 Q (By Mr. Kreitman) Now, my question is -

23 BY MR. HARPER- Can You pass that to me,  
24 please?

25 And I'm objecting to this. I'don't-

79

1 This is a real uncomfortable way to  
2 practice.

3 (Reviewing document) No, I -- I -- You'  
4 know, Mark, this is impossible. You're  
5 going to ask questions about it, and I have  
6 to hand it back.

7 BY MR. KREITMAN: Well, you're welcome to  
8 come -- come sit --

9 BY MR. HARPER: No.

10 BY MR. KREITMAN: -- next to me and take a  
11 look at it.

12 BY MR. HARPER: Well, I need my client to  
13 answer questions if I have them. You know how to  
14 practice law. This is patently unfair. .

15 1 BY MR. KREITMAN: Now, listen, John. The  
16 Federal rules say that if you have an objection, you  
17 say, "Objection." Speaking objections are prohibited  
18 by the rules and by the rules of the court which  
19 administers this case. And if they continue, then  
20 we'll call and have a magistrate listen into the  
21 deposition from here on.

22 By MR. HARPER: Well, let's call a  
23 magistrate and ask them why I can't get copies.

24 BY MR- KREITMAN: Let's take a break.

25, (Short break)

80

1 BY MR. KREITMAN: Let's go off the record  
2 for a moment.

3 (Off the record~

4 BY MR. KREITMAN: John, here's a copy.

5 BY MR. HARPER: Yeah. Oh, thank you.

6 BY MR. KREITMAN: Uh-huh.

7 Let's mark this as the next exhibit,  
8 please.

9 (ommission Exhibit No. 5 marked  
10 for identification and made part  
11 of the record)

12 Q (By Mr. Kreitman) Okay. I'm going to  
13 show you, Mr. Jones, what's been marked as Exhibit 5  
14 and ask you to take a look at it (Tendering). Do you  
15 recognize the second page of Exhibit 5?

16 A Yes, sir.

17 Q Okay. What is it?

18 A Provenance documentation.

19 Q Who did it?

20 A David Newren.

21 Q Who's David Newren?

22 A David Newren was an art dealer who  
23 contracted to get art from me and from the Banker Art  
24 Museum. It looks like he contracted with  
25 Pamela Weston, according to this.

81

I Q No. My question, sir, is: Whose  
2 handwriting is that?

3 A Thats David Newren's handwriting.

4 Q Okay. Please hand it back.

5 BY MR. HARPER: The whole -- The whole  
6 thing is David Newren

7 BY THE WITNESS: Let me look at it again.

8 BY MR. HARPER: -- because it looks quite  
9 different.

10 BY THE WITNESS: Well, there's more than  
I I one handwriting on there, obviously.

12 Q (By Mr. Kreitman) Isn't the first few  
13 lines of handwriting yours?

14 A No, it's not.

15 Q Okay. Is any

16 A Is that --

17 Q --'of the handwriting on the document  
18 yours?

19 A No.

20 Q Okay.

21 A That's

22 Q Hand it back.

23 Thank you.

24 A That has to do with what happens after  
25 the painting is gone.

82

1 Q Okay.

2 BY MR. KREITMAN: Ask the reporter to mark

3 this as the next exhibit.  
4 (Commission Exhibit No. 6 marked  
5 for identification and made part  
6 of the record)  
7 BY MR. KREITMAN: John, here's a copy.  
8 BY MR. HARPER: Okay. Thanks.  
9 Q (By Mr. Kreitman) Sir, is that your  
10 handwriting on Exhibit 6 -- on the right-hand side of  
11 the page?  
12 A No. The only handwriting on here is --  
13 of mine is up at the top there where I wrote in the  
14 name of the painting.  
15 Q Who wrote the --  
16 A All this --  
17 Q material to the right?  
18 A this stuff here, it's either  
19 Pamela Weston or David Newren.  
20 Q So, you don't know anything about that  
21 hand -- who wrote that?  
22 A Well, I said it's either -- That's not  
23 what I said. I said it's either Pamela Weston or  
24 it's David Newren.  
25 Okay. Were you present when that

83

I handwriting Was done?  
2 A No:--'  
3 Q Did you  
4 A I --  
5 Q Did you approve or --  
6 A The prices are correct. \$62,000 to that  
7 piece -  
8 Q No. I'm just asking --  
9 A is correct.  
10 Q about the handwriting on the right.  
11 A As far as the handwriting on the right, I  
12 don't follow that. This has gone -- This went  
13 from - Once its gone out of my hands, then people  
14 start doing these things here. This was -- This was  
15 done with '86 -- 1986 --  
16 Q No, sir. I'm just asking you: Do you  
17 know whose handwriting that is on the right-hand  
18 side -  
19 A It's either --  
20 Q of the page?  
21 A Pamela Weston's or David Newren's.  
22 Q But you don't know which one?  
23 A No, I don't.  
24 Q Okay. Please hand it back.  
25 A Its hard to tell.

84

1 BY MR, HARPER: Let me make sure. That was  
2 Exhibit 6?  
3 BY MR. KREITMAN: Yes, that's --  
4 BY MR. HARPER: Is that correct?

5 BY MR. KREITMAN: That's 6.  
6 A And they were authorized to do that-  
7 Q (By Mr. Kreitman) And who authorized them  
8 to do that?

9 A Me.  
10 Q I see.  
11 So, do you know, of your own personal  
12 knowledge, whether the -- what's described as the  
13 provenance documentation that's handwritten on the  
14 right side of Exhibit 6 is correct?

15 A Well, this was dated '94.  
16 I'd say it probably is. It went from  
17 Pamela to -- to -- through the Banker Art Museum --  
18 she had the original thing - went through the  
19 Banker's Art Museum and then to Chambers and then to  
20 Newren and -- Sure.

21 Q Okay. But you can't -- You can't say  
22 with any greater certainty, then, that it's probably  
23 true?

24 A Once - Yeah. Correct. Once it -- Once  
25 it leaves my hands after it's been established what's

85

1 the suggested retail. and so forth, I lose track of  
2 these things

3 Q Okay.

4 A --and

5 Q Now let's look back at the left-hand side  
6 of Exhibit 6 which is called Banker Art Museum  
7 Certificate of Authenticity and Appraisal...

8 A Uh-huh.

9 Q And you told us that is your handwriting  
10 in the top of -- the top of that left-hand side of  
11 the page, correct?

12 A I -- It should be. I can't tell for  
13 sure, but it looks like it's my handwriting.

14 Q Okay. Now look at the -- near the middle  
15 of that page. There's a --

16 A Uh-huh.

17 Q --signature. Whose signature is that?

18 A It's David Newren's.

19 Q Please hand it back.

20 There's an -- There's a signature there  
21 that says: Authorized Museum Curator.

22 A Uh-huh.

23 Q And the signature is "Arthur Carter." -

24 A Uh-huh. Yeah. That's David Newren.

25 Q That's David Newren's writing?

.86

I A Yeah.

2 See, Arthur Carter is a post in the  
3 Banker Art Museum, so is so is Richard S. Dickens  
4 and so is Joe Banker.

5 Q I see.

6 A These are plays on words. Art Carter is  
7 one who carts art.  
8 Q I see.  
9 A Richard S. Dickens is the one who's rich

10 as the dickens. Joe Banker, like Joe Mama, is your  
11 banker. What that indicates is that these are three  
12 entities or positions an artist needs in his studio  
13 or a museum needs in order to function.

14 Q I see.  
15 So, there really is no person whose name  
16 is Arthur Carter

17 A Yeah

18 Q correct?

19 A me.

20 Q It's you?

21 A Yeah. I'm the one who

22 Q I see.

23 A carts the art around.

24 Q And Joe Banker, there is no person

25 A That's right. No, I --

87

I Q -- other than you?

2 A I am Joe Banker.

3 Q And Rich -- Richard S. Dickens, that's

4 you, too?

5 A Thats me. I'm rich as the dickens.

6 Q I see.

7 And, so, what has been marked as

8 Exhibit 6 and appears to be a Certificate of

9 Authenticity and Appraisal appraising the artwork

I G there referenced at \$62,500

I I A Is it dated?

12 Q It's dated 1989.

13 A No, I mean the appraisal.

14 Q August 15th, nine -- It has two dates:

15 August 15th, '93, and it says it expires August 15th

16 1994. And it's signed by Arthur Carter. So, that --

17 A Yeah.

18 Q -- seems to

19 A Most of these expired. Most of these

20 appraisals never went into the marketplace until they

21 had expired, invaliding them.

22 Q And what does it mean to have an

23 appraisal expired?

24 A It means that you have to pay money to

25 get it upgraded.

88

1 Q I see.

2 A And if they don't upgrade it, then we  
3 don't stand by it with an additional one'.

4 So, all the appraisals that we put out -  
5 See, for example, in this book - Which is the same  
6 as what you got that out of. In this Treasure book  
7 here, these -- these appraisals all -- unless renewed  
8 yearly, annually -- "Unless renewed yearly and  
9 properly registered, this document becomes null and  
10 void. The reason for this action is that -- because  
11 market values fluctuate and must be updated regularly  
12 to be accurate."

13 Q I see.

14 A And, so, we -- Every - Every one that  
15 went out, we made -sure that they were all -- that  
16 they were all null and void.

17 So, that was one of the things that we  
18 did as a stable thing. There's also other '  
19 disclaimers we put it here. There's six -- six or  
20 seven different disclaimers right through -- right  
21 through this book here and the one that that

22 Q And -

23 A -- came out ot

24 BY MR. KREITMAN: Well, let's mark this  
25 book as the next exhibit; and we will return the

89

1 original

2 BY THE WITNESS: All right.

3 BY MR. KREITMAN: -- to you.

4 BY THE WITNESS: All right.

5 BY MR. KREITMAN: Let's mark this as  
6 Exhibit 7. This is the book that Mr. Jones was just  
7 reading from and triaking reference to.

8 BY THE WITNESS: Yeah. A lot of these are  
9 questions that have been asked many, many, many times  
10 before.

11 BY MR. HARPER: I thought we marked it as  
12 Exhibit 4 already

13 BY MR. KREITMAN: Was this marked as  
14 Exhibit 4?

15 BY MR. HARPER: -- the Treasure.

16 BY THE COURT REPORTER: Huh-iih.

17 BY MR. KREITMAN: No.

18 BY THE COURT REPORTER: This is 4.

19 BY MR. HARPER: Oh, the CD is 4?

20 BY THE COURT REPORTER: Yes.

21 BY MR. KREITMAN: Okay.

22 BY THE WITNESS: And 3 is the 50-year  
23 retrospective.

24 BY MR. KREITMAN: Okay.

25 (Commission Exhibit No. 7 marked

90

1 for identification and made part  
2 of the record)

3 Q (By Mr. Kreitman) So, the signature

4 Arthur Carter, which you tell us is you, was not  
5 signed by you, correct~  
6 A No. That was authorized for Newren to  
7 sign.  
8 Q I see.  
9 And does Newren have any formal training  
10 or certification as an art appraiser?  
I I A Only under my direction.  
12 Q I see.  
13 And you have no formal training or  
14 certification as an art appraiser  
15 A I don't need  
16 Q do you?  
17 A to have one to appraise my own stuff.  
18 And if you think I do, you're wrong about that. We  
19 have a --  
20 Q And you testified earlier in your -- in  
21 the ITEX case --  
22 A Yeah.  
23 Q - that you put, quote, the highest price  
24 I can on my stuff.  
25 That's accurate, is it?

91  
1 A Whatever the market will bear.  
2 Q I see.  
3 Well, when you appraise your paintings,  
4 you don't actually know what the market will bear, do  
5 you?  
6 A Yes, I do.  
7 Q How do you know?  
8 A Because I've been in this business my  
9 whole life.  
to Q But with respect to a particular  
I I painting --  
12 A I know --  
13 Q that you appraise --  
14 A exactly what it's going to do if it's  
15 in the hands of the right kind of person.  
16 Q I see.  
17 A, If a guy's a promoter and he's a shaker  
18 and a roller, it's worth more than if he's going to  
19 sit on his butt and complain about being cheated.  
20 Q I see.  
21 Do you have -- Oh. With respect to any  
22 of the appraisals of your own work that you did, do  
23 you have any work papers?  
24 A What are "work papers"? I'm not  
25 following you.

92  
1 Q I see.  
2 You don't have any work papers with  
3 respect to any of the appraisals that you did of our  
4 own work, do you? %y  
5 A What do you mean "work papers"  
6 Q Any documents in which you analyze\* the

7 value of a painting by reference to independent -  
8 indicia. You don't have any such -- such work  
9 papers, do you?

10 A Well, I have -- Whenever I take a look at  
11 a painting, I know what the painting is worth by  
12 reason of its size, usually.

13 Q I see.

14 A A larger piece will be more than a small  
15 piece. A piece that I've worked on longer and I feel  
16 that I've uncovered something primary will be a lot  
17 more than something that was more an experimental  
18 piece. But as far as working out prices on a piece  
19 of paper, I usually go by size.

20 Q Now, in a -- You have no expertise at all  
21 in appraising the artwork done by any person other  
22 than yourself? Is that true?

23 A That is absolutely true. The only thing  
24 I appraise is my own stuff because that's the only  
25 stuff I know.

93

1 Q I see.

2 A And -- And to appraise, according to the  
3 dictionary, is to place a value on; and I certainly  
4 do it when I appraise them.

5 Now, there's something more powerful than  
6 an appraisal. It's a bill of sale. And there's  
7 plenty of bills of sale around on the sale of these  
8 pieces.

9 Q Do you have any?

10 A Yes, I do, as a matter of fact; but you  
11 I guys are holding them for me. There's 127  
12 publicly-held corporations that have acquired my art  
13 that have -- every one of them has got a bill of  
14 sale. And you can say that they don't have one.  
15 Well, you better talk to them about it because they  
16 acquired it somehow, and those are your numbers.

17 Q I see.

18 But --

19 A And each one of those people has a  
20 public -- has a -- the bill of sale. And before they  
21 came along, there were many, many, many other people  
22 that acquired my art through barter and

23 Q Have you produced to the

24 A you know --

25 Q Commission any bills of sale of

94

1 -of

2 A Yes. Yes. They've got tons of that  
3 stuff, you know. They've -- They had a big  
4 deposition. They went up, and they had a deposition  
5 with the -- the appraising company in the -- What is  
6 it called? The Inter- -- I got it right here.  
7 Jeez, you guys have got so much stuff.  
8 I'm so surprised you're acting surprised every time I  
9 bring something up, but -- National Institute of  
10 Appraisers had a pile of paper 4 feet tall

I I (Indicating). Deposition lasted two days, you know.  
12 Q Who -- Who are the people --  
13 A The National Institute of --  
14, Q -- at the National Institute of  
15 Appraisals? Do you know?  
16 A E. T. Alba. I've only met him once. But  
17 he's retired. And then he has some other guy that's  
18 taken over the company. These are -- And I didn't  
19 know him prior to the appraisals, you know. I  
20 just -- Turns out that these guys appraised work for  
21 a huge amount of people.  
22 Now, the way that they offer the  
23 appraisals up is by reason of bills of sale, what's  
24 the basis the guy has in it. The guy comes in; and  
25 he says, "Well, I gave \$10,000 worth of stock for

95

this painting. I need an appraisal." So, they  
2 appraise it at \$10,000. That's where they get their  
3 information on the appraisals. The basis is what the  
4 bill of sale says.  
5 Now, there's always business papers in  
6 business transaction. So, I'm sure that there's  
7 tons of that\*around.  
8 But National Institute of Appraisers,  
9 they got huge amount of stuff from them. There's  
10 I've already turned over most of the names of my

I I

12 Q Now, the  
13 A -- who notified me that they'd been  
14 called on the phone, too, and asked, you know.  
15 Q You've characterized your appraisals of  
16 your own work as manufacturer's suggested retail  
17 price.

18

A Yea.h.  
19 Q Is that right?  
20 A Or replacement, sure.  
21 Q Are you aware of the existence of a  
22 Banker's Art Museum in London?  
23 Mr. Jones?  
24 A Oh, am I?

25

Q Yes.

96

1 A Are you done talking?  
2 Q Yes. I'm sorry.  
3 A I'm sorry.  
4 Q I'm sorry.  
5 -.A Oh, I was just waiting.  
6 To begin with, that's where David Newren  
7 - established it -- was in London.  
8 Q I see.  
9 A It was a London-based organization. -  
10 Q Did it have a building.  
I I A I have no idea what he did.  
12 Q Okay.  
13 A But I

14 Q Were you  
15 A I -  
16 Q -- involved at all in the Bankees Art  
17 Museum in London?  
18 A No. He did -- He was -- It was his own  
19 creation, you know. He was working on it himself  
20 It didn't -- didn't work out very well because he  
21 wasn't flying over there much and working.  
22 Q Okay.  
23 A So, he relocated it to the United States.  
24 Q Yog remember testifying before the  
25 Securities and Exchange Commission on September 4th,

97

1 1997, in the ITEX case that we've, been talking  
2 about --  
3 A Uh-huh.'  
4 Q --correct?  
5 A Yes.  
6 Q And after the -- you got the transcript  
7 of that deposition --  
8 A, Yes.  
9 Q -- you reviewed it and made corrections,  
10 correct?  
11 I I A Correct.  
12 Q Okay. I'm going to show you a copy of  
13 the cover page of that deposition which -- and  
14 with -- which has handwriting on the right-hand  
15 A Uh-huh.  
16 Q -- side and ask you if that's your  
17 handwriting.  
18 A Yes, sir.  
19 BY MR. HARPER: Can I see a copy  
20 Q (By Mr. Kreitman) Okay.  
21 BY MR. HARPER: -- of that?  
22 BY MR. KREITMAN: Show it to John, please.  
23 BY MR. HARPER: Can I have a copy, please?  
24 A No ' w, you can compare that handwriting  
25 with these; and you can see it's not that -- it's not  
98  
1 the same handwriting as on the other thing.  
2 Q (By Mr. Kreitman) Thank you.  
3 BY MR. HARPER: Do you have a copy for me?  
4 BY MR. KREITMAN: We'll -- We'll make a  
5 copy at the break.  
6 BY MR. HARPER: Okay.  
7 Q (By Mr. Kreitman) Now, the handwriting  
8 here says: This copy has been read and corrected by  
9 me and is generally correct. Signed Michael Whipple,  
10 August 18th, 2000.  
11 A Uh-huh.  
12 Q That's your handwriting there, sir,  
13 correct?  
14 A Yes, sir.  
15 Q Okay. And the copy as corrected with  
16 your handwriting --  
17 A Uh-huh.

18 Q -- represents your true and correct  
19 testimony, correct?  
20 A As best as I'm able, sir.  
21 Q Okay. And what you said in that  
22 deposition was true, right?  
23 A As best as I could at the time, anyway.  
24 Q And you reviewed that deposition?  
25 A And I did review that deposition.

99

1 Q And you made whatever corrections you  
2 wanted to  
3 A Yes, sir.  
4 Q -- correct?  
5 A Yes, sir.  
6 Q Now, you said in that deposition that at  
7 some point in time, you traded some paintings for a  
8 Mercedes-Benz automobile. Do you remember that?  
9 A Yes.  
10 Q And I think you testified that you  
11 I that the Mercedes was a 1984 or 1985 automobile,  
12 correct?  
13 A Uh-huh.  
14 BY MR. HARPER: Mark, I've got the same  
15 objection. You're, you know, referring to a  
16 document. I don't have it in front of me --  
17 BY MR. KREITMAN: Okay. You'll have a --  
18 BY MR. HARPER: -- especially --  
19 BY MR. KREITMAN: -- standing objection.  
20 BY MR. HARPER: -- especially when it's  
21 been corrected.  
22 Q (By Mr. Kreitman) And you testified that  
23 you traded 600 paintings for that Mercedes-Benz.  
24 Remember that?  
25 A I got ripped off on that deal. That

100

I was a --  
2 Q Okay.  
3 A -- ripoff. He -- What he did is: He  
4 came over to me; and he said, "I need these-paintings  
5 to put in a corporation. Just sign these papers  
6 here, and put it in the corporation."  
7 Q And who is "he"?  
8 A Ronald Welborn.  
9 Q Okay. So, is the --  
10 A So, he says, "I'm going to give you this  
11 I Mercedes."  
12 I said, "Oh, that sounds great."  
13 And he gave -- had a pile of papers for  
14 me to sign. I just went down and signed them. Tums  
15 out, I gave him a great big pile for this crummy old  
16 car.  
17 Q Okay. About 600 paintings, you said,  
18 right?  
19 A Yeah. Yeah.  
20 Q Okay.

21 A It was a total fleece.  
22 Q And the car was crummy? In what respect  
23 was it crummy?  
24 A Well, it needed to have -- be redone and  
reworked over. I gave it away to Parnella Weston.

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I Q Did you ever

2 A I let her do what -- with it what she  
3 wanted. She had new air-conditioning put in, and it  
4 just had to be reworked. It was a --

5 Q You gave it -- You gave it away for free?

6 A Uh-huh -- Well, for services, you know.

7 She worked hard in the Banker Art Museum

.... Igs one

8 of the things she took when she left.

9 I felt pretty good about it, actually. I

10 didn't care about the 600 paintings. I figured he'd

I I move them.

12 But that doesn't establish the value to

13 those paintings. I got cheated on that one. That

14 was a -- That was a real bogus slime thing that that

15 guy did to me to give me that big pile of papers, and

16 he just -- You know, what can I say? Those things

17 happen.

18 Q Now, you said that the Banker's Art

19 Museum is a members-only club.

20 A Uh-huh.

21 Q Who are the members?

22 A Well, let's read what it says here.

23 Q And you're looking at what document?-

24 A Exhibit No. 1.

25 Q Okay. No, I don't think thaVs

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1 Exhibit 1.

2 BY THE WITNESS: What does that number say?

3 THE COURT REPORTER: 7.

4 BY THE WITNESS: Oh, 7. Okay.

.5 A "The following is a list of services

6 available to museum members only. A person

7 automatically becomes a museum member for a year when

8 he purchases a work of art from a distributor and

9 then registers the piece with the museum."

10 Does that answer your question?

I I Q (By Mr. Kreitman) Yeah.

12 And how many people are members of the

13 museum right now? , 1 1

14 A Oh, I don't know. At least a dozen.

15 Q -1 see.

16 And at the time of your ITEX testimony,

17 1997-

18 A See, I don't even know how many

19 Q you testified

20 A people are, you know.

21 Q that there were one or two members.

22 Do you remember that?

23 A Well, yeah. But since then, they've been

24 calling in and start signing up with the Banker Art  
25 Museum

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I Q But in 19

2 A -- 800 number.

3 Q Now, in 1997 it was true that there were  
4 one or two members, correct?

5 A I had no way to tell.

6 Q Well --

7 I had no way to -- How could I tell

Q Let me ask you whether you remember

9 A you know?

10 Q being asked this question and giving

I I this answer in your ITEX

12 A Well --

13 Q testimony.

14 A I remember saying that already.

15 Q Okay.

16 A I remember saying that, you know. But

17 But I had no way of actually telling at that time.

18 How am I supposed to know? Nobody can get a hold of

19 me. I'm living out-in a trailer that doesn't even

20 have electricity, phone, or water. And you're asking

21 me, you know, questions that deal with the

22 marketplace.

23 Anyway, go ahead. Next question.

24 Q When people were calling you up or now

25 call you up at the 800 number, do you give them

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1 appraisals over the telephone?

2 A The guy thaVs running it is named Robert  
3 Hogden, 'spelled R-o-b H-o-g-d-e-n. All right?, Now,  
4 that's my spelling. Rob "Hogden." What that guy's  
5 done is he's taken the 800 number; and everybody that  
6 calls up for appraisals, he gives them -- won't give  
7 them anything on the telephone. But when they send  
8 their money in, then he does something for them; -  
9 And I'm getting ready to fire him because

10 he's never given me the list of the collectors, and I  
I I know theres dozens of them that have called in there

12 over the years. Since - Re's had it since - The  
13 800 numbees been good since 1983 or '84, and hes  
14 had it for the last three or four years. And he's  
15 told me that there's dozens of Banker Art Museum  
16 members that have sent in and paid their dues and  
17 stuff, but he won't furnish me the list or anything.

18 Q Well, my question to you is --

19 A - So, you might want to subpoena him and  
20 tell him -- -

21 Q But my

22 A -- ask him the same question.

23 Q My question to you, Mr. Jones, is

24 A Okay.

25 Q -- have you ever given appraisals over

105

1 the telephone of your own work?

2 A What do you mean --,an evaluation?

3 Q Yes.

4 A Just an evaluation of what I think it's  
5 worth.

6 Q Well, an appraisal.

7 A Well, it would seem to me that an  
8 appraisal would be something in writing.

9 Q I see.

10 A Now, an evaluation and an appraisal would  
I I be two different things.

12 Q Have you ever given oral valuations?

13 A Every time I can, I tell them they're  
14 worth a lot, you know.

15 Q Okay. Do you give them specific  
16 specific figures? I

17 A I don't have a telephone. I don't  
18 haven't had a phone for years.

19 Q I see.

20 A I don't do phone.

21 Q Okay.

22 A Okay. Now, you ask a weird

23 Q Now, mi person

24, A question, you know.

25 Q has anybody -- has any collector or

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I owner of your artwork ever asked you to give a verbal  
2 appraisal?

3 A To who?

4 Q To them.

5 A You mean they' asked me what I thought it  
6 was worth?

7 Q correct.

8 A I think they have.

9 Q And have you given them a specific  
10 figure?

I I A I don't know. I imagine I did.

12 Q Okay. And have you ever -- Have you ever  
13 given specific figures valuing your artworks to third  
14 parties at the request of owners of the artwork?

15 A No.

16 Q Now, looking back at Exhibit 6 --

17 A No, not that I know -- I can think of  
18 right now. You know, you're rapid-firing these  
19 questions at me; and I'm thinking, you know, "I don't  
20 think I've ever done that."

21 Q Who was it who determined that the  
22 painting, a photostatic copy of which appears on  
23 Exhibit 6, was worth \$62,500? Did you make that  
24 decision?

25 A You bet I did. That's based on my

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I experience in barter - that that was a good and  
2 correct price.

3 Q And aside from your experience in barter,  
4 what, if anything, did you rely on in appraising that  
5 painting at \$62,500?

6 A Isn't barter good enough?

7 Q Well, is that the only thing you relied  
8 on? That's the question.

9 A Well, yeah. Sure, my barter experience.  
10 I know for sure that the person that has that  
11 I painting can exchange it for \$62,000 worth of barter  
12 something -- barter goods of some sort.

13 Q Who's Artie Freestone?

14 A Same as Pamela Weston.

15 Q Okay. And who is Artico?

16 A That's Pamela Weston's/Artie Freestone's  
17 organization.

18 Q Okay. Now, does that -- Does that  
19 entity, Pamela Weston/Artie'--

20 A I'm not involved in that entity at all.

21 I have a police report out on that girl --

22 Q Does --

23 A - currently.

24 Q Does Pamela Weston have any role  
25 currently in the Banker Art Museum?

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1 A No.

2 Q Has she had at any time?

3 A Yes.

4 Q What was her role?

5 A She was, like, the president. She went  
6 and stole everything. I've got a police report-out  
7 on her.

8 Q Okay.

9 A And you've got a copy of that police  
10 report, I believe; and you should make sure you get  
11 I it back to me before I go because I told you right to  
12 begin with that it was the only one I had.

13 Q Okay. If you have that, why don't you  
14 give it to us; and we'll make a copy of it.

15 A You've got the --

16 BY MR. HARPER: He already gave it to  
17 you --

18 A Yeah, I already gave it to you.

19 Q (By Mr. Kreitman) Well, hand it -

20 BY MR. HARPER: -- in a couple of things  
21 given before.

22 BY THE WITNESS: Yeah. Yeah.

23 BY MR. HARPER: You should have made copies  
24 of that.

25 BY THE WITNESS: There's - Yeah, that's --

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1 Q (By Mr. Kreitman) Is that this orange  
2 document?

3 A No. No. No. It's the other one that  
4 went with that.

5 That orange document is satanism. It's

6 alive and well in America. A lot of weird things 1  
7 did.

8 That's it right there -- three pages.

9 Q This is a document dated

10 A Yeah.

I I Q -- November 18th --

12 A Yeah.

13 Q -- directed to Detective Jeff Craig.

14 A Uh-huh. Yes, sir.

15 Q Okay.

16 BY MR. KREITMAN: All right. Lef s mark  
17 this as an exhibit - the next exhibit, which I think  
18 is 8.

19 BY MR. HARPER: Can we make copies of that,  
20 Mark --

21 BY MR. KREITMAN: We will.

22 BY MR. HARPER: -- that and the other one?

23 BY MR. KREITMAN: We will.

24 BY MR. HARPER: And you'll give me time to  
25 take a look at it, then?

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I BY MR. KREITMAN: We will.

2 (Commission Exhibit No. 8 marked  
for identification and made part

4 of the record)

5 Q (By Mr. Kreitman) Now, with respect to  
6 the Banker's Art Museum, Mr. Sky, is that  
7 incorporated?

8 A Well, I registered it in the State of  
9 Oklahoma to operate as a nonprofit organization.

10 Q Does it have directors?

I I A Sure. 41

12 Q Who are the directors?

13 A I'm notdone talking, and you're  
14 interrupting me

15 Q I apologize.

16 A - because you're - you're - you're not  
17 using good protocol in dealing with me. It makes me  
19 nervous when you do that.

19 It was registered in 19 - 19 - several  
20 years ago -- five - five or six years ago in the  
21 Oklahoma as a nonprofit organization. And, you know,  
22 thafs'what I wanted. I wanted a service  
23 organization.

24 And then I -- They gave some other papers  
25 you had to fill in, you know, that you have to pay

1 \$350 and register the entity with the Fed6ral Bureau  
2 of Entity Registriation in Austin, Texas. And 1  
3 wasn't planning on asking anybody for any donations  
4 or getting any food out of the food bank. So, 1  
5 didn't really think that I needed my Federal I.D. to  
6 do anything with like that.

7 So, that's the circumstance that it's  
8 registered in Oklahoma. And it's basically a  
9 goodwill gesture, you know. The thing's a gift -- my  
10 gift.

I I All right.  
12 Q Does the -- the art museum -- You said it  
13 has directors. Who are the directors?  
14 A Well, Robert Hogden was president. I  
15 haven't notified him I'm -going to get rid of him.  
16 And Lee McWilliams is the CEO. And Robert -- Robert  
17 Hogden, hes the one that -- he's got the 800 number;  
18 and he's keeping track of everybody. He's doing all  
19 the appraisals right now. I ha ~ en't even seen any  
20 that he put out.  
21 Q Are you familiar with an entity called  
22 Mid-Nevada Art?  
23 A No, unless it was on this paper here  
24 the Subpoena. I didn't -- Was it? -  
25 Q Are you aware of how many paintings of

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1 yours they own?

2 A No, I'm not.

3 Q Do you know the Defendants in this case,  
4 Gerald and Marie Levine?

5 A Never met them before.

6 Q Have you ever spoken to them at all -

7 A Not even

8 Q -- prior to the deposition?

9 A Not even once.

10- Q Ms. Levine is here appearing at the

I I deposition. Have you spoken to her during any breaks  
12 or at any time today?

13 A Yeah, I talked to her at a break; and I  
14 spoke to her husband at a break, too.

15 Q I see.

16 Tell us what was said in that -- that  
17 conversation.

18 BY MR. HARPER: Objection.

Q (By Mr. Kreitman) Go ahead. You can  
20- answer.

21 A I can answer anyway?

22 Q Sure.

23 A Okay. He's just registering the thing.

24 They were real happy to meet me, you

25 know. They'd had my art for a long time. They were

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1 real excited about meeting me and that they couldn't  
2 understand how come you guys didn't think any of this  
3 stuff was valuable.

4 Q Did you discuss with them at all -  
5 either Gerald or Marie Levine -- what you would  
6 testify to here at the deposition?

7 A I only have one agenda and you only have  
8 one agenda and they only have one agenda. I don't  
9 care what their agenda is. My agenda is: You're  
10 sitting here trying to tear my art down. This isn't  
I I the first time you've done it, and ifs not okay.

12 You can go ahead and run the arts down

13' all you want. Do you know what "Sky Jones" means?

14 It's an anonymous name designation. I represent all  
15 the art ' ists on the planet. And the way you treat me  
16 is the way you're treating the rest of the artists.  
17 And it's obvious that nothing has any  
18 value unless it's somethingthat fits in a very  
19 tight, little, tiny comer and you're going to squawk  
20 if it doesn't fit in that comer; and these don't.  
21 Q Well, let -- Let me respond, Mr. Jones.  
22 We have no agenda with respect to --  
23 A I don't believe that. I don't believe  
24 that for a second.

5 And I didn't  
114

I Q We have no --  
2 A let you finish.  
3 Q agenda with respect to the art itself  
4 What I'm questioning here is yotfr ability to give  
5 independent qualified Zppraisals. And what 1  
6 understand you to be saying is that you are  
7 appraising the artwork on the basis of size and your  
8 prognostication as to how much these paintings would  
9 sell in the market and upon your barter experience.  
10 A Correct.  
11 Q Okay.  
12 A And I'm very highly qualified to do  
13 exactly that, more so than anyone else in the world.  
14 Q And you say that on the basis of?  
15 A Past performance.  
16 Q You say that on the basis of your  
17 experience in the barter market, you've said?  
18 A Uh-huh.  
19 Q You have to answer audibly.  
20 A Sure. Sure.  
21 Q Okay.  
22 A Plus I've got cash documentation, too,  
23 that's in here and is - The ITEX Corporation posted  
24 a million dollars profit for many years in a row with  
25 the Sky Jones paintings, and that's available to be

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I looked up in their public disclosures.  
2 Q Are you - Do you have any familiarity  
3 with a company called O.T.S.?  
4 A I've heard that name, and I believe it's  
5 the Levines' company -- is what I'm gathering. The  
6 Levines and O.T.S., C.E.C. --  
7 Q Okay.  
8 A - and, you know, I guess that all goes  
9 together. Apparently, they have more than one  
10 company.  
I I Q Okay. Do you have any knowledge of the  
12 Levines' business or businesses?  
13 A I believe David Newren showed me a  
14 brochure that was a color brochure that had jam, 1  
15 believe, or preserves. One of the businesses they  
16 own sells preserves. That's all I know.  
17 Q I see.

18 Now -  
19 A I've never received any stock or anything  
20 in my name or any of my entities' names -  
21 Q I see.  
22 Now --  
23 A -- from either one of these corporations.  
24 Q Going back --  
25 A But I believe Newren has.

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1 Q Going back to Exhibit 6, you said you  
authorized David Newren to sign the name Arthur  
3 Carter as an authorized museum curator, correct?  
4 A Uh-huh. Uh-huh. Yes, sir.  
5 Q Did he do the appraisal?  
6 A I do the appraisals. I'm the onJthat'  
7 sets the appraisals.  
8 Q Well, why didn't you sign it?  
9 A Because Arthur Carter is making an art  
10 statement. This is an art statement. You have to  
I I understand that I'm an artist.  
12 Q I see.  
13 But what --  
14 A I'm making a statement. You understand?  
15 Q I see.  
16 But David Newman signed "Arthur Carter"  
17 even though you tell us that you are Arthur Carter?  
18 A Uh-huh. He --  
19 Q Why did you not sign --  
20 A He was --  
21 Q it?  
22 A authorized to it.  
23 Q You authorized him to sign it?  
24 A Utk-huh.  
25 Q Is there anyone else who you've ever

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I authorized to sign an appraisal for any of your  
2 paintings?  
3 A Sure.  
4 Q Who else?  
5 A Pamela Weston, David Newren, Robert  
6 Hogden. Well, that's it. That! s it -- those  
7 three -- at my prescribed rates that I do, yqu know.  
8 Q Now, David Newman owns some of your  
9 artwork  
10 A It's  
I I Q --does he not?  
12 A -- "Newren." N-e-w-r-e-n is the way  
13 that's spelled.  
14 I haven't spoken to him for a long time.  
15 I believe he has quite a collection.  
16 Q Of your paintings?  
17 A Uh-huh.  
18 Q I see.  
19 And did he have a collection of your  
20 paintings at the time that he was signing "Arthur

21 Carter," with your authorization, on appraisals?  
22 A He came up with all the money.  
23 Q And you said  
24 A He was the money man.  
25 Q He was the one that financed the artwork?  
I A Correct.  
2 Q I see. ,  
3 And did he own any of the artwork?  
4 A Yes, him and his father.  
5 Q I see.  
6 A Massive holdings.,  
7 Q So, at the time that he was signing  
8 appraisals with your authorization, he himself owned  
9 paintings of yours?  
10 A Well, he had invested money. Exactly  
I I which ones were his, this pile over here hadn't been  
12 decided; but it was obvious that he had heavy vested  
13 interests in -- in it. He had a lot of pieces.  
14 Q And he had a heavy vested interest in the  
15 value of your paintings?  
16 A Yeah.  
17 Q Okay.  
18 A Oh, yeah, he did.  
19 Q And that was also true of Pamela Weston,  
20 wasn't it?  
21 A Yes, I think you could say so.  
22 Q, Now, David Newren owns an outfit called  
23 Global Market Systems, doesn't he?  
24 A I don't know. But I notice that that's  
25 written in some of the books. So, he may have.

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I Theres -- Oh. Okay. There'i at least  
2 12 Global Marketings.  
3 Q Uh-huh.  
4 A Ronald Welborn had 11.  
5 These are individual different  
6 corporations named the same thing.  
7 Q I see.  
8 And -what -- What is the business of those  
9 corporations? Weren't they --  
10. A Real -- They had real estate, art, and  
I I whatever. David Newren is just --These are  
12 corporate shells that the guys use to run their  
13 garbage around in  
14 Q And --  
15 A you know.  
16 Q they sold your paintings, did they  
17 not?  
18 A I think that tht;y did.  
19 (Reviewing document) The Banker Art  
20 Museum Triple Appraisal Service. This is'page -- a  
21 page in this Treasure book, Exhibit 7. It says right  
22 here that it would be foolish to accept a work that  
23, did not have triple appraisals or had an appraisal  
24 that had expired and was not duly registered. This  
25 is vital for any and all major transactions. Know

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1 before you go.  
2 Now, we offer one appraisal here. But  
3 I've got a whole page in this book dedicated to the  
4 fact that you ought to at least have two others  
5 independent from us, you know. So, I'd like to say  
6 that that has been established.  
7 BY MR. KREITMAN: Let me have marked as an  
8 exhibit -  
9 A It says right here: The type of  
10 appraisal that is issued through the museum are  
I I replacement  
12 BY MR. KREITMAN: - these two pages.  
13 A -- value appraisals.  
14 (Commission Exhibit No. 9 marked  
15 for identification and made part  
16 of the record)  
17 Q (By Mr. Kreitman) Okay. There's no -  
18 There's no question pending right now. So  
19 A Okay.  
20 Q Okay.  
21 BY MR. KREITMAN: Here's a copy for John.  
22 BY MR. HARPER: Thank you. - -  
23 Q (By Mr. Kreitman) Let me show you a  
24 document that's been marked as Exhibit 9.  
25 A All right.

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1 Q And tell me if you recognize it.  
2 A That's the cover of this, book right here,  
3 I believe, or some -- one of the books.  
4 Q This is a cover of a book put out by the  
5 Banker Art Museum?  
6 A Looks like it, you know (Indicating).  
7 Q Okay. And take a look at the second  
8 page, and tell us what that is.-  
9 A Let's see. I do believe -- You're asking  
10 me what this is? This is something that has been  
I I sent on a fax machine right there. That's been sent  
12 on a fax machine. I can tell that. I've never seen  
13 this before.  
14 Q Well, that's a page from the document,  
15 that has been marked as Exhibit 9.  
16 A Well, I have to -- Okay. I'll -- I'll  
17 read it and see if I can -- if it's been changed:  
18 Services available to museum member only. A person  
19 automatically becomes a museum member --  
20 Q You can read it to yourself and then  
21 tell  
22 A Okay.  
23 Q -- us whether you recognize it.  
24 A Generally speaking, it looks - looks  
25 like the ones in the Treasure book.

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I Q Okay. So, it's a page -- Both of these,

2 in fact, are pages -- are blown up pages out of  
3 Exhibit 7, correct?

4 A Incorrect. That is not cDrrect.

5 Q No?

6 A No. That- That one is nota-- That's  
7 not what that is.

8 Q Well, is -- Isn't it true that the second  
9 page of Exhibit 9 is a document that was created and  
10 distributed by the Banker Art Museum?

11 I A Early on, yes.

12 Q Okay. At your direction?

13 A Yes.

14 Q Did you write it?

15 A Let me look at it again (Reviewing  
16 document). This here is -- This here has been sent  
17 in a -- somebody's fax machine. I don't have  
18 anything that matches that type style or anything  
19 else, and you're asking me if I wrote it when I've  
20 never even seen it before.

21 Now, the words on it, I recognize the  
22 words. I wrote the words, but it's been changed  
23 around. There's stuff missing, and there's other  
24 things going on.

25 It says: Service -- "Services available

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1 to museum member only." Well, now, I would have  
2 caught that right way. That's missing an "s."

3 Q Is there a similar --

4 A This has been redone.

5 Yes, it's --

6 Is it --

7 A -- similar.

8 Q No.

9 A But it's not the same.

10 Q Is there -- Is there a similar document

11 I type authenticity in Exhibit 7?

12 A Similar.

13 Q Okay. Well, let's see Exhibit 7, then.

14 A All right.

15 Q Okay. It says here in Exhibit 7: Unless  
16 the work of art you are holding is registered with  
17 the Banker Art Museum --

18 is BY MR. HARPER: Same objection.

19 Q (By Mr. Kreitman) -- and all of the  
20 appropriate fees are paid yearly, appraisals and  
21 registrations are invalid.

22 A Yeah, you've got to be-up with it or, you  
23 know, who can stand by it.

24 Q I see.

25 And, so, it is the position of the Banker

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1 An Museum that its appraisals are invalid null and  
2 void unless registered and updated yearly, correct?

3 A (Nods head)

4 Q You have to answer.

5 A Yes, sir.  
6 Q Okay. Great. Thank you.  
7 A We did that for a reason -- trying to get  
8 members. Didn't work very good.  
9 Q Did you ever -- Strike that.  
10 Did Queen Elizabeth ever sit for a  
11 I I portrait that you painted?  
12 A Who said she did?  
13 Q I'm just asking you,, yes 11 or 11 no.  
14 A No.  
15 Q Okay. Did Governor Michael Dukakis ever  
16 sit for a portrait that you did?  
17 A Took photos of him. I got photos.  
18 There's -- You want to see them?  
19 Q No. Just answer "yes" -- Just answer  
20 A Are you just asking --  
21 Q Just answer "yes" or "no."  
22 A -- did he sit?  
23 Q Correct.  
24 A No. I work from photos.  
25 Q I see.

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1 And is that -  
2 A If you want to see a picture of it, I've  
3 got -  
4 Q No.  
5 A - a picture of me -  
6 Q No.  
7 A -- with him right here.  
8 Q Very well.  
9 A There he is, you know  
10 Q Mr. --  
11 I I A -- me and him --  
12 Q Mr. Jones, we're trying  
13 A standing there --  
14 Q to get through today.  
15 A you know. You're asking me a  
16 question. I've got a picture to show you that, yes,  
17 here's the painting and there he is.  
18 Q Has Governor Thompson ever sat for a  
19 photo -- for a portrait of yours?  
20 A Who said he did?  
21 Q I'm just asking you whether he did  
22 A I don't --  
23 Q -- "yes" or "no."  
24 A Which -- Which -- Which governor is he  
25 Q Governor --

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I A though?  
-2 Q James Thompson.  
3 A Which -- Which state?  
4 Q I don't know.  
5 Has anyone who's called Governor  
6 Governor Thompson ever sat for a portrait of you  
7 A No.  
8 Q - by you?

9 A I -- No. Those people  
10 Q Okay.  
11 A Those people gave me commendations for  
12 civic work.

13 Q Let me show you a --

14 BY MR. KREITMAN: Let's have this document  
15 marked as an exhibit.

16 (Commission Exhibit No. 10 marked  
17 for identification)

,18 BY MR. HARPER: Do you have a copy for me?

19 BY MR. KREITMAN: Yeah, I do.

20 BY MR. HARPER: Thank you.

21 What number are we on now? 10?

22 Q (By Mr. Kreitman) Do you know whether  
23 Queen Elizabeth has any of your paintings?

24 A The Queen Elizabeth?

25 Q Yes.

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A The answer is -- is that the Queen  
2 Elizabeth is painted - parked in Long B each. And,  
3 yes, they had a gallery in there called the Old World  
4 Gallery; and they had many, many of my paintings.

5 Q So, you're talking about the ship Queen  
6 Elizabeth; is that right?

7 A Yes.

8 Q Okay.

~9 A Also, Queen Elizabeth also has my work in  
10 her collection, as is -- I've seen a --

I I Q The Queen of England has

12 A Yes. ,

13 0 -- has paintings of yours?

14 A Yes.

15 Q How do you know that?

16 A I was just trying to tell you, and you  
17 interrupted

18 Q Sorry.

19 A I have seen documentation on it where the  
20 people have written letters to have it verified and  
21 it came back "yes" and I also know the guy who got it  
22 in the collection, Mr. Ken Scarborough  
23 Scarborough, I guess, is what that is.

2 4 He also sold one to Farrah Fawcett, I

2~ believe.

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1 Q All right. So, you've heard that. But  
2 you don't know 7- You don't know of your -- of your  
3 own knowledge? .

4 A I've seen it in writing.

5 Q I see.

6 Did you ever do a portrait of any of  
7 these people in which - that they paid you for?

8 A Or that I was paid for?

9 Q Yeah. Did Jaclyn Smith ever pay you to  
10 have a portrait done?

I I A Warner Brothers did, and TV Guide did.

12 Q I see.  
13 BY MR. HARPER: Are we going to take a  
14 lunch break any time, Mark?  
15 - BY MR. KREITMAN: Yeah, we will. I'd  
16 I'd like to get through today, John. That's why  
17 I'm -  
18 BY THE WITNESS: We haven't got much more  
19 to go through. It looks like he's going through  
20i those files pretty quick.  
21 BY MR. HARPER: I'd like to get through,  
22 too, today; but I would also like to have a lunch  
-23 break.  
24 I need to -- Nfark, Ms. Levine is under  
25 some medical care and can't go very long

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I without eating. So  
2 BY MR. KREITMAN: You want to take a lunch  
3 break?  
4 BY MR. HARPER: I'd like to.  
5 BY MR. KREITMAN: Okay. Let's do that.  
6 We'll take a lunch break. Let's come back at a  
7 quarter past 1:00.  
8 BY MR. HARPER: A half hour?  
9 BY MR. KREITMAN: Yeah, a half hour.  
10 (A lunch break was had at  
11 12:45 p.m.)  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

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1 (Proceedings resumed, following the  
2 lunch break, at 1:30 p.m., as follows:)  
3 MICHAEL R. WHIPPLE aka SKY JONES  
4 being first duly sworn, .deposes find says in reply to  
5 the questions propounded as follows:  
6  
7 FURTHER DIRECT EXAMINATION  
8 BY MR. KREITMAN:  
9 Q Good afternoon, Mr. Jones.  
10 A Good afternoon.  
I I Q I am going to show you a document, which 1  
12 would like the reporter to mark as the next exhibit.  
13 (Exhibit I I was marked.)  
14 Q Can you take a look at that and tell us if  
15 you recognize it?

16           A       This was put out by Artie Freestone/Pamela  
17 Weston. And it was put out in 1996 when she was in  
18 Florida. I have never seen this. She put this out to  
19 help put it out as a little newsletter, looks like.  
20 She put out a bunch of these out. But that is what  
21 that is, that Exhibit Number 5.  
22           Q       It says here in Exhibit Number 5, the first  
23 line, that the Banker Art Museum is a mobil museum  
24 that moves all over the world. Is that true, or was  
25 that true in 1996?

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I       A       Well, we sure were moving around, different  
2 parts of the world. To answer, the question, at that  
3 point, I know we didn't have a location. What was it?  
4       1996?

5       Q       Yeah. January 22, 1996.

6       A       I don't think there was a location then.  
7 We were probably still looking for one.

8           (Exhibit 12 was marked.)

9       Q       Take a look at this at this document which  
10 has been marked as Exhibit 12 and tell us if you  
11 I I recognize it.

12      A       Yeah. This was put out by a fella by the  
13 name of Dale Baker. And Mr. Dale Baker came along and  
14 took all of my artwork and ran off, and I never heard  
15 of him after that. He presented this shit -- I want  
16 to emphasize the word "shit" - and he robbed me with  
17 this.

18           This is the first time that a guy came up  
19 with a publicly held corporation and took -- cleaned  
20 me out. He just cleaned me out. And then after that,  
21 he goes and gets judgments against himself He was  
22 just a predatorial type. He gets judgments against  
23 himself and the First Phoenix Art Capital Corporation,  
24 against a guy by the name of David Gerlach,  
25 G-E-R-L-A-C-H. Sued him and got a judgment.

13 ~2

1           And Dale Baker then went and declared  
2 bankruptcy and closed everything down, all unbeknownst  
3 to me.           I had no idea. Here lie is, he is promising  
4 all of this stuff in here. This Dale Baker, he took  
5 everything and that was it. He cleaned me out.

6           Q       Did he steal paintings from you?

7           A       Yeah.

8           Q       How many?

9           A       Paintings and prints. I don't know. It  
10 might be, probably, in here. But then he went and he  
11 I I declared bankruptcy. Then after he declared  
12 bankruptcy, now he is selling these prints in the  
13 market on the web that he is supposed to be bankrupted  
14 on. I never received anything from him. He just came  
15 in and took the stuff. And he is one of those  
16 corporations that promise and never gave, you know.  
17 . Q This document purports to be an  
18 introduction and business plan of First Phoenix Art

19 Capital Corp., Inc.

20 A Yeah, supposedly.

21 Q This document does not have a signature  
22 page. Did you ever sign a document like this?

23 A Hand it to me once more. Yeah. I didn't  
24 type any of this up. This was typed up by Dale Baker.  
25 He typed this all up, and this was his thing to get

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1 the art from me.,-,,;

2 And the date on it - I see that this  
3 appears to be undated. But the date on it is 1984, I  
4 believe, or 1985.

5 Q How many paintings did

6 A He took of bunch of art.

7 Q -- he steal?

8 A He cleaned everything out I had. He had -  
9 in limited edition prints -- which is different from  
10 the one-of-a-kind originals. In limited edition  
I I prints, he took about 60 different pieces. That  
12 includes a pile about this high of each one. From  
13 anywhere from this high to this high. (Indicating)  
14 And it was millions and millions of dollars worth of  
15 them.

16 It took him a truck to haul it all away.

17 And that was it. He cleaned me out. I never got a  
18 penny from it. I never got any stock. The guy right  
19 now is -- I was just getting ready to write a letter  
20 to the police about him. I am glad you brought that  
21 up. I have only been waiting for 15 years to do it.

22 Q This Exhibit 12 recites that this company,  
23 Phoenix Art Capital was formed "as a result of an  
24 agreement with 'The World's Greatest Living Artist,'  
25 Michael R. Whipple and the Michael R. Whipple Museum

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1 of Fine Arts." Was there such an agreement?

2 X There it is.,

3 Q I see. And at the time of the preparation  
4 of this document with the Michael R. Whipple Museum of  
5 Fine Arts the'same entity !hat later became

6 A ' Banker Art Museum. That was La Verne,  
7 California in a 47,000 square foot, 47,000 square foot  
8 museum we had there. I showed you a picture of it  
9 earlier.

10 Q I think you told us also that another  
I I gentleman also stole artwork from you. Was that David  
12 Newren.

13 A (Nods head.)

14 Q You said David Newren stole -- how many  
15 paintings did he steal?

16 A lie backed up a semi and emptied the studio  
17 and left the doors blowing in the vdn(f).

18 Q When was that?

19 A 1996, I guess, or something.

20 Q Was there anybody else who stole paintings  
21 or artwork of yours?

22 A Um-hum.

23 Q Who else?  
24 A Ronald Welborn., He locked me out in Forth  
25 Worth.

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I Q And how much artwork did Ronald Welborn  
2 steal?

3 A Oh, about \$350 million worth here' He  
4 locked me right out, changed the locks. Same old  
5 story, you know. Have to g'oget an attorney, go  
6 ahead, blah, blah, blah. End up and getting the  
7 artwork back, getting half back. But that is the guy  
8 that cheated me on the Mercedes, too, gave me the  
9 bogus documents and stuff.

10 Then there was Mark Papendick and Michael I  
I I Weston in Glendale. This is within the last three 1  
12 years. They took 3,500 of these prints here. They 1  
13 were printed up big like this, of course, but it's the 1  
14 "Angel of Peace", and all of my art supplies. That 1  
15 was within the last three years. 1

16 Seems to be something that I do on ' a 1  
17 regular basis, too, rejuvenate. I guess that is.the 1  
18 right word. 1

19 - (Exhibit 13 was marked.) 1

20 Q Let me show , you a document that has been 2  
21 marked as Commission's Exhibit Number], 3. Have YOU 2  
22 ever seen this document before? 2

23 A No. Well, you asked me, but I haven't 2  
24 looked at it yet. Let me 2

25 Q Yeah, please do. 2

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I A -- look at it a little more. I have never  
2 seen this document before. Let's see. For Churchill  
3 Advancements. I don't know who that is. But I  
4 haven't ever'seen this. I think David Newren had  
5 something to do with Churchill. I don't know. Put it  
6 here.

7 Q Thank you. So this document purports on  
8 its face to be an appraisal?

9 A It looks like an appraisal from the  
10 National Institute of Appraisers.

I I Q For Churchill Advancements?

12 'A Yes. That is what it loqks to me like. 1  
13 always ask them to give me copies of this stuff, but  
14 nobody ever gives me anything.

15 Q And it purports to appraise a painting of  
16 yours called "Figures".

17 A Um-hum.

19 Q -Which is described as, "A unique acrylic on  
19 board, handsigned in brush" and dated 1994, 20 inches -  
20 by 30 inches.

21 Were you doing any acrylic on board work in  
22 1994?

23 A Urn-hum.

24 Q Did you

25 A I mean, yes. Excuseirrie. Finsorry.

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1 Q Did you hand sign that work in brush at -  
2 about that time?

3 A Probably so.

4 Q I think you testified in your earlier  
5 testimony that

6 A That they had the appraisal wrone.

7 Q Yes.

8 A I remember that. Whether it is brush or  
9 whether it is the black marker, I am not,  
0 differentiating right now. '

1 Q I see. But I thought you testified in that  
2 investigative testimony that you signed your works in  
3 1994 in black Magic Marker. .

4 A Urn-hum. Not all of them.

5 Q I see.

6 A Now, I don't think -- that one says with  
7 brush, doesn't it?

8 Q It does.

9 A Yeah. It'could have been with brush. Most

0 a] I that I can recal I were done with a Magic Marker.

1 Q All of the acrylic on board paintings that  
2 you did in 1094'were --

3 A If they are 20 by 30, probably.

4 Q Were there any 20 by 30 that you did in  
5 1994 that you signed in brush?

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1 AYes. But I am not sure, you know. You  
2 see, when you have so many pieces of art going  
3 through, you see, you use whatever is handy. That is  
4 all I can say about that.

5 Although I do remember the prior deposition  
6 where I said I didn't sign anything except with marker  
7 on that. You know, there were 7,000 paintings done  
8 during the few years just prior to that, and they came  
9 up to a head, and they were all signed around then.  
10 It could have been done with a brush. I might be  
11 I wrong. I don't know.

12 Q Could be done with a brush?

13 A Yeah.

14 (Exhibit 14 was marked.)

15 Q This is a document, which I am going to ask  
16 the reporter to mark as Exhibit 14.

17 MR. KREITMAN: And, John, I am just  
18 going to ask for identification of this, so I am not  
19 making a copy. I am going to ask questions about it.

20 MR. HARPER: Okay. You can give me  
21 copies later.

22 MR. KREITMAN: Yeah.

23 Q (By Mr. Kreitman) Identify it if you can,  
24 the document as a whole, which purports to be  
25 appraisals by Banker Museum of various paintings by

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1 you. Is that what it is?

2 A Yes.

3 Q And were all of the appraisals that are  
4 contained therein done in the same manner you  
5 described earlier?

6 A What was that? Oh, the -- yes, as a matter  
7 of fact they were, as I look at this. Actually -  
8 yeah. Yes.

9 Q And this is a document which was previously  
10 marked as Exhibit 79 in the ITEX investigative  
11 testimony, which I am going to ask the reporter in  
12 this deposition to mark as Commission 15.

13 (Commission Exhibit 15 was marked.)

14 MR. HARPER: What was the document he  
15 just looked at?

16 MR. KREITMAN: Would you pass that down  
17 to John, so he can look at it?

18 MR. HARPER: And you will give me a copy  
19 of this?

20 MR. KREITMAN: Yes.

21 MR. HARPER: My continued objection, not  
22 having the ability to look at this. -

23 Q (By Mr. Kreitman) Take a look, if you  
24 would, at Exhibit 13, which is titled "Banker Art  
25 Museum" and contains a listing of a number of

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1 paintings by you, Mr. Jones, and recites their serial  
2 number, size, and a price, which is designated  
3 "Estimated At".

4 MR. HARPER: Is this a new document?  
5 thought we just marked the Churchill Advancement as  
6 13.

7 MR. KREITMAN: Yeah.

8 MR. HARPER: Is this 14, a new exhibit?

9 THE WITNESS: This is 15 here.

10 MR. KREITMAN: This is 15.

11 MR. HARPER: Okay. You called it 13.

12 Okay.

13 A I have never seen this before.

14 MR. KREITMAN: I am not sure if I  
15 incorrectly referred to Exhibit 14 as Exhibit 13, as  
16 John represents.

17 MR. HARPER: No. The one in his hand, I  
18 believe you called it 13. I was a little confused.

19 MR. KREITMAN: Okay. Let's make the  
20 record clear. The document that Mr. Jones is now  
21 looking at is, which bears the title "Banker Art  
22 Museum" and contains a listing of documents reciting  
23 their serial number, size, and price, "Estimated At~"  
24 is document number 15.

25 MR. HARPER: Of which I object. But at

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1 the same time, you will provide me a copy?

2 MR. KREITMAN: Yes.

3 Q (By Mr. Kreitman) Have you ever seen this  
4 document before?

5 A No. I recognize certain things --

6 Q What do you recognize?  
7 A -- about it. I recognize it as a  
8 compilation of several years worth of work. I can see  
9 that right off, because the serial numbers go 93.  
10 Then it goes from 93 up to 94. So there is two years  
11 worth of work. And the ones - see, the sizes tell me  
12 a lot, too, because different times I do different  
13 sizes.

14 Q Do you know whether the estimated prices  
15 there are prices that you have assigned to those  
16 paintings?

17 A No, they aren't. I don't think they are.  
18 They might be, but I don't think so.

19 Q Very well. You can lay that on the pile  
20 here.

21 A But I might be wrong.  
22 MR. HARPER: Can I look at that,  
23 Mr. Kreitman?

24 MR. KREITMAN: Yeah. Please hand that  
25 to him, please.

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1 A I may be wrong, you know. I may have; 1  
2 may not have. I don't know for sure.

3 Q (By Mr. Kreitman) This is a document, which  
4 bears the title "This List Represents Original  
5 One-of-a-kind Acrylic Paintings by Sky Jones", and  
6 lists paintings, indicating serial numbers, sizes, and  
7 three columns of prices; the second column of which is  
8 denominated "Old Price, and the third price column  
9 denominated "New Value" and then the title. Do you  
10 recognize this document?

11 A I have never seen this one before either.  
12 Now, you didn't stick a sticker on this as  
13 an exhibit.

14 Q I'm sorry.

15 A I guess that is Exhibit --

16 Q This will be Exhibit 16.

17 A 16. Okay.

18 (Commission Exhibit 16 was marked.)

19 Q This is a document which you brought today  
20 to the deposition.

21 A Urn-hum. That is the funniest one out of  
22 the bunch. I thought about not bringing it, but, you  
23 know, I thought there might, be some personal interest  
24 in it

25 Q Okay. This is a two-page document on

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I orange paper and an envelope.

2 A Do you want me to tell you what it is?

3 MR. KREITMAN: John, do you want to take  
4 a look at it?

5 MR. HARPER: Yeah. Give me a copy. We  
6 are looking at a lot of very small documents, I don't  
7 understand why we can't make copies of them.

8 THE WITNESS: Here is a copy for you.

9 You can be reading what I will be talking about.

10 (The witness handed the document to  
I I Mr. Harper.)  
12 Q (By Mr. Kreitman) Just describe,  
13 generally, in the briefest way you can.  
14 A Okay.  
15 Q We are just going to make it a part of the  
16 record.  
,17 A Okay. I will just -make it real clear.  
18 Pastor Mark Papendick and his son, Michael Weston, of  
19 the Seventh Day Adventist Church in Glendale,  
20 California robbed me. They used the church to rob me.  
21 They got my confidence. They had me send a semi load  
22 of my belongings there, including prints and many  
23 paintings and many big frames and things, that you  
24 should know about here in this deposition, and all my  
25 legal, and then they locked me out.

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1 1 went down there, and I tried to pick up  
-2 my stuff, and they call it breaking and entering. 1  
-3 came back and they got a non-interpolation order, a  
4 can't-come-around order on me. That was about  
5 Christrias. Because I was going to pass these out  
6 around the church. So, obviously, I was calling their  
7 hand.  
8 1 What it says is, "Seventh Day Adventist  
9 Satanism. True Satanism is alive and well-in Los  
I ' 0 Angeles supported and practiced by the misguided  
I I leadership of the Seventh Day Adventist Church of  
12 Glendale."  
13 Then it goes down to-the list about how you  
14 can spot a satanist. A satanist is a bad dog. And  
15 that is, essentially, what it is. It covers that.  
16 What I did is I thought, "Well, I 'have a  
17 right to protest, in the United States, so I am going  
18 to protest. I am going to say what I feel. I am  
19 going to protest. I can't afford an attorney to go  
20 after them, so I will just protest." So this is my  
21 protest.  
22 Q Did you actually distribute these  
23 documents?  
24 A I got 50 of them out before they stopped  
25 me.

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I Q Where did you get them out?  
2 A In the mail.  
Q I see. Did you distribute any personally?  
4 A I went over there to do it personally with  
5 a great big, old bag of them and some helpers to  
get 6 it out. But I thought, "Well, let's go knock on  
the 7 pastor's door first and tell him it doesn't have  
to be 8 this way."  
9 1 knocked on his door. He came out and

10 handed me a, whatever they 611 that,  
I I non-interpolation order, a can't-come-around  
order.  
1,2 That do they call them? Give me the word. What do  
13 they call them?  
14 ~ MS. LEVINE: Restraining?  
15 A Restraining order. Thank you over there,  
16 the person that is free to talk.  
17 The restraining order. So they gave me A  
18 restraining order so I can't come around. But I  
have  
19 an agreement that they are supposed to give me the  
art  
20 back, that they have got and some other things,  
but ...  
21 That is what this is. What t his does is it  
22 just pushes a button. Here this guy is a pastor  
and  
23 he is doing these satanic things. You know,  
anyway.  
24 All right.  
25 MR. KREITMAN: Mark this as  
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I THE REPORTER: 17.  
2 MR. KREITMAN: -- 17.  
3 (Commission Exhibit 17 was marked.)  
4 Q (By Mr. Kreitman) So this was document  
5 Exhibit 17 that you have just been talking about.  
6 A Okay.  
7 Q And Mark Papendick here is referred to as a  
8 pastor.  
9 A Yes.  
10 Q Do you know what church or denomination he  
I I was a pastor of?  
12 A Seventh Day Adventist of Glendale.  
13 Q He had a congregation there?  
14 A Yes.  
15 Q Did you make any attempts to contact the  
16 members of his congregation with this letter?  
17 A I was getting ready to.  
18 Q You say you got 50 of these  
19 A Yeah.  
20 Q -- this letter out in the mail?  
21 A I sent it out to the hierarchy of the  
22 Seventh Day Adventist Church. I put it in the  
23 hierarchy there, you know, plus I sent it to all my  
24 friends.  
25 Most people doWt like to read it. You

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1 know, they see Satanism, they go - dung. I don't  
2 think I want to read past this point. You know, it is  
.3 all right. I felt a little better putting the letter  
4 out, but it didn't resolve much.  
5 (Commission Exhibit 18 was marked.)  
6 Q Let me show you a document which purports

7 to be an appraisal executed for Daniel Southwick,  
8 dated September 3, 1992, ask you if you recognize it.

9 A I don't know whether I have seen this  
10 before or not. I may or may not have. It is NIA,  
I I Michael -- Craig McMichael. I don't know him. Okay.  
12 Now, it is done for Daniel Southwick, who was a  
13 corporation that was involved with David Newren. I do  
14 know that.

15 Q In what way was it involved with David  
16 Newren?

17 A They had the artwork, and David Newren is  
18 who they acquired it for right there. So they  
19 acquired this art from him. It was Daniel Southwick,  
20 and he owns a corporation.

21 Q Do you know whether there was any  
22 connection between Daniel Southwick and/or his  
23 corporation and David Newren?

24 A There must have been, or they wouldn't have  
25 done this deal.

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1 Q Okay.

2 A The answer to that question is clearly yes.  
3 Daniel Southwick had borrowed money before and had  
4 money invested in his corporation from David Newren's  
5 father. several hundred thousand dollars, or some  
6 large sums. I don't know the exact numbers:-It was  
7 over 50 or \$100,000. It was a lot of cash. This  
8 Daniel Southwick was Newren's friend a long time  
9 before I came along.

10 As far as that particular appraisal, I  
I I don't specifically recognize it.

12 Q Do you know Craig McMichael?

13 A No.

14 Q Do you know whether he has any connection  
15 to David Newren?

16 A I am sure he doesn't. The reason I say  
17 that is because the National Institute of Appraisers  
18 was an independent appraisal thing outside of our-  
19 jurisdiction" our influence. And they just -- they  
20 have never done any appraisals for me. I can't afford  
21 them, you know. But a lot of other people are paying  
22 them money to get independent viewpoints, I guess.

23 Q I think we already -

24 A I think we saw that before.

25 (Commission Exhibit 5A was marked.)

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I Q But I think we may have marked only an  
2 excerpt or part of Exhibit 5. And just for the  
3 record, I would like you to identify, if you can, the  
4 entire document from which Exhibit 5 was excerpted.

5 A All right. Exhibit 5. Did you do doubles  
6 purposefully?

7 Q No. I think the copying service may

, ,h%ve

8 done it --

9 A Okay.

10 Q -- done some doubles.

I I A Yeah.

12 (The witness removed duplicate pages  
13 from the Exhibit 5.)

14 A There are some gorgeous, gorgeous,  
15 paintings here. If you have never seen an original  
16 I know you are looking at a lot of photocopies and  
17 stuff. If you have never seen an original, you  
18 definitely have got to see them, because this is an  
19 unbelievable piece.

20 Most of these are -- I am not tooting my  
21 own horn, because the artist that painted these pieces  
22 is very critical. He thinks everything is ugly. But  
23 when the artist sits down and relaxes to enjoy them,  
24 he is overwhelmed by the beauty. That is why he is  
25 motivated to create them.

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1 Q You are speaking of the artist in third  
2 person?

3 A Yes.

4 Q You mean yourself?

5 , A Yes, exactly. I always speak of the Sky  
6 Jones philosophy or the way Sky looks at it, or listen  
7 to the way that guy sings. I separate it from myself.  
8 That way, when somebody says, "Gee, I like that  
9 painting," I don't have to say "Thank you." They  
10 didn't compliment me. They complimented the painting.

I I They said they like the painting. I said thank you is  
12 the wrong thing. -I say, "I like the painting, too."

13 You don't mind me pulling these doubles out  
14 here?

15 Q No.

16 A ON there is that fantastic Power Base one.  
17 This is a gorgeous piece. This was painted in Los  
18 Angeles. This is the big, expensive one these guys  
19 have, nine foot by thirteen foot. I forgot about it.  
20 It was painted in Los Angeles. Then it ikas displayed  
21 in Tan-ant County, Texas. Then it was in Dallas at a  
22 big convention, a press conference. Then this  
23 painting - and it is not even written down here that  
24 all of this stuff happened.

25 Then after that - it was painted at the

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I Oklahoma State Fair. I got a big triple booth and I  
2 set it up there. I was actually -- this here was  
3 actually painted while I was at the Oklahoma State  
4 Fair. That was great.

5 And this "Oniniprescient Mysterium" has just  
6 got terrific presence. I don't know. You know, I am  
7 really sold on my own stuff, too.

8 T ' hose look like more doubles. Anyway, I am  
9 familiar with this collection here. It is a  
10 magnificent collection.

I I Q And if you just identify the document as-, a

12 -whole for us, if you would.

I ~ A This is Exhibit 24. No. That was the old  
14 Exhibit 24. This is the new Exhibit 5.

15 Q Okay. But this is the complete Exhibit 5.  
16 which we are going to call 5A.

17 A Okay.

18 Q Just tell us what it is.

19 , A Okay. This will be the complete Exhibit 5,  
20 which we will call 5A. Gee, it is too bad that the  
21 actual consultation with the actual piece c6uldn't  
22 occur, because you can tell by looking at them that  
23 they are worth a fortune, you know. It is just  
24~ amazing.

25 Just doubles.

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1 (The witness set some pages aside.)

2 Q Oh, okay.

3 (Commission Exhibit 5A was marked.)

4 Q This document, Exhibit 5A, do you know who  
5 put this document together?

6 A The individual ones look like they are done  
7 by David Newren. And the dates on the paintings  
9 indicate. David Newren. And I believe David Newren was  
9 the one who sold those -- see, the smaller ones don't  
10 mean as much. There is two giant pieces in there that  
I I are very rare in my career and should be placdd -- the  
12 prices should be very high.

li And he was the one that moved those. And  
14 as I remember right, he moved those - they were sold  
15 to OTS. He went and made a contract for the sale with  
16 OTS, and they purchased them from him.

17 Q And the appraisals that are contained in  
18 Exhibit 5A were done by you, weren't they?

19 A Well, per my orders, per my directives.

20 Q But you set the prices?

21 A I always do. I am the manufacturer and  
22 I -- you know, suggested retail price.

23 Q Again, you use the same methodology?

24 A Same methodology,-

25 Q - that we have talked about?

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I AYes. And that information is not secret.

2 It is available on the web. Everybqdy has got a copy.  
3 They know that I am all Joe Banker, Art Carter, Rich  
4 Dickens, Sky Jones, Michael Whipple. ImCalifornia  
5 you can have as nitiny as six different names without  
6 registering.

7 Q Let's mark this as the next exhibit, which  
8 I think is 19.

9 (Commission Exhibit 19 was marked.)

10 Q Mr. Jones'prior sworn testimony in the  
I I matter of ITEX, Inc. You have previously identified  
12 this document. Butjust for the record,-I am going to  
13 ask you to take a look at it and confirm that Exhibit  
14 19 is, in fact, a true and correct copy of that

15 testimony we have been talking about?  
16 MR. HARPER: Same objection.  
17 (The witness reviewed the exhibit.)  
18 A Yes, looks to me like it is.  
I § -Q (By Mr. Kreitmini) Very well. Thank you.  
20 A Okay. I just want to double check, because  
21 some of the things here  
22 Okay. All right. I just wanted to read  
23 some of the things that had been highlighted. They go  
24 through there and they highlight everything that they  
25 can use to discredit me with. It is nice to know what  
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1 some of them are.

2 Q Now, in that prior testimony, you were  
3 asked some questions about some of the appraisals done  
4 by the National Institute of Appraisers in California.  
5 Do you remember that?

6 A Uh-huh, I remember that.

7 Q And you were asked specifically about  
8 certain three-foot by four-foot paintings --

9 A Yes.

10 Q -- that were supposed to have been  
I I finished between 1992 and 1994. Do you remember that?

12 A Yes.

13 Q And I believe you testified that there are  
14 no three-foot by four-foot pieces finished '92, '93,  
15 '94 by Sky Jones. If any of them show up in the  
16 marketplace, they are forgeries. Do you remember that  
17 testimony?

18 A Yes, I do.

19 Q Is that correct?

20 A I believe so.

21 Q And you also testified there --

22 A I mean, they are taking a real, hard rock  
23 thing on it. What we are talking about specifically  
24 is the three-foot by four-foot pieces that were done  
25 over in Thailand when I was there for six months when

I I was hiring all the Thai people at 50 cents an hour  
2 to work on big works that I had.

3 So I had them over there doing a three-foot  
4 by four-foot thing. Well, when I separated from the  
5 Fort Worth guy, Ronald Welborn, he kept all of those.  
6 He has been trading them out, putting my name on them.  
7 They shouldn't be traded. I didn't paint any of them.  
8 And he is putting them out with big, high prices on  
9 them.

10 I called the National Institute of  
I I Appraisers, and I told them to not appraise any of  
12 those things, because I didn't do them. So if they  
13 come up, I will be able to recognize that. But, you  
14 know, I had to warn them, because I knew he was  
15 starting to get some money out of them.

16 Q Now, to your knowledge, did the National  
17 Institute of Appraisers ever appraise any of those  
18 paintings?

19 A I don't think that they did. At least 1

20 never saw -- I know Welborn was trying to get them to.  
21 I don't know if it ever happened. I honestly can't  
22 say. I don't know.

23 Q And you also testified in that  
24 investigative testimony that at least one painting  
25 that was appraised by the National Institute of

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1 Appraisers purported to be an acrylic on canvas in  
2 1993. Do you remember that testimony?

3 A Yes, I do.

4 Q And you testified then that you didn't do  
5 any acrylics on canvas in 1993. Do you remember that?

6 A I remember saying that.

7 Q Is that true and accurate?

8 A I may be wrong. I may have been wrong in  
9 that testimony, inadvertently wrong. But -- what was  
10 the size? Twenty by thirty?

11 Q Twenty-three by thirty-five.

12 A Twenty-three by thirty-five?

13 Q And you testified, "I didn't do any on  
14 canvas of that size."

15 A No. I think they made a mistake, and they  
16 said it was on canvas when it wasn't. And I -, ,  
17 recognized the date when I looked at it. And I  
18 thought, "Well, these people think it is on canvas,  
19 but it is not."

20 Q And, in fact, they are on paper; is that  
21 right?

22 A They were on cardstock. It was closer to  
23 artboard, you know. It is a white artboard is what it  
24 is, if you have seen them. And we do a base coat on  
25 it and paint over the top of that.

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I Q And then in connection with, again,  
2 appraisals of your work that were being discussed in  
3 that testimony, you testified with respect to an  
4 entity called Chambers Fine Art. Do you remember  
5 that?

6 A What did I say? I mean, I am familiar that  
7 is David Newren -- I think it is David Newren's,  
8 entity.

9 Q I see. And you said there that David  
10 Newren, Chambers Fine Art was, "Just priming the  
11 pump," "Just trying to beef it up a little bit." Do  
12 you remember that testimony?

13 A Sounds just like me, doesn't it?

14 Q Did you mean by those words that David  
15 Newren was intentionally overvaluing the paintings  
16 that he and/or Chambers Fine Art owned?

17 A I think that they were endeavoring to make  
18 the best of their assets. As far as overvaluing them,  
19 you know, it is a philosophical question now, isn't  
20 it?

21 Q Did you ever contact any appraisers of your  
22 work and say to them that you thought they were

23 overvaluing or assigning, maybe, too high values to  
24 your paintings?

25           A Yes, I believe I did that once to the  
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1           National Institute of Appraisers. I think I talked to  
2           them about it and told them that I had seen some that  
3           were a little high. Also, Artie, Pamela Weston/Artie  
4           Freestone, she overvalued. She would overvalue on the  
5           appraisals that she put out in what I, felt was a  
6           destructive manner.

.7           Newren wasn't too bad. He would get  
8           excited and stuff. But most of the time the prices  
9           were within the range that I felt was reasonable for  
10          the marketplace that they were in.

41          Q When was it that you contacted the National  
12 Institute of Art?

13           A        When? When did I contact them?

14           Q        Yes.

15           A        It was about 1996 or '97.

16           Q        And who did you -

17           A        I have only spoken to them twice. I went  
18 down there and visited with them once. I have been  
19 down there twice. It is in Los Angeles. It is up by  
20 Hollywood Boulevard. I have been there twice, and I  
21 have talked to them three or four times on the phone,  
22 I guess.

23          Q And who did you speak to there?

24           A        Ed Alba was the one that was in charge.

25 Now he has got somebody else new that is running it.

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I           I don't know what his name is. They have got all the  
2           files. Ronald Welborn was having boxes full of  
3           appraisals done this big and that deep. (indicating)  
4           And

5           Q        And he

6           A        Anyway, go ahead.

7           Q        I'm sorry. I didn't mean to interrupt you.

8           -When you complained to the National Institute of Art,  
9           were you complaining about a specific painting  
10          appraisal?

I I        A        I was complaining about a specific size.  
12          It wasn't as much a complaint as it was to notify  
13          them, you know, that they could get egg on their face  
14          if they overshoot some of these appraisals, and  
15          definitely don't go high on this and this and this;  
16          and this and this and this, I didn't do. And if this  
17          and this and this comes through, and they claim that I  
18          did it, contact me and we will contact the police.  
19          You know, I had to put some line in. They  
20          had zero line with me. They were appraising it all on  
21          the seat of their pants, you know, on the papers that  
22          they had attained from collectors.  
23          You know, there is a lot of public PR  
24          papers and press release papers and, you know,  
25          newspaper articles and things like this. They were

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I basing their appraisals on that. Plus, earlier  
2 appraisals, David Gerlach, Arnold White. There were a  
3 couple of other appraisers, too. You have got copies  
4 of all of this that I am talking about from the ITEX  
5 deposition.

6 But they got their prices through that. I  
7 am sure they are related to somebody somehow, but it  
8 wasn't inside. If it was, I would get money from it.  
9 And I know they have ran a lot of art through there.  
10 One time I talked to them, I says, "Well, ,  
I I how much money have you guys made from appraising my  
12 art?" And he was just silent. He would never say. - 1  
13 said, "Well, how about a kickback? You know, I am  
14 sending you an awful lot of business." Dead silence,  
15 you know. They are not going to give me a penny. You  
16 know, thanks anyway. ,

17 Q Now, when you called the National Institute  
18 of Art, were you calling to talk to them about a  
19 specific appraisal that they had already done?

20 A Well, I talked to them more than, once. The  
21 one time it was to warn them about the three-foot by  
22 four-foot pieces. Another time it was to notify them  
23, that - you know, a lot of times these appraisers just  
24 type in a name and a price and charge a couple hundred  
25 bucks. I wanted to make sure that they had a good,

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1 solid connectio'n with me on some of these pieces. If  
2 it is on canvas, it should say it is on canvas, you  
3 know.

4 I also spoke to them about the importance  
5 of issuing -- making sure there is a photo of the  
6 piece on their appraisal, rather than just a letter  
7 and a signature, because they wouldn't identify what  
8 they put out. It has just got a museum number and  
9 name and so forth. So I really wanted to see them, at  
10 least, photograph the work.

I I What they do in-house to ascertain values  
12 is much different than what I do in-house to ascertain  
13 values.

14 Q Do you know what they do?

15 A (Nods head.) They go by size.

16 Q I see.

17 A Sure. The big ones are more than the  
18 little ones. And if it is real big, it is real  
19 valuable. It grows exponentially. Essentially, I  
20 think that is what he would say.

21 ' Q I You talked a moment ago about the -  
22 three-foot by four-foot paintings. Had they already  
23 appraised any of the three-foot by  
24 four-foot paintings?

25 A Not that I had seen.

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I Q I see.

2 A Now, there is another fellow that has some  
3 of these pieces that wants me to fly in to sign them.

4 Now, if I didn't paint them -- he said they have  
5 already been initialed%y me, and I never initialed  
6 anything like that. So somebody has initialed them,  
7 and they are trying to pass them as mine.

8 So I told him, "You don't want me to fly  
9 in. If I didn't do it, I have to call the police, and  
10 they will have to come over there, and they will  
I I confiscate the art if it is" -- you know, "if I didn't  
12 do it. They will trace it down the line. Whoever is  
13 saying that I did do it, I am issuing papers, and they  
14 will go to jail on this one." And he hasn't called me  
15 back.

16 Q Do you know whether the National Institute  
17 of Art ever appraised any three-foot by four-foot  
18 paintings of yours?

19 A They may have, but not out of the  
20 ninety-whatever batch.

21 Q I see. Do you know whether they ever  
22 appraised paintings of yours that were not signed or  
23 initialed?,

24 A I don't know whether they have or not.  
25 See, I have seen very few National Institute of

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1 Appraisal appraisals -Appraisers' appraisals. 1  
2 have seen very few of them. Why would they come to  
3 me, right?

4 So what happens is the paintings go out  
5 with my papers, and then the people -- it says right  
6 in the book. It says right in "The Treasurer" book,  
7 it says get a couple more outside independent  
8 appraisers, you know. Just the Banker Art Museum  
9 isn't enough.

10 We have got vested interest. It is our  
I I entity. Banker Art Museum is us. We are putting it  
12 out. We are involved with Sky Jones, Michael Whipple,  
13 the artist.

14 You know, in fact, the artist is the  
15 creator of Banker Art Museum. Joe Banker, Art Carter,  
16 and Rich Dickens, so go out and get some independent  
17 appraisers. You know, we back this up the best we  
18 can, but it is your turn. That is written right in  
19 the book.

20 And National Institute of Appraisers is  
21 valid. They have done more appraisals of my stuff  
22 than anybody else that I know of -\_

23 Q Who are the big appraisers in the industry?  
24 Who are the big appraisers in that industry?

25 AUsually -- gee, you know, that is a

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1 question I don't know the answer to. I do know  
that  
2 in auditing, the CPA work and so forth, Price  
3 Waterhouse is a big name, and a lot of these  
people  
4 that come down and check the things. - %

5  
6  
don't

But I am not involved in this field at all.  
And I don't go looking for appraisers, because I-  
need them.

7  
8  
9  
the  
10

Q Do you know what the standing of National  
Institute of Art is in the industry? Is it one of  
major players?

I I  
12  
that  
13  
up. 1  
14  
have

A I couldn't say. We have got their  
credentials on one of these papers you showed me  
has the credentials of the people offering them  
know that they -- they say that their appraisals  
never been overturned by the IRS or any insurance  
adjuster.

15  
16  
17  
18  
19  
of  
20  
and

Q You don't know if that's true?  
A No, I don't. If I were someone who was out  
purchasing things, and I have been shown a bunch  
of  
papers and everything, I would talk to the owner

21  
"Let's  
22  
go?"

see how cheap I could get it for. I would say,  
forget about the appraisers. How cheap will you

23  
24  
adjustment  
25

You know, we all know that the appraisers  
are necessary in case there is an insurance  
necessary. We know they are necessary if they are

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going to be put on the books of a corporation.  
But when it comes to the wide open  
marketplace, whatever you can get. If you are not a  
very good salesman and your morale is down from not  
being productive, you know, you probably won't do  
well. But if you are a go-getter, you will get rich  
with the stuff.  
Q Let's take a short break, and then I ma;b~'  
able to conclude. Let's take five minutes.  
(A break was had from 2:20 to 2:27.)  
Q Let's go back on the record. Mr. Jones,  
when did you first become aware that the Defendants in  
this case owned any of your paintings?  
A Right after David Newren sold them, the  
pieces. He was out prospecting and trying to get some  
sales, and he had contacted a lot of people. He had  
done quite a few deals already in barter and cash  
deals and so forth. I didn't know all of this. He  
wouldn't tell me everything he was doing. But I knew  
that this had come up.  
I remember looking at the color brochure  
and seeing that they sold jams. And I thought, well  
there is something. A lot of this pink sheet compagy,  
you know, they don't have - bulletin board companies

25 don't have full-color brochures. This company had a  
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1 full-color brochure. It was really quite a good  
2 company.  
3 I remember that it said that it had been in  
4 business 15 years, and they looked stable. And he  
5 said, "Shall I do it or not?" And I said, "I don't  
6 want to get cheated on this." You know, "I don't want  
7 to get cheated on this. Make sure that whatever they  
8 give you is 'valuable.'" You know, he's had a lot of  
9 problems with junk and junk. Let's get something  
10 solid. Other than that, it is okay to walk from the  
I I deal, if it is not a good one. So he inspected what  
12 they had offered him and did the deal.  
13 . Now, because the artist and the financial  
14 manager, or financial management really aren't exactly  
15 in the same hat, I let him manage what it was he got  
16 his hand on. All right?  
17 Now, I know - I believe -- I know, huh  
18 that he got stock from them of various kinds. Okay?  
19 Now, I am not hip on the internal lingo, but I do know  
20 he got restricted stock and he got another type of  
21 stock that was supposed to be something real good.  
22 You know, this kind of stock and this kind of stock.  
23 I don't know. I was, "Oh, good." And then there is a  
24 President's stock. "Good! Get as much as that as you  
25 can." And, I don't know. He seemed to feel real

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I happy about the deal that hammered out with them.  
2 That is all I have on that.  
3 Q When did that occur?  
4 A I don't know. It must have been around the  
5 time it occurred.  
6 Q Do you know what year it was?  
7 A I would have to guess. I would guess  
8 off-hand it must have been about 1992 - '92, '93. By  
9 the looks of the painting, the painting was early on.  
10 This was one of the first corporations that had dealt  
I I with. I don't know. I think it was one of the first  
12 ones.  
13 Q I see. Now, the paintings that David  
14 Newren delivered to the Levines, were they paintings  
15 that he owned?  
16 A What I would do is I turn everything over  
17 to the Banker Art Museum. The Banker Art Museum  
18 which was Artie Freestone/Pamela Weston. Pamela  
19 Weston at the time, she, you know, passed ownership on  
20 to him. Then he, in turn, passed ownership on to them  
21 with a list in the abstracts who had to be paid off  
22 before the title was clear. Same as in real estate.  
23 That is what the problem in this is, in fact. It is  
24 people are either owners or partial owners or people  
25 that have gotten a note back on it, that type of

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1 stuff. That is why provenance is important.

2 Provenance is the same as abstracts in real estate,  
3 like I said.

4 Q So when you transferred the artwork to the  
5 Banker Art Museum, did you get anything in return?

6 A A promise.

17 - Q But no money?

8 A No.

9 Q And when the Banker

10 , A Wait a second. That is not true. I have

I I got to catch myself here. I don't want to lie.

12 David Newren, the first thing that happened

13 is he dropped \$335,000 on me. Then there was another,

14 boom, then there was another, boom. We are talking

15 about chunks of cash. I don't know, when the dust

16 cleared, how much David Newren feels he put out, but I

17 believe it was over \$480,000.

18 - Q And that money came to you?

19 A Yes.

20 Q In exchange for paintings?

21 A For production. I am only interested in

22 making more art. See, the way the triangle goes is 1

23 get the money to make more art. I don't make the

24 money to buy a new car or a new house. I put 100

25 percent of what I make into the art. And when the

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I money came in, I produced art with every cent that any

2 of these people have dealt with has always been the

3 thing.

4 You know, you can have this. Give me some

5 more money, and I will do some more art. You can have

6 some more of that. It is kind of a rolling thing, you

7 know.

8 Q But there was never any amount of money

9 assigned to any particular work of art, was there?

10 A No, and there never was an amount of money

I I placed on any particular, deal.

12 Q And that was true also when the art was

13 transferred from the Banker Art Museum to Pamela

14 Weston/Artie Freestone?

15 A Sure. Sure. You know, it is

16 interorganization almost with her. Even though she

17 had her own separate organization and stuff, she did

18 work with me and do her best to promote and distribute

19 the artwork.

20 Q And that was also true when the artwork was

21 transferred from Pamela Watson

22 A Weston.

21 Q -- Weston/Artie Freestone to David Newren.

24 Correct?

25 A Correct.

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I Q And David Newren --

2 A Although, there are exchanges that go on

3 here during the interim. At a point, David Newren is

4 instructed to turn over all Banker Art Museum assets

5 to Pamela Weston, which he was supposed to have done.

6 all of them.

7 Well, of course, he didn't. He did a lot  
8 back, and he hated her, and he didn't like her that  
9 much. There were a lot of problems between him and  
10 her. He didn't trust her, with good reason.

I I He turned over some of the assets to her,  
12 which she then took and left and never seen her since,  
13 including a big legal art settlement with a fella by  
14 the name of Bill Ghores, G-H-0-R-E-S, in Las Vegas,  
15 who we had a \$20 million lawsuit against him. And as  
16 soon as that was settled, she took the money, and I  
17 haven't seen from her. She is gone with the money and  
18 everything.

19 Q So it sounds like Pamela Weston ultimately  
20 stole art, or the proceeds of art, from you, too?

21 A Yes, she did. Total clearout. David  
22 Newren, he -- him and his father put out a lot of cash  
23 to support my art production. He also did many, many  
24 business deals, traded for many houses, and he traded  
25 for a yacht, and he traded for -- I don't know how

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1 many corporations that guy hit.

2 Your record was 127 publicly held  
3 corporations my last deposition. I know it is well  
4 over 200 and growing exponentially. This stuff just  
5 goes out like that.

6 It is unusual to see a collection that has  
7 remained intact like this. Usually, they break it up  
8 and they trade it for stock in corporations to  
9 diversify their assets.

10 Q And then when David Newren transferred the  
I I art to the Defendants, he got stock in exchange for  
12 it?

13 A I believe so. I don't know. I never saw  
14 the bill of sale. But the bill of sale will say  
15 exactly what they paid him for what they got. And I  
16 believe that has a lot to do with the legalese of the  
17 thing, the IRS positions and all of this type of  
18 stuff.

19 But he was basing it on -- because it  
20 wasn't just -- if it would have been a single  
21 painting, oh, we are in the retail marketplace there.  
22 This is not -- the retail value and the wholesale  
23 value are different things. It starts -- as soon as  
24 it leaves my hands, it gets stepped on every single  
25 step of the way.

1721

1 Now, my suggested retail, at, say.  
2 \$100,000. Let's assume that a final, complete, he's  
3 the retail buyer, he is even going to get a good deal  
4 on that, that is where it is going to go. It is not 11  
5 assumed, when it leaves my hands, I am going to get  
6 \$100,000. Boom.

7 I am the manufacturer. What I do is I  
8 manufacturer, give an appraisal, appraised value,

9 suggested retail, all these types of things, you know,  
10 wh , atever it is, put some value on the things so it  
I I will get running. Then I let it go out much cheaper  
12 through barter or through whatever. And they do go  
13 out and do full circles and do do good. And there is  
14 documentation over and over and over on this, in fact,  
15 being the case. The auctions, the charity auctions, 1  
16 have done a lot to establish that.

17 Prior to any corporations being involved,  
18 there was massive amount of activity in barter. I was  
19 on the cover of "Barter News," the largest barter  
20 magazine in the world. Issue 1, cover story; issue 7,  
21 cover story. I have been interviewed twice by the  
22 Wall Street Journal, cover stories.

23 Q Let me ask you this, Mr. Jones. I have  
24 observed that during the deposition in connection with  
25 your convers-tion with the stenograph reporter, and

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1 generally, that you seem to have unusual psychological  
2 powers, or powers of insight. Is that true?

3 A Didn't you notice? She has children and  
4 that she has attention on them. I can feel it. Can't  
5 you feel that? I can. She does care about them. She  
6 does love them. I didn't know there were three. 1  
7 saw at least two, a little boy and a little girl. 1  
8 didn't know what the other one was.

9, Q When you say you saw two

10 A Yeah.

11 Q - what do you mean?

12 A They are standing in the room here. She  
13 was looking right at them with her eyes. That  
14 expression on her face shows care and love for them.  
15 She is looking at them. That look on her face doesn't  
16 have anything to do with what we are doing here. It  
17 has to do with what her life is, and I am interested.  
18 She is a living, live person. So are you. It is not  
19 easy for you to come in here and have all these guys  
20 jump all over you and try to hang in there and stuff.  
21 I feel that, too.

22 I do certain things to alter my perception.

23 Okay? What I do is I sacrifice. I go without. Now,  
24 if you don't eat anything except bowls of oatZeal,'  
25 unseasoned, anything at all will taste like a huge,

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garden of flowers. So when you go without, yourself,  
2 then you get a greater appreciation for other people.

3 'It has to do with the d&finition of  
4 mysticism, death of the false self, birth of the true  
5 self Now, as a practicing mystic, I have done what I  
6 could to destroy false self, so that true self could  
7 come out. Well, false self is a survivor. He's a  
8 predatorial type of mentality. He is looking at what  
9 he can get. True self has got more of a compassion to  
10 it. He cares more about people and is more interested  
I I in being, civic projects, service oriented, not  
12 self-centered. ' 1

13                   If you can get to the higher state, the  
14 rewards are unbelievable. Such as, I am not the only  
15 Joe Banker around. Here is Dave Gerlach. He is a Joe  
16 Banker, too, and he has got a billion-dollar asset  
17 base. This lady over here, she is a Joe Banker, too.  
18 She has got her valuables. I can see them right away.  
19 It is those kids, and she will do whatever, including  
20 being here in this horrible, rotten place when the  
21 kids are out someplace they should be with their  
22 'mother. She is a Joe Banker, and she is banking on  
23 her children and the love that she has for them, that  
24 they will have a good future. I am with her, you see.  
25,                   Now, I can go around to any of these other

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1                   bankers, because I am a banker, and I can supersede  
2 the capitalist philosophy of competition with a senior  
3 philosophy called brotherhood.  
4 Now, in competition, it is me against you.  
5 That is capitalism. In the brotherhood, it is Rodney  
6 King-, who just got beat senseless over and over by  
7 dozens of cops on video in Los Angeles, standing in  
8 front of the cameras saying, "Can't we all just get  
9 along?" You see?  
10 So, you have to kind of balance these  
I I things around. Now, what I do is I live alone. And  
12 we will take you over there and walk through, see how  
13 I live, see who I am. I will take you over and give  
14 you the vibration. And understand that the vibration  
15 of what I do, by being in solitary confinement, pretty  
16 much, frees up a- lot of attention so I can focus my  
17 mind.  
18 You can say, well, it could also give you  
19 delusions, too. Yeah, it could. But what it does is,  
20 for example, right now standing behind you is, one  
21 side your dad is standing behind you, and on the other  
22 - side your mother is standing behind you. They are  
23 always there. They never go anyplace.  
24 Whenever you think about them, they show  
25 up. When you don't think about them, they will be

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1                   there to support you anyway. They have been there  
2 your whole life. If you get used to not looking, you  
3 won't see them. But how many times have you looked at  
4 the child and seen both of his parents with him, even  
5 though they are not physically there?  
~6                   That is very loud. The influence of both  
7 of our parents or our caretakers, it has a big imprint  
8 on our personalities right now for everybody to read.  
9 So we carry with us those influences. For anyone that  
10 has a quiet mind, they can kind of see them. The  
I I children, it was hard to miss them.  
12                   Q       You are referring to the stenographer's  
13 children?  
14                   A       Yes, yes.  
15                   Q       And you saw them in the room, even though

16 they are not physically here?  
17 A Correct. I see other things, too. I see  
18 other things.  
19 Q , Like what?  
20 A Whenever you think of anything -- I don't  
21 want to discredit myself too much, but who cares, you,  
22 know. Whenever the SEC has made decisions relating to  
23 me, I can feel it affecting me, that includes the  
24 peopI6 in D.C. I am talking about the case. That  
25 includes the people that sit down and read my

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1 deposition. When they read my deposition, they read  
2 it and think with me in their space. They are within  
3 my space.

4 Q And you are aware of that here in Oklahoma?

5- A Yes. I can feel it. I know it exactly.

6 And I also know a lot of other things like that.

7 Q Like what?

8 A What I do is try to conduct a lifestyle  
9 that is friendly to those types of perceptions, which  
10 means remove as much distraction from around my body  
11 I I as I can, so I can put my attention on things that are  
12 a little bit more remote.

13 Oh, it is all simple stuff, you know. You  
14 can tell if a woman has got another man.

15 Q - Just by looking at her?

16 A You can just be there and feel it. When  
17 you say "Look" you have to qualify. There is a lot of  
18 ways to look. You can look with your ears, you can  
19 look with your eyes, you can look with your fingers,  
20 you can look With your smell, you can look with-your  
21 sense of feeling. Those are.all looking. You are  
22 looking and feeling and understanding, that type of  
23 stuff. Itjust happens to be being sensitive.

24 Other things is I receive.toepathic  
25 communications daily. Every single day I receive

17

I telepathic communications.

2 Q From whom?

3 A Various people. It is not even -- I will  
4 give you an example. I didn't hear the phone ring,  
5 but I sure got the message, because I don't do phone.  
6 Now, I know she wants to talk to me and I know  
7 conditions have changed. Now I know I should give her  
8 a cal L

9 First ofall, I have been at this a long  
10 time, my full adult life. Being an artist is what I  
11 I I do for a hobby. I am actually something else,  
12 consciousness. My basic observation is that the  
13 consciousness survives death. We can pass over to the  
14 other side prior to death. You will have all the  
15 perceptions you will have on the other side. So, you  
16 know, that is kind ofa good thing to go for. The way  
17 you do that is by sacrifice, maybe fasting, you know,  
18 going without food for the purpose of spiritual  
19 strength and sharpening your mind.

20                   It may be sacrificing going out on Friday  
21 and Saturday nights and having a girlfriend and  
22 chasing around in a big, fancy car, just so you can  
23 focus all your energies here on something you don't  
24 want to be distracted from. It may be something in  
25 that order.

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1           Now, I know you are interested in the  
2 telepathic communications and so forth, because --  
3 well, I already knew this deposition would be here,  
4 you know, ten years ago waiting for me, part of my  
5 destiny.  
6 Well, how did I know that? Because I had a  
7 series of choices I made. I looked at it and I  
8 thought, "Well, I can go this road or I can go this  
9 road." And I knew for sure if I took this road here,  
10 I would be sitting right here with you now.  
I I I know that my personal lifestyle  
12 discredits me. But I also know that I am the richest  
13 man that has ever sat down in front of everybody here.  
14 I don't care how much money the other guy has got,  
15 they are aren't as rich as me.  
16 I can give you an example. My building, my  
17 crummy little building - you have got pictures of it  
18 -- my crummy little building, I was rich. I was able  
19 to put \$150 into the front of it to plant some plants  
20 and paint it up and make it nice.  
21 These poor people over here that had  
22 invested in all this other real estate are waiting for  
23 someone to come along and give them money, so that  
24 they can have it fixed up. I am richer than they are.  
25 I have got the \$150.

8

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1           Now. why would I do it? Is it just for  
2 myself? No. What do people think when they come to  
3 this part of town and see an old, crummy building, an  
4 old, dumpy place? Well, the same thing they think  
5 about when they go over here and see an old, dumpy  
6 building.  
7           So, let's see who is the richest? Now, the  
8 richest guy is going to fix his up. The poor guy will  
9 be the capitalist who is the bean counter. He is  
10 going to go, and if he can't count beans on that  
I I building, it is not going to work for him. So the  
12 first thing that gets eliminated is the art.  
13           They don't realize it. With renovation,  
14 you know, you get a piece of property, you should  
15 renovate it.  
16           So I was rich. I am a wealthy guy. I went  
17 and renovated mine for \$150. It looks nice.  
18 Everybody comes along and smiles, says, "It is better  
19 than it has looked in 25, 30 years." I said, "Yeah,  
20 that is because I am a rich person. I had the 150  
21 bucks." The world is full of poor people that can't  
22 upgrade their properties.

23                                So, see, I have got viewpoints of myself,  
24 self images that put me in sort of a different type of  
25 mentality. i have had to do it to be an artist. God

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1                                knows that, as I have come down the road, I have seen  
2                                it littered, both sides of the road, as well as a , lot  
3                                of the pavement on the road with artists with broken  
4                                dreams.  
5                                I know what destroys those dreams. I know  
6                                what you have to do if you want to stay with it. I  
7                                know that there will be a lot of counter-intentionals  
8                                and negativities that the artist will come in contact  
9                                with, and he has got to keep his eye on the eight,  
10                                ball. You know? You don't want to go swing that  
I I                                stick wild. You don't want to give up.  
12                                No matter how dark things took, you know,  
13                                you have got to stay with it. And if you do, then you  
14                                will go through one of the big doors. And I will  
15                                describe the door to you, so you will be able to see  
16                                it.  
17                                This door here is something that -- there  
18                                is a bunch of organizations in the world trying to get  
19                                through this door. This door is called God, whatever  
20                                that might be. They have all got definitions. I have  
21                                broken it down into beauty and joy and love as an  
22                                overall encompassing frequency.  
23                                My access through that door was through  
24                                beauty, intensified conscious and continuous  
25                                conscientious meditation and focus of my mind on

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1                                beauty and-all of its raiiiiifications, and other magic  
2                                things that go along. As a result of that, I made the  
3                                connection, I g9t the connection. That was how I got  
4                                through that door.  
5                                All religions are basically attempting to  
6                                do the same thing.' My observation is that first there  
7                                was magic, where you decided it was going to be that  
8                                way and it happened. After that, religion came along.  
9                                Well, you prayed to somebody else to do it for you  
10                                and, hopefully, it happened.  
I I                                And then as things degraded more, we got to  
f2                                science. Well, we figured out how some of this works.  
13                                Let's see if we can keep on doing it. Smaller and  
14                                smaller and smaller. Science is the smallest of the  
15                                bunch. The best thing is to take responsibility  
16                                ourselves, you know, to fix things and to make life  
17                                better.  
18                                And as a result of selfless, being a  
19                                selfless servant to society and to humanity, you can  
20                                get all the psychic abilities that come along with the  
21                                position.  
22                                Only a selfish person will hate and be  
23                                blind and be contentious. A person that is generous  
24                                and loving and giving will have tremendous c9mpassion  
25                                and will have psychic perceptions that are in a whole

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other category than the other one.

2 But I get telepathic communications every  
3 day. They are all on various different topics. If a  
4 couple of people get together and talk about me, there  
5 is three of us in the group. So the datum is: You  
6 are where your attention is. And who comes in your  
7 mind is who has been talking about you.  
8 If you are getting a mental argument going  
9 on with someone, like, "Oh, I ought to kick his butt,"  
10 and "Oh, I know he is negative," and "Oh, I have got a  
I I bad feeling about this." Well, that is actually a  
12 telepathic war going on. You had best resolve it  
13 yourself as best as you can.  
14 But that is how it works. As above, so  
15 below. And the only difference between that side and  
16 this side is that side hasn't got any walls and this.  
17~ one does. Just a little theory to go along with it.  
18 I am a practitioner of, I guess it is a  
19 philosophy that I have tried to put myself in a  
20 position where I can be the greatest good, okay, do  
21 the greatest good.  
22' Sky Jones, that represents all the artists.  
23 The greatest good for the artist. What example can I  
24 be for them to encourage' them to do more art and spend  
25 a rife dedicated to humanity and the creation of

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1 beauty? What service can I possibly do to pull that  
2 off for them, other than my own dedication and life  
3 example?  
4 So I evaluate things like that. Right now  
5 my program now is I have got -- an art walk that goes  
6 past all the empty buildings that are for lease down  
7 in the important part of town here, Btictown.  
8 Are you from around here?  
9 Q No.  
10 A Okay. Here in town, we have half-a-  
I I billion-dollar project to upgrade downtown. It is  
12 'just by Bricktown. It is just over here two blocks.  
13 Half a billion dollars. They put in big canals and  
14 got boats running up and down the canals. But a the  
15 shops running right along the canals are empty, except  
16 for just a few.  
17 So I have made some proposals, and I can  
18 put paintings up to decorate these windows of my  
19 paintings with big, beautiful frames on them, so there  
20 will be an art walk when people come out and have  
21 so it is civic -- being oriented to civic things.  
22 My involvement in the stock market, in  
23 corporations that are involved in stock has been  
24 completely civic.  
25 I have just met dozens and dozens of people

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I that have lost their market gambling on stock.

2 VIDEO OPERATOR: I have got to change

3 tape.

4 (A pause was had.)

5 A Well, I met a lot of people that had lost  
6 money on stock, and I asked them the following  
7 questions.

8 "What happened?" "Well, I gave them my  
9 money, and then they went bankrupt. They didn't have  
10 any assets and now I lost everything." I said, "Hum,  
11 I I how can I help that?" Pitiful position.

12 And right now we hear them screaming all  
13 over the plac6, "I'm not making money' on my stock."  
14 Well, why should they make money on their stock? They  
15 are just-sitting on their butts giving it to somebody  
16 else, hoping somebody else is going to run with the  
17 ball. You have got to take responsibility yourself.

18 So it was my intention, after all the '  
19 barterers -- I already bartered for everything else that  
20 there was. You know, truck loads of this and truck  
21 loads of that.

22 Gee, the corporations wanted it. You  
23 showed me the one paper by Dale Baker, First Phoenix  
24 Art Capital Corporation, First PAC was the name of  
25 it. That-was an inten'tion to put art into the

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1 marketplace, you know, to try to help assets and so  
2 forth.

3 This is -- as I went on, you know -- so say  
4 OTS goes bankrupt, and they have only got two pallets  
5 full of jam, and everythng else is gone, except the  
6 art. Their real estate, they lost it in the Chapter  
7 11. They sold it off. Everything else they have is  
8 gone, except for the art.

9 Well, some of the real estate they couldn't  
10 pay taxes on, so they lost that, except for the art.  
11 They have still got the art.

12 Hopefully, there is enough people out there  
13 that think enough of the art to support that condition  
14 and to clean up after this situation where people lose  
15 their money. The art is put in there so they don't  
16 end up holding the bag, so there is something there.

17 Now, the question is, is there really a  
18 something? Yes, there is. The IRS accepts it as  
19 donations and have over and over and over, donations  
20 to charities or donations to museums. That is the  
21 IRS.

22 The insurance company. Gets ruined, they  
23 will pay if it is insured. And also the publicly held  
24 corporations. There is hundreds of them that have the  
25 stuff that like it. No matter how hard we swing down

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1 say, "Well, these are overvaluated," and everything  
2 else, they are still going to stand in there and say,  
3 "Well, that is just what he says. Theyjustdon't  
4 think it is valuable." Ireallydo. Lookatthis.  
5 Lookatthis. I really think it is valuable. Whois

6 tosayitisnot? Itbelongstome. Isayitis  
7 valuable.

8 So, in all marketplaces, you know, it is  
9 always a question. You know, you are the seller. I  
10 am the buyer. I am going to try to chisel you down.  
I I You are going to try keep your prices up as high as  
12 you can. It is the same old story. It has been going  
13 on forever.

14 But it is my will that we are productive  
15 and produce as much valuables in gross national  
16 product as we can. It is good for the tax man. It is  
17 good for whoever gets them, and it is good if we can  
18 export them out of the United States and get an inflow  
19 coming here.

20 As a thoughtful and responsible citizen,  
21 looking at where I could fit in as being an artist,  
22 this is the choices I have made. --

23 It is a privilege to have the U.S.  
24 government acknowledge me, regardless of for what  
25 reason. I don't care. At least I got some attention.

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1 firismiling. I'mhappy. I am capitalizing on it.  
2 The reason what I put in my little thing. it says I am  
3 the number one -- and I am. I am the number one.  
4 More one-of-a-kind original paintings hav&I  
5 gone into the collections of U.S. publicly held  
6 corporations done by Sky Jones and Michael"Whipple  
7 than any other artist in history, including Picasso.  
8 Salva Gardali. Miro, Chagall, you know, Andy Warhol,  
9 Peter Max. And that is because, you know, that is  
10 what I did.  
I I I asked Walter Kinsey, I said, "Are you  
12 sure? Come on." He said, "No. This is for real. It  
13 is an anomaly." And I know it is an anomaly. First  
14 of all, they are one-of-a-kind originals. No two are  
15 alike. And if you get them right down, they are not  
16 even that much alike. The two that are closest  
17 together are really different, you know.  
18 Anyway, I have opened up a big door for  
19 myself, big, big door for myself to put in a much  
20 higher grade of communication and a much higher level  
21 of communication as a result of the endeavors I have  
22 already done.  
23 I don't know. I have got a little more  
24 painting time in me. But when you come over, I will  
25 show you sor~e of these new techniques and some of the

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1 . new approaches I am using that you will find quite  
2 stimulating.  
3 I am not so interested in the business.  
4 The business will always be business. But I am  
5 communicating to people 500 or 1,000 years in the  
6 ftiture that will took at the art that I have created,  
7 possibly. Who knows. I might get lost in the dust of  
8 time, but might find a glimmer of inspiration and v

9 encourage them to, you know -- that pretty much covers  
10 it, doesn't it?

I I                    You wanted to talk about the psychic stuff.  
12 But I didn't talk as heavy as I could about it. You  
13 know, already, if I tell you I hear voices, "Well, we  
14 have got another one of them," you know.

15                    But I do, constantly. I can tell all kinds  
16 of stuff. And it depends on how much I need to know.  
17 I have people walk right into the room without bodies  
18 and stand around.

19                    Q            Is that what you mean when you said that  
20 you are a mystic?

21                    A            Mystic, mysticism, per dictionary  
22 definition, is what all saints have been, which is the  
23 death of the false self, which is the predatorial  
24 survival, Darwinian self, and the birth of the true  
25 self, more compassionate, understanding, giving. That  
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1                    is what I mean by mystic. But if you are not into  
2 metaphysics and mysticism and stuff like that, you  
3 know, it probably doesn't mean a hill of beans.  
4 Do you want to talk about a lot of psychic  
5 stuff that happens to me? I will rattle on a while  
6 and it will really feed your case..

7                    Q            Well, I am interested. I have seen some of  
8 your work. And it"

9                    A            It is oriented to that, all the names.

10                    , Q           Yes, exactly.

I I                    A            "Omniprescient Mysterium".

12                    Q            Yeah, that is what I am --

13                    A            "Omniprescient Mysterium" is the God-like.

14                    Q            That, is what I am asking about.

15                    A            Yeah, this is heavy stuff. I will be  
16 driving down the road -- I will get up in the morning,  
17 I will go, "Hum, what is this?" Okay. We have got to  
18 drive up here to Park City, about a half hour, hour,  
19 to see my buddy. But my buddy won't be there, but we  
20 will have a sandwich anyway.

21                    Now, why am I supposed to be doing this?  
22 This is illogical. Well, if you listen to my CD, the  
23 first tape is "Star Walker, Beyond Rhyme, Beyond  
24 Reason." So the poetry in that is really good to song  
25 one.

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I                    So I say, "Okay. Let's go on the thing."  
2 I get in            the car, drive up there. She said, "He  
3 - wasn't            there, man." It was a 30-mile drive, you know.  
4 "Well,            let's have a sandwich just like I planned."  
5.                    Now it is time to go home. "Let's drive  
6 the wrong direction for a few miles." So I go up to  
7 the turn-off and drive the wrong direction away from  
8 home,            until I get the feeling, "Okay. Now it is time  
9 to turn            around."

10 Okay. We are coming up over the pass here.

I I The snow is five feet deep. I pull over to the side,

12 I say, "Baby, climb out of the car, would you, and  
13 look over the side there." "What's the matter with  
14 you? Are you crazy? - You fool. I hear this garbage  
15 from you all the time. I ain't doing nothing. You  
16 get out of the car."  
17 All right. I drive up another 20, 30 feet,  
18 "Baby, hop out, take a peek over there." "You get  
19 out." So I just opened my door, and I stand up there  
20 and sure enough, there is a 17-year-old girl, just got  
21 her driver's license, has been stuck in the snow  
22 without a coat. The car -- we are up at the pass,  
23 snowing heavy. The girl is just about ready to go  
24 down from overexposure.  
25 I could feel it that morning before it ever

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1 started, before she ever got in the mess. So somebody  
2 on the other side knew what was going on. Right?  
3 So I pulled down there, pull, around,  
4 spend -- the first thing I do is I hop right out of  
5 my -- it was my brother's truck. Take off my coat,  
6 put my coat on her, immediately stick her in the  
7 truck, in the heat of the cab, warm her up.  
8 Then I climb underneath hers and hook a  
9 chain up with mine and hers. And I start bouncing to  
10 try to get it to pull out. Somebody sees me down  
I I there doing it, ptils over and gives me a hand, and we  
12 pull her out.  
13 The next morning her parents call me on the  
14 phone and thank me for saving her life. They said,  
15 "We know for sure that because of the state she was  
16 in, she would be dead now if you hadn't stopped by."  
1 7 There was no building. There was nothing.  
18 She was out in the middle of nowhere and had taken a  
19 road she thought would bring her back on the -- it  
20 didn't. Took her right down there and dumped her in a  
21 place she couldn't get out.  
22 So those types of things I have happen on a  
23 regular basis. I am usually called -- I get direct  
24 telepathic communications, if it is necessary, and I  
25 am called to go there for that reason.

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1 Now, so I consider myself a non-locational  
2 entity. So if you say, "Well, where are you from?"  
3 All of a sudden I am going to locate mys61P Not if I  
4 want to be free. Well, where did you go to school?  
5 Well, all of a sudden I am going to tell you about all  
6 my schooling? Not if I want to be free.  
7 And who are your parents? Who is to say  
8 those are my parents? If I want to be free, I better  
9 decide they are not. And what about your brothers and,  
10 sisters? Well, aren't those people positionists?  
I I Aren't you a lot like your brothers? I don't think  
12 those are my brothers, and I don't think those are my  
13 sisters, and I don't think I went to school there.

14 Now I am freeing up a little. Okay. Now,  
15 tell me where you want me to go. Florida. Okay-  
16 What is going on in Florida? A lot of people. Good  
17 things can happen. Go there. Go down to Florida,  
18 spend two days there.  
19 Go out in the forest with a guy and his  
20 family. Walk out there just feeling the energy. You  
21 know, I feel an energy vortex right here. He says, "I  
22 can feel it, too.". He goes over there, he stands  
23 right in the middle of it. This is an old hard-core  
24 type guy with a old, knarly bulldog face., He is into  
25 taking everything hard and watching 'everybody else.

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1 He goes over there a couple of minutes, he starts to  
2 cry. And for ten minutes he stands there. He just  
3 about passes out. And the tears are running down his  
4 face and snot is coming out his nose, and it is all  
5 down the front of his shirt, and he is in a trance.

6 He has walked in there and something has  
7 happened, big. Now, he didn't say what happened, but  
8 something did. So we are leaving. He says, "Oh, man.  
9 Boy, that has been building up for a long time. You  
10 just had to take me to it."

I I And the next time I see him, all of a  
12 sudden he's changed. All of a sudden he's changed  
13 more to the humanitarian approach to people and not  
14 such a hard guy thing. He starts to giving stuff  
15 away.

16 A guy that is laying, sitting on an old  
17 Lazy Susan or one of those rocking things that all --  
18 nothing but cotton left. All the way down to the  
19 board, totally rotted away. He goes over there and he  
20 gives him one for free. He says, "I know you can't  
21 afford this, but I want you to sit in a better chair  
22 than the one you have been sitting in, and he gives  
23 that. And this is after this happened. So I know  
24 that these things go along and go hand in hand.

25 My dad, when he died, I went to the funeral

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1 and didn't feel any emotions or anything. I thought,  
2 "Well, I should really be getting into this." Uh-huh,  
3 uh-huh. It didn't come. I think, "Well, hum."

4 I go over there, and just as I am leaving  
5 Salt Lake, he telepathically communicates to me and he  
6 tells me something, something that was what he wanted  
7 to communicate to me. Many people have this  
8 experience around a death, people that have died.  
9 They will come to them and talk to them after they  
10 pass on.

I I But, I don't know. My intention was to  
12 build a bridge, you know, between the art world and  
13 the metage, you know, the Italian metage that was  
14 there around the Renaissance is now the corporations.  
15 The corporations should be collectors of artwork.  
16 They should back up the artists.

17 Now, the artists haven't got a mechanism

18 set up to get their junk in and trade it for the other  
19 junk that is available. There is plenty of junk in  
20 there, though, plenty of junk you can pick up.  
21 Everybody can have some.  
22 And it gives -- a culture is-made up of the  
23 arts and the sciences and religion. It is the art.  
24 You have got the arts right there. To upgrade the  
25 culture, what we do is we upgrade the arts. We do

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1 programs to get more music, philharmonic music centers  
2 in here, educational facility right over here on the  
3 corner. Art museum, visual arts educational centers.  
4 This here helps raise our culture. Other than that,"  
5 you know -- so to involve yourself in that, it is a  
6 noble thing to do.  
7 When you die, you are not going to take  
8 anything with you, except the satisfaction that you  
9 did the right thing. So you do what you can.  
10 But. usually, if a person doesn't speak  
I I back to me about psychic things, I stop talking about  
12 it, because I know I am way over their head and they  
13 haven't experienced this, and so it won't be real to  
14 them.  
15 My dad would either quote the Bible or  
16 quote other religious sources or the authorities-, 4d  
17 I would say, "I don't want to hear that. If you want  
18 to talk to me, talk to me about what you have -  
19 experienced yourself." He never got around to that.  
20 He was very devout and a hard worker, too. I picked  
21 up a lot of my work ethic from him.  
22 I am an image maker. That is what I do for  
23 a living. I will sit in front of a blank canvas and I  
24 will put an image there in my mind. And then I have  
25 got an image~up there painted. I will come back and I

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1 will put another image up there in my mind to change  
2 it. And then I will sit down, and I will look at it  
3 for a long time and imagine the dozens of different  
4 changes that these images can go through, the  
5 different potentials, constantly looking very close at  
6 these images.  
7 And I get around you, and you are an image  
8 maker, too, and so is she, so is he. You guys are  
9 projecting just like I do. I do it for a living  
10 purposefully, hour by hour. You guys aren't so sure  
I I about the images that you are radiating.  
12 I specialize in being sensitive to these  
13 images to paint them and so forth. You guys have a  
14 different type of imagemaking things you are doing.  
15 Because of the path I chose, I read other people's  
116 images a little bit better. You have an image you are  
17 creating. That is done with the same energy I am

18 creating. mine, and I know those are your thoughts and  
19 they aren't mine.

20           So then I have universe separation. Now,  
21 without universe separation, I feel bad about my two  
22 children, my three children. It's just kind of is  
23 uncomfortable. But with universe separation, I can  
24 appreciate where the love for those children is coming  
25 from.

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1           So a lot of psychic abilities are directly  
2 proportional to being able to focus your mind and  
3 recognize what is your image and what isn't. You will  
4 have people come down and talk to you. I had at least  
5, five different or six different images come to me  
6 yesterday, before I was to do this deposition, of  
7 images that would just show up, something that would  
8 be a way to portray myself of someone who I had  
9 admired once on TV, you know.

10           And there they are looking all noble and  
11 I handsome and really standing up for the good stuff.  
12 And I am thinking, "Oh, yeah." But I just saw it pop  
13 up. I said, "Oh, good." I knew it wasn't me, and I  
14 knew I had no responsibility whatsoever to respond to  
15 that identity that just flashed, so it goes on down  
16 the line.

17           Now, , this ties into all the other  
18 identities, Joy Banker, Arthur Carter, Rich Dickens,  
19 Sky Jones, Michael Whipple. Why so many identities?

20           Well, my observation is that a singular  
21 identity is extremely crippling. If your name is Joe  
22 Blow, and you are tired of blowing up balloons at the  
23 circus for people, you might want to change it to  
24 Stony Rockmafi and start laying in gravel paths for  
25 people or something. But the name does describe the

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1 function.

2           And as I go down here on the names of the  
3 different people that are here, usually you can drop  
4 the first letter and that will tell you, you know,  
5 something about them. The name is very important.  
6 Names are extremely important on people.

7           I notice going right over these names on  
8 the things. Knapton. Knappen is German for short,  
9 continuous, hard knocks.

10           (The witness knocks on the table.)

11 I           A           That is a knap. It is right, in the  
12 dictionary.

13           All right. There was one here I really  
14 liked.           Where is this one? I liked Harper. I thought  
15 that was good. But I like Michael Leibig. Oh, well,  
16 of course, he pronounces it different. Well, I bet he  
17 would, you know. There is some guys across over here  
18 that are attorneys. They have all got the right  
19 names. They are Mr. Slime and Mr. Weasel. Aw, you  
20 know, it is all for fun.

21           The one I saw here that I really liked was

22 Mark Kreitman. Man, I am telling you, he might be  
23 crying, but he is the right man.  
24 Now, you are Mark Kreitman, right?  
25 Q Yes.

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1 A Okay. So you have got the right man. You  
2 drop the K as a social facade, and you have got the  
3 right man. So you are the right man. I saw that  
4 right off. It could be Kra or it could be Krite. It  
5 comes out with Kri. You cry -out. He is the right  
6 man.

7 You said you were a trial attorney right  
8 away. I heard that, and I thought, "Well, that is a  
9 good name for him." Rut I am very heavy on breaking  
10 down the names.

11 I I ., Now, the Levines, you have got the Le vine.  
12 Trying to grow, just like the vines, I guess, you  
13 know. But Donna is always good, because it is the  
14 dawn. Of course, you don't want to be a prima donna.

15 See, these words, always the subconscious  
116 picks up the words in a lot of different ways. Now,  
17 why did you choose the profession you chose? Well, it  
18 might havesomething to do with the names designation.

19 If you go down to the FBI'smost wanted,  
20 the name is a designation that tells you, in many  
21 cases, what the crime was that the guy did. And it-is  
22 connected. There are connections on these. People

23 try to soul search and find out, "Well, who am IT'  
24 Well, my name is - "How do you spell your  
25 nar6e, little boy?" "R-0-B. I get a little -nervous

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1 feeling there. I better keep going, because so far 1  
2 just put Rob.'Oh, E-R-T." Okay~ His name is Rob.  
3 Everybody thought, you know, he was kind of  
4 embarrassed -about it, so he doesn't tell you, yeah, my  
5 name is Robert. You can call me Bob. Don't call me  
6 Rob. When things are down, I Bob a little. Oh, good,  
7, good.

8 Then what is your last name? Hodgen. How  
9 is that spelled? H-0-D-G-E-N. What if you switch the  
10 D and the G, then you have got Hog Den. Yeah, it is  
11 I I kind of an unusual name. Well, you can change it if  
12 you want.

13 -See, a lot of people are stuck in, an  
14 identity and can't ch ange it. You know, the example  
15 in the Banker Art Museum as an art form, is that these  
16 identities are necessary to be wholesome. Now, in our  
17 Christian background, they gave us three names, you  
18 know, first, middle, and last.

19 My observation is that is good, but you  
20 should have three sets of three names. So you have  
21 got Mark Kreitman. And you have got your other two  
22 identities that, are necessary for you to be, if you  
23 want to accomplish those tasks. Now there might be a  
24 task here that that name wouldn't fit that you would

25  
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like to do.

I Say, I want to be a tap dancer and a cross  
2 dresser. I better come up with another name. Mark  
3 Kreitman won't work for that name. Okay. But you can  
4 still tap dance and be a cross dresser, but you better  
5 come up with another identity, you know?  
6 But, anyway, that is just to give you some  
7 functional philosophy and how I have used it. And you  
8 see by your own scholarly work in this case that that  
9 is what I do, that is what I do.  
10 I make up the paintings, the names of the  
I I paintings, the values, the institution that carries  
12 them, the guy that, you know, painted them, the guy he  
13 used to be, as well as three assistants that help out.  
14 Well, which one am I? Will the real Sky  
15 Jones please stand up. I am whichever one I decide to  
16 be at that time. And you can believe that Sky Jones,  
17 the artist, hasn't showed up here. He is not here.  
18 Neither is Michael Whipple the artist. Those guys  
19 don't show up at places like this. They sent me  
20 instead.  
21 Who am I? I am the one that protects them  
22 so they can continue on, or protects him, so he can  
23 continue on unobstructed without aggravations from  
24 girlfriends that are upset and throwing rocks, the  
25 police, people that are robbing and taking the stuff

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1 blindly. I am the one that handles it so that the  
2 artist, when he steps in front of the easel, can have  
3 a clear heart and a clear mind, and he says, "I don't  
4 have to worry about this."  
5 That is the first thing that happens when  
6 you step in front of the easel. You want your mind to  
7 be clear so that you can see. So you consistently go  
8 over, well, here is one thing that is not clear.  
9 These are all telepathic things that have to happen.  
10 Okay. I have got -- it is usually people; right? You  
I I have to talk to him, got to talk to her. I have to  
12 handle it with this guy and this guy. Whew. Okay.  
13 Now, how about this and this. Then my mind is clear.  
14 Your mind is clear and you can go on in the higher  
15 order.  
16 Anyway, I have shared who I am a little  
17 there with you. If you listen to my music, I write  
18 songs and sing them. It will make you laugh.  
19 All right. Any other questions?  
20 MR. KREITMAN: No. Thank you very much,  
21 Mr. Jones.  
22 THE WITNESS: Okay. Thank you for  
23 listening.  
24 CROSS-EXAMINATION  
25 BY MR. HARPER:

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I Q Good afternoon.  
2 A Hello, there.  
3 Q Let me put my microphone on.  
4 Sky, I know you like to be called Sky~ You  
5 said that in your last deposition. I have read that.  
6 A Yes.  
7 Q I will try to stick to that, although we  
8 are pretty formal.  
9 A All right.  
10 Q The attorney in me may slip into that.  
I I I am John D. Harper, three names.  
12 A Good, good.  
13 Q And I am the attorney for Mr. and  
14 Mrs. Levine. They are the Defendants in this case.  
15 A I am glad they got somebody -- John. You  
16 drop the JO and you have got Ohn.  
17 Q I am on.  
18 A Boy, if you have got something that is  
19 going to stand up for you and stay with it. He ought  
20 to harp. And if he is not harping, get somebody that  
21 will.  
22 Okay, Mr. John Harper.  
23 Q I appreciate that.  
24 A I am with you.  
25 Q All right. We just finished the  
  
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1 questioning by the SEC. I don't think the SEC got  
2 what they wanted out of you today. What do you think  
3 about that?  
4 A No. They wanted me to say that I was a  
5 worthless, no-good vagabond that is a transient and  
6 useless, pretty much, little air head, who is just a  
7 big, old con artist and everything I have done amounts  
8 to nothing. The fact that I am the number-one  
9 collected artist by U.S. corporations in the last  
10 century doesn't mean a flip to them.  
I I They could tear that down -- the reason is  
12 is because it is hard for them to -- if they say it is  
13 okay for me, they better stick a head on the pipe real  
14 quick, because if it is okay for me, the other  
15 artists -- it opens up the door for other artists to  
16 walk through the door I have already walked through,  
17 and I have already walked through the door. It is not  
18 a matter of. "Quick, everybody, throw your art away.  
19 Quick, throw your art away." That is not going to  
20 happen. Every single one of those 200 plus  
21 corporations all have one thing in common. I hate to  
22 say it. Well, I will say it. They want to make money  
23 for their investors. There we go.  
24 Q All right.  
25 A They want to make money for their  
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1 investors. They are willing to do anything they can  
2 to pull that off, make it happen. And that would be  
3 shooting all the rats out of the greenery. You know,  
4 there are so many people out there that are hungry

5 that, you know, sometimes it is hard to tell a friend  
6 from a foe.  
7 And I come in bringing bushel baskets full  
8 of graiiii. I have been chewed on all the way down the  
9 line trying to bring this grain into the corporations.  
10 I knew all along -- let me tell you a story. This  
I I will straighten my position.

12 Q All right.

13 A I was up in the mountains up above Provo,  
14 Utah. I was out feeding my birds and my chickens. I  
15 love birds and chickens. And here come all these  
16 rodents. One day I went out there, and they were  
17 eating all my bird feed.. I counted seven different  
18 kinds of rodents. These rodents were just gobbling it  
19 all up.

20 So I said, "Um~hum, okay." So I went and  
21 gormy pellet gdn. Here comes a mama prairie dog  
22 coming along with a little sweet smile on her face,  
23 just like she is going to a grocery market, you know,  
24 pushing a little basket.

25 I take my pellet gfin. I went, whack. She

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I "Yap", and jumps up in the air. I knew it didn't even  
2 penetrate her skin, but she ran off into her hole.  
3 That bothered me for a week. It hurt me. I wished .1  
4 hadn't done it. I felt bad about it.

5 I went over and I got, you know, 100 pounds'  
6 of grain for \$6. I went around on the whole property  
7 and filled all the rodent holes on the property,  
8 filled it right up with grain the first day. The next  
9 day I went back with another big bag and filled all  
10 the other ones up. Pretty soon I had a big, old spear  
I I around here with all the rodent holes filled with  
12 grain.

13 Well, after a couple of months, pretty soon  
14 there weren't seven rodents out eating, there were 15  
15 different kinds I could count. All of a sudden they  
16 felt safe, and they were doing real good, and it  
17 didn't bother me anymore.

18 Now, what I had done there, I just gave you  
19 an example of the way I think. What I had done there  
20 is I went around, and I looked where they were all --  
21 instead of picking them out as enemies, I picked them  
22 out as friends, and I fed them extra.  
23 I have to do it that way. I can't play  
24 that other game. But, you know, go ahead.

25 Q Well, it appears tome like the SEC was

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1 asking about your abilities there at the end, because  
2 they didn't like what you said, and they wanted to  
3 paint you as crazy.. What do you think about that?

4 MR. KREITMAN: Objection.

5 A The truth of the matter is I recognized  
6 that intention there. That is why he gave me the  
7 reign. Prior to that, he ran heavy reign on me. As

8 soon -as he let go of the reign, I knew what he was  
9 doing. I gave him something to do it with: I don't  
10 always -- but when I walked in and said that about the  
11 I I woman and her children, I knew he would trigger on  
12 that before I ever came back up here.

13 Q - (By Mr. Harper) So

14 A So I knew that, in fact, was the case. The  
15 answer is yes, I am crazy, and you can't trust me,  
16 can't trust me as far as you can throw me.

17 Q Can I trust you when it is regarding the  
18 value of your art?

19 A You bet you.

20 Q All right.

21 A That is valuable stuff that I do there,  
22 even though I am crazy.

23 Q All right. I am going to have to go  
24 through some introductory information. I know you  
25 have tried to distance yourself from that, but it is

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1 important for me, you know, wearing my hat today as an  
2 attorney, and I have'to win a case.

3 A Got you.

4 Q So I want to go through some of your  
5 ' history, because we believe it is very important  
6 regarding your artwork.

7 A I understand.

8' Q So why don't you just talk about your  
9 education and kind of briefly bring us to where you  
10 are today-

I I I I

A Okay. I grew up with a family where, when  
12 I was a yearold, a year and a half old, my dad found  
13 out my mother was pregnant with a second kid. Now, he  
14 wanted to be a white-collar worker. He was a plumber.  
15 She was a little bit of a critical nag,so he beat her  
16 up, and he beat me up, too.

17 He backhanded me realbad ' and caved in my  
18 chest. I still got scars from it. You see how that  
19 is sunk in right there?

20 (The witness revealed his chest.)

21 Q Yeah.

22 A That right there is from getting beaten at  
23 a year and a half Now, why was he beating that woman  
24 and beating me? Knocked me cold. I was 37 years old  
25 before I found out what happened. It took lots and  
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1 lots of psychological delving to dig it out. Well, he  
2 was upset, because he wasn't going to be able to  
3 complete his education.

4 Well, that was my cue, -wasn't it? I was 31  
5 years old. I had seven years at the University of  
6 Utah. Seven years.

7 Q Did you graduate from there?

8 A Thirty-one. Yeah, seven years to graduate,  
9 I went there. I took everything that was practically  
10 oriented, because I knew all the other stuff was  
I I mumbo-jumbo. If I couldn't use it, it would be

12 useless. Key words: If you can't use it, it is  
13 useless.

14 So after 22 quarters, then I went out and I  
15 looked for other sources of enrichment. I bumped  
16 into Scientology Dianetics.

17 Q Let me stop you for a second. What was  
18 your degree in?

19 A The Art. I wanted to get a bachelor of  
20 art. They gave me a BS.

21 Q Bachelor of Science?

22 A Yeah.

23 Q Okay. Play on words there; right?

24 A Yeah, same with the last deposition. I  
25 went after that - I did five years after that, about

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1 five straight years after that of independent study.  
2 Actually, it was in Scientology.

3 I studied promotional, promotions, public  
4 relations, data analysis, psychological counseling,  
5 you know, communications. It was just like a  
6 university, and it was militaristic. If you didn't  
7 know the word just like that, you are flunked. You go  
8 back and look it up. You come back and they are going  
9 to ask you again. What is the definition of the word  
10 "the". "Uh, flunk." If you didn't know it, just like  
I I that. You come back. "The". "It is an article that  
12 means one or some." You know, you have got to know it  
13 just like that or you get flunked.

14 So here I am 31 years old. I have been in  
15 school, including summer school, since I was five. I  
16 am 31 years old. Now, how many years does it take to  
17 teach a guy to screw in a light bulb?

18 Well, at that point I realized that I,  
19 apparently, hadn't figured it out yet. I was over the  
20 hump. It was over. I mean, I already had so much  
21 education, and stupid. What is the matter with me?  
22 So I went out and I said, "Well, I am going to apply  
23 what I learned." So I went out and I did real well.

24 Q Now, had you been creating art and --  
25 AI have been doing art all along.

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1 Q All along?

2 A Sculpting and everything.

3 Q Okay.

4 A So I came out. and the first -- I said,  
5 "Let's give all of this stuff a try." In the first  
6 five months, I did \$5.2 million in business, in five  
7 months. What I did is I contacted all of the printers  
8 around in Los Angeles that I could get, and I got them  
9 all printing for me. Now, what I did, they were all  
10 on barter, printing for me on barter.

I I Q You were trading artwork for printing  
12 services; is that correct?

13 A Yeah. I will do some art for you. Print  
14 for me. Well, that wasn't the only thing. As soon as

15 the prints start coming off, I started schlepping them  
16 for everything that wasn't tied down. Give me, your  
17 old lawn mower. Oh, inflated gem stones? Good. Give  
18 them to me. You know, whatever it was. All of a  
19 sudden, I was in business. It took five months and it  
20 was up in that thing. Now, that was in 1980.  
21 Q So you received, in your opinion, \$5.2  
22 million worth of goods and services for your art?  
23 A Um-hum, right away.  
24 Q And that was Michael Whipple's; is that  
25 correct?

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1 A Michael Whipple, all Michael Whipple.  
2 Q Because I want you to explain that, too.  
3 A Yeah, yeah. It was hot. It was hot. And  
4 the Beverly Hills Gallery was carrying the art. And I  
5 had nationwide ads. going. It said, "Beverly Hills  
6 Gallery," and they started calling them on the phone,  
7 you know. a %

8 And pretty soon Beverly Hills Gallery was  
9 getting more phone calls for my stuff than all of~  
10 their other stuff. They tried to hire me. Forget  
11 I about pushing that junk of yours. Come over and sell  
12 this good stuff.

13 The point is is that, at that point, this  
14 beating at a year and a half old put me on a heavy  
15 education drive to find out everything I could. I  
16 mean, I studied stock, insurance, all this other  
17 stuff. That is how this package came together, was a  
18 combination of my -- this is called "The Philosopher's  
19 Stone." It is how to take a lower object and turn it  
20 into gold.

21 Q You are talking about -- you are holding  
22 "The Treasure" there; right?

23 A I am holding "The Treasure." This may be  
24 the most profound book I will ever write, because with  
25 cardboard and house paint -- it might be a \$50,000

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1 book. Now you have to decide whether it is or not.  
2 If it is, then I pulled it off. If it isn't, then I  
3 didn't.

4 Q And who decides that?

5 A Whoever has enough faith in their dreams to  
6 have actuation, basically. I have already handled  
7 most of it, you know. The SEC is going to say this  
8 stuff is not worth it, but they are going to sit and  
9 tell somebody with this gold-tipped book, with all  
10 this full-color examples of track record is not  
11 valuable. Well, didn't they look at the pictures?  
12 What are they doing, just looking at the numbers?

13 Q Let me finish taking you through your  
14 experience. In the '80s, you are in LA?

15 A Yeah. I did a bunch of movie posters.

16 Q I am going to take you through that in a  
17 minute.

18 A I spent 10,000 hours in the chair as a

19                   Scientology practitioner. I am used to sitting and  
20                   listening and watching, body language and everything  
21                   else.  
22                   I saw the way you came in this morning, you  
23                   know. And I see the way he has been here the whole  
24                   time. You can't miss anybody. We are all here. But  
25                   that is as a result of 10,000 hours in the chair. I

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I wanted to know how the human mind worked, and I cared  
2 enough to study and to try to help. I have heard just  
3 about every nasty thing that can happen to anybody,  
4 you know. It never surprises me.

5                   Q        So your painting is Michael Whipple; is  
6 that correct?

7                   A        Yeah, all during this time.

8                   Q        About how many pieces did you create? Were  
9 you doing sculptures also?

10                  A        Yeah. I sculpted a lot. I got-my  
I I scholarship at the university for sculpting.

12                  Q        What university was that?

13                  A        Super prolific. I would get up there and I  
14 would do

15                  Q        At Utah?

16                  A        Yeah, University of Utah. I studied under  
17 Angelo Caravalle, and I helped him work on his stuff.

18                  Lots and lots of welding and ceramics.

19                  Q        That Caravalle, is he a famous art --

20                  A        He is heavy-duty. He is big-time., The  
21 reason they hired me and gave me the scholarship is

22 because I was producing more than all the faculty  
23 members combined, every quarter.

24                  Q        You studied --

25                  A        In every department. Now, this is freaky.

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1                                   Let me give you an example. Okay?. We are having -

a

2                                   ceramics class here. There is a table stretched

from

3                                   here over to the far wall. The whole class and

their

4                                   little teapots right over here. That is the whole

5                                   class. I get all the rest of the tables. It is all  
6 my stuff, and they are firing it in.

7

8                                   .        The class is checking in for modern  
painting. You are supposed to have six pieces

done.

9                                   The guy has got a little pile of six pieces here,

10                                  somebody else has got their six pieces. What is

this?

I I                                  That is 50 pieces I did, and the smallest one is

four

12                                  foot by six foot. They only gave one A, and I

always

13

14

got it.

Now, that doesn't count sculpture. 1

15 walked into the sculpture. And everybody would  
take a  
16 look and see who was there and check out. Ile  
17 professor come over about three weeks later and  
says,  
18 "You know why they checked, out, don't you?" I  
said,  
19 "No." He says, "Because you are in the class, and  
20 they knew there would only be one A with a class  
this  
21 size, and you would get it."  
~2 What I would do is check in. I would  
23 bring in six truck loads full of iron. I would go  
24 out~ I had scavengered every place I could find,  
bring  
25 in these great, big piles of truck loads. And I  
would

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I go to work. I would be completing six pieces a day,  
2 Now, there wasn't anybody else that productive in the  
3 art department or anyplace else.  
4 And out of the massive amount that I  
5 did, a few would always be better than everything that  
6 everybody else did. So I did real well with that.  
7 Q Did you study under somebody else of some  
8 notoriety? I have seen --  
9 A Yeah. Alvin Gittens, portrait -- great,  
10, great portrait painter from England. I studied with  
I I him for quite awhile. He really touched me on one  
12 point, and that is, when you paint people, go for the  
13 dignity, go for the dignity of each man that you meet,  
14 or each person. Each one of them has an inner dignity  
15 that you have got to dig out and make strong, because  
16 life seems to tear everybody down and, you know, this  
17 and that.  
18 He was a dignified guy himself, and he put  
19 dignity in the work he did, and he brought it out in  
20 his students. And I then' -- of course, I studied  
21 under Doug Snow, Douglas Snow, who is a great modern  
22 painter, too.  
23 You know, I have been painting a long time.  
24 I have passed all these guys up. I have used  
25 thousands and thousands of gallons of liaint. I have

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I used more paint than all of them combined in their  
2 whole career already, just having read through it.  
3 Now, it may sound a little overwhelming,  
4 you know, considering -- from my viewpoint, if you  
5 haven't painted an acreage and you haven't painted  
6 mileage, you haven't painted enough to be called a  
7 painter.  
8 So I have got my own criteria. Say, "Well,  
9 you know, what about quality?" That comes along with  
10 it. First quantity, then quality. You learn how to  
I I do it by running a bunch of them, then you get good at  
12 them and you do them a little better the next time.

13 Q Let me finish through. So you were Michael  
14 Whipple and you painted -- do you have any idea,  
15 estimate, of how many paintings and sculptures you did  
16 as Michael Whipple?

17 A Well, that was up until 1984. I have  
18 done -- by that point, I had done the movie "Meteor,"  
19 "Never Ending Story."

20 Q All right. Let's talk about that. I was  
21 going to talk about this later. What did you do for  
22 those?

23 A Oh, to answer your question on numbers, it  
24 was thousands under Michael Whipple, just thousands of  
25 individual pieces.

219

1 Q Okay.

2 A I don't have a hard record on it. And Sky  
3 Jones, I have got a little higher record.

4 Q Well, I am going to hold off, because I  
5 want to get back to that, go through all the different  
6 things you have done. So, apparently, sometime you  
7 decided to change your name. Can you just elaborate  
8 on that?

9 A Well, I was looking to -- as a mystic, I  
10 was looking to come up with a name that would more  
11 I I closely describe me. I was driving down the road, and  
12 it came right out of the blue. Sky. "Yeah," I said,  
13 "Yeah, Sky.,, A little frenzy. "Yeah. Okay. I am  
14 Sky."

15 It took me a while to come up with Jones.  
16 Sky what? Sky what? Sky Whipple? No, that doesn't  
17 work. ' It's got to be a complete break from the past.  
18 It's got to be a real fi-esh one. Sky Jones. Jones  
19 was good, because it was anonymous. I picked an  
20 anonymous name, so that -- my success is not selfish.  
21 I am not here to promote this Michael Whipple guy that  
22 I am supposed to be and all that, so- they can all  
23 think I am great. I don't even care about that game.

24 Sky Jones is an anonymous name designation.  
25 It represents all the anonymous artists that we will

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S

I never know., about. If everybody in this room name  
2 every artist that they can think of that is a  
3 successful artist supporting himself solely with his  
4 art, they will be lucky if they can even name six'  
5 You talk about musicians. Well, that is  
6 another story. You know, you have got Nrotley'Crew,  
7 and you have got -- ycu start going down that list.  
8 That is another list. We are talking about painters  
9 or sculptures and there aren't very many.  
10 So I represent those, in my mind, that  
I I haven't made it that would like to. And this is an  
12 example of one way you can do it: Don't put out a  
13 painting unless you have got a book with it. And if  
14 you can't afford a book, at least put out a little

15 piece of paper that certifies it as being yours.  
16 Q Is it fair to say that even though there  
17 could be a very talented artist, without some type of  
18 notoriety or promotion, they may never amount- to  
19 anything? Is that fair to say?  
20 A Yeah. If you don't promote it, nobody  
21 knows about it. That better mousetrap never got on  
22 the market, in the market.  
23 Q What if some people think that self  
24 promotion is bad and it is not fair  
25 A They say it.

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1 Q - and it gives artificial value? What  
2 would you say about that?  
3 A I know. I have heard that a lot, too. I  
4 don't care.  
5 Q Do you agree with that?  
6 A Well, there is a lot of ways to tear a guy  
7 down. Well, if you have got to promote it and sell,  
8 it, it can't be that good. If it was really any good,  
9 people would come and beat the door over and just take  
10 your stuff. You know, that is not the truth.  
11 I I The reason we have sales is because people  
12 just won't buy it unless they know why. Sales  
13 educates. Sales is an educational process.  
14 Q So you change your name to Sky Jones. Did  
15 your style change any?  
16 A Yeah. I immediately got into a freer  
17 style. freer, looser style. The Michael Whipple was  
18 all, basically, scholarly. The Whipple stuff is all  
19 scholarly pursuits. It is all studies.  
20 Each one of the paintings represents an  
21 avenue that can be followed a long, long distance. If  
22 you had looked at the Whipple limited edition prints,  
23 you can read that each one of them can go off into  
24 avenues like that. Sky Jones was different.  
25 These all have continuity in this book.

I

M

1 Every single one of them has got something that'  
2 relates. to the others. The Michael Whipple stuff  
3 doesn't necessarily do that, except by the fact of the  
4 mood, perhaps, that I put in the pieces.  
5 Q Okay. So as Sky Jones, you have created,  
6 also, a lot of pieces of art. Is that true?  
7 A Huge amount.  
8 Q Can you give us an estimate of that?  
9 A Well, I think it is probably around 15,000  
10 pieces, and the numbers are about 13,000 gallons of  
11 paint I have used.  
12 Q Are some of those sculptures?  
13 A That doesn't count sculptures.  
14 Q Oh, okay. Sorry. ,  
15 A In the sculptures, there is probably, oh,  
16 in the thousands, over 2,000, over 2,000 in sculpted  
17 pieces, Now, this would be a piece that was from this"

18 big to a piece that may be this big. (Indicating)  
19 Q Okay.  
20 A So I would say over 2,000 pieces. None of  
21 those would be multiples. Those are all one-of-a-kind  
22 originals.  
23 Q I was looking at the ITEX Complaint. Have  
24 you ever seen that one before?  
25 A I don't think so. I may have looked at

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Isomething about it.

2 Q Let me tell you what they said about you.  
3 They said you are an obscure artist and your artwork  
4 is worthless. What do you think about that?  
5 A That is somebody that didn't bother doing  
6 their homework. They didn't read the front of "Barter  
7 News," to begin with. I can be obscure. I can be  
8 obscure and everything. But there were 127 publicly  
9 held corporations that held my work when that  
10 statement was made. It had to be like -- it sounds  
I I like Les French talking, you know, somebody who hated  
12 ITEX. In fact, it was Les French talking, probably.  
13 No. Or was it --  
14 - Q It was in the Complaint.  
15 A It was in the -  
16 Q It was in the SEC Complaint..  
17 A -- SEC Complaint? They took the words out  
18 of Les French or vice versa. I don't know.  
19 Q Okay. Let's talk about, we kind of alluded  
20 to a little earlier about some of the people who owned  
21 your artwork, still own it, or, actually, you did  
22 their portraits.  
23 Former Governor Michael Dukakis. What did  
24 you do with Michael Dukakis?  
25 A Well, I painted his picture and presented

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1 it to him and got my picture taken with it and shook  
2 his hand in 1975.  
3 Q Now, he is 'a pretty well-known guy, isn't  
4 he?  
5- A Sure is.  
6 Q What did he end up doing?  
7 A Well, his wife started to drink that  
8 alcohol out of the -- oh, I'm sorry.  
9 Q Mr. Dukakis, yeah.  
10 A Where did it go from there?  
I I Q Yeah-  
12 A Nowhere.  
13 Q Didn't he end up running for president or  
14 something?  
15 A Yeah, after that he ran for president.  
16 Q Okay. How about -- Mr. Kreitman asked you  
17 about Governor James Thompson. Do you recall?  
18 A These are guys that issued PR  
19, commendations, essentially. A lot of these governors  
20 and mayors, keys to the city. These are commendations

21 for social things that I have worked on, social  
22 programs.

23 Q All right. How about some of the other  
24 people you have painted? You were earlier  
25 discussing -

225

I A Well, I did Robert I did a lot for  
2 Hollywood. You understand, in Hollywood, there is a  
3 lot of opportunities to paint celebrities and work  
4 with celebrities and so forth. Doing the movie

2) posters

6 Q A lot of opportunities for who?

7 A For the artist.

8 Q Would an artist without any notoriety get  
9 picked to do some of these?-

10 A. No. The first movie poster I did, I beat  
I I out 25 other artists, and that was Meteor. And that  
12 was a big movie at the time when it came out. They  
13 were in desperation. They had 24 other guys working  
14 on it. They weren't able to come up with something.  
15 My buddy said, "Let's give it a shot." We did it, and-  
16 we got it. And they paid good, too. That was back in  
17 1977,78. I believe at the time I got 10 or \$15,000  
18 for that painting.

19 Q Do you recall who was in that movie?

20 A Shawn Cahn, Natalie Wood. It was loaded  
21 with everybody. It had all the famous ones in. They  
22 were in New York, and the mud was pouring in on them.  
23 I thought, "I am so proud." ' -  
24 I went over to Paris, and it was put in  
25 seven-foot tall pictures of my painting i , n the

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1 subways.

2 Q That is pretty impressive.

3 A Yeah. It made me feel good to know my  
4 stuff went all around. It went all-over the place.

5 Q I am going to jump back and finish on these  
6 persons. Who else -- did you paint --

7 A I did Robert Mitchum, that Kathryn, or  
8 whatever --

9 Q Jaclyn Smith?

10 A Yeah, Jaclyn Smith.

I I Q Kirk Douglas?

12 A Yeah, Kirk Douglas. I did a lot for "TV  
13 Guide" that I didn't keep records of, you know,  
14 running through the "TV Guide" thing. For the movie  
15 posters, I did virtually all of the characters.

16 Q You did a lot of athletes, too, didn't you?  
17 John Brode?

18 A Yeah.

19 Q New England Patriots?

20 A Yeah, New England Patriots in 1975. And  
21 Bobby Orr, the great, famous hockey player at the  
22 time. He was the biggest ever. I did him. I was  
23 actually being paid by the guy himself to do it, you  
24 know. All these guys were actually hiring me to do

25 it. And I had just shown up in Boston. I was only

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1 there a year. But my promotional campaign worked out  
2 pretty good.

3 Q Lef s talk about some of the collections  
4 that hold your paintings. Mr. Kreitman asked you  
5 earlier about Queen Elizabeth. Is it your  
6 understanding that the Queen of England holds some of  
7 your work? Is that true?

8 A (Nods head.)

9 Q You have to make an answer.

10 A My answer is yes. My understanding is the  
11 Queen of England has one of my pieces in her  
12 collections. And I had one of the corporations  
13 question it and contact it, and come up with a yes.

14 Q Do you recall which one that was?

15 A No. It was probably -- let me think. I  
16 don't know who it was. It was somebody locally  
17 involved, though.

18 Q I am going to run through these and just  
19 answer if you know. Governor Michael Dukakis?

20 A Yeah.

21 Q Ernest Borgnine?

22 A Had dinner with Ernest at La Ser  
23 Restaurant, just me and him and his wife and my girl.  
24 He paid.

25 Q Good. Linda De George?

I A Chris De George died. She was available 228  
2 right after that. and she was trying to get her career  
3 started up again. I saw her again in a few show~  
4 after that again, but her career wasn . t going  
5 anyplace,

6 Q Does she own your paintings?

7 A Yeah, she has some prints. So did Lucille  
8 Ball. Lucille Ball had some of my stuff.

9 Q John Brode?

10 \* A Yeah. John Brode had several pieces.

11 Q Who was --

12 A Football player. New England Patriots.

13 Q Okay.

14 A I think he had five or six pieces.

15 Q I don't recognize this name. Amanda

16 Ambrose? 1 1

17 A She is a recording star. She had a bunch  
18 of my pieces. She was in Los Angeles. She is an old  
19 blues singer, piano player.

20 Q And Ron Bolton, was he a football player?

21 A Yeah. I painted him with OJ Simpson.

22 Q You painted OJ?

23 A Uh-huh. He had a 1975 -- Bolton was real  
24 proud of it. He had intercepted a pass. He had a  
25 broken wrist and a broken finger and a sprained wrist,

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I and he intercepted a pass in OJ's territory. He came

2 down on OJ and creamed him. He was real proud of it.  
3 It was the high point of his own career.

4 Q Stanley Clark. I don't recognize that  
5 name.

6 A Stanley Clark is the number-one jazz  
7 bassist in the Playboy thing, '70s and '80s. Jazz  
8 bassist. He was with a group called Return to  
9 Forever, Chickorea.

10 Q How about a Pamela Weston?

I I A We know who Pamela Weston is.

12 Q Now, she was fairly well renowned; is that  
13 correct?

14 A This is an incredible woman. No matter  
15 what I say about what she was ran off with, the fact  
16 of the matter is she was the one that designed the  
17 Beverly Hills Mail on Rodeo. She was the one that did  
18 the -- I mean, heavy innovation in Houston.

19 She did the largest mall ever built prior  
20 to its time with a tent structure that runs along the  
21 top to lighten it up. What a winning woman. She did  
22 Los Hatas in Manzanillo, Mexico, the resort community.  
23 Sculpted each one of the things individually, each one  
24 of the buildings individually.

25 Yeah, she is an amazing gal.

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1 Q So she was some renowned also?

2 A Much more to develop than me.

3 Q All right. How about Muhammad Ali? He  
4 owns the --

5 A I did the Muhammad Ali Childrenis Peace  
6 Journey.

7 Q Explain that.

8 A That was in Century City. Muhammad Ali  
9 contacted me and had me do the painting that he would  
10 stand in front of when all the cameras come. Of  
I I course, the first thing he did is he has got this  
12 problem. He picks up this little girl, and she dumps  
13 a drink all down him. He is standing in front of my  
14 painting. He is on nationwide TV.

15 It is a picture of a big nine-foot-wide,  
16 five-foot-high picture of four children, different  
17 races, on the back of a horse with someone guiding the  
18 horse away from the fire. So it was a very touching  
19 piece. He really appreciated it.

20 Q How about Bernard Mervell? I don't  
21 recognize that name either.

22 A Bernie Mervell. That is a rich person.  
23 Bernie Mervell. That is a rich person that collected  
24 some stuff. I can't remember. I remember the name,  
25 though.

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I Q How about Lynn Russo? I don't recognize  
2 that, either.

3 A Oh, yeah. He owned a death parlor in  
4 Boston. Lynn Russo. I believe he owned the -- yeah.  
5 That is what he owned.

6 Oh, okay. The one before that, Bernie  
7 Mervell -- these are dead people.  
8 Q All right.  
9 A The next couple of people are dead people  
10 that they asked me to paint.  
11 I I Q The late Caesar Dona Ruma.  
12 A Yeah, he was another dead one.- He started  
13 the  
14 Q He wasn't dead when you painted him, was  
15 he?  
16 A Well, what happened is I contacted all the  
17 newspapers and said, "I will paint some pictures for  
18 you for some press." And -- in 1975. And they had  
19 all these dead people they wanted painted. I got a  
20 bunch of different newspapers as a result of painting  
21 dead people.  
22 Q How about Ira Sacks?  
23 A Yeah, Sacs 5th Avenue.  
24 Q Ira is a collector of mine. He lives right  
25 next to Cheech Maron in Park City, Utah. He has a

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I painting that is worth about \$ 125,000. His mother.  
2 came in and met me for the first time, and she said,  
3, "You know it is the most valuable thing he owns?"  
4 And he has traveled all over the world. He  
5 used to manage -- what they did is they went to  
6 Holiday Inn International. Holiday Inn international,  
7 the family that manages that. It sold out of the Sacs  
8 stores and stuff.  
9 And Art was over there. And he came back,  
10 and she came to me, she says, "You know he doesn't own  
I I anything as nice as that." That is the best  
12 compliment she could pay me.  
13 It was an unbelievable painting. It was  
14 called "Oh, The Harvest." It has a lot of compassion  
15 in it. And Ira has got some prob-tems. The painting  
16 really touched a lot of sensitive areas. Anyway...  
17 Q And I am assuming there is probably more.  
18 Is there anyone--  
19 A It goes on forever. That painting is big.  
20 These are all eight foot by three or four --  
21 Q I am talking about trying to establish that  
22 your art is in some very, you know, notorious people  
23 or other places. Is there anyone else?  
24 A Well, a lot of the guys put them out in  
25 these places, and I don't hear where they go. I do

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I know that the corporations - I do know we can  
2 document 127 corporations on ITEX's deposition.  
3 Q You mean the SEC said that to you?  
4 A The SEC, yeah.  
5 Q And that was Walton Kinsley? Is that his  
6 name?  
7 A Uh-huh, Kinsey. I don't know what -  
8 Q Let me go back to these posters. You said

9 Meteor.

10 A Yeah.

11 Q How about you did some. work for one of the  
12 Star Trek movies?

13 A Star Trek 1. I worked on the Star Trek I.  
14 I worked on the poster.

15 Q What about a movie Octagon?

16 A That was a Chuck Norris movie. I did the  
17 poster for that one. That was a nice -- it was a big  
18 painting. That was six feet tall and four feet wide.  
19 They hung it in the Board of Directors' room at MGM.  
20 It was psychic, because the colors I had chosen were  
21 the same colors as the chairs and the blinds. And the  
22 lines I put in matched perfectly. It was like I had  
23 been there before. ,

24 Q I am not even going to ask you about that.  
25 How about the Never Ending Story?

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I A Never Ending Story, I did the Coming Soon  
2 poster for it. I painted a bunch of paintings for  
3 them. They give me a lot of cash. But the ones they  
4 printed up was the Coming Soft. It went into all the  
5 libraries and everything, a little boy reading a book.

6 Q The Never Ending Story. They paid you a  
7 lot of cash for it?

8 A Yeah.

9 Q You received cash for the work you did?

10 A Well, yeah. The painting they used, they  
I I gave me \$7,000. But with all the other paintings I  
12 did, a lot of little stuff, it was like 15,000 to  
13 \$20,000.

14 Q And then you did some work The Final  
15 Countdown --

16 A Urn-hum.

17 Q -- poster?

18 A Posters. There are several other movie  
19 posters, I did, too.

20 Q Dressed to Kill?

21 A Yeah, Michael Cain. I worked on that.

22 Q The Joint?

23 A Yeah. That was one of the first ones that  
24 John -- I can see his pimply face all over the place,  
25 but I can't remember his name.

235

1 Q I don't recognize that one. Howabout  
2 Tight Rope?

3 A That was another one, too. Those are all B  
4 grade ones I did.

5 Q Heartbreaker and Heaven's Warrior?

6 A Yeah. All B grade ones. I put the best  
7 once at the first.

8 Q Now, your illustrations have appeared in  
9 numerous newspapers and magazines; is that correct?

10 A Including TV -- let's see. "TV Guide".

I I They have been in - gee, they have been in the "New  
12 York Times," the "Los Angeles Times," "Time Magazine,"

13 It has been in "Omni." I don't even know them all.

14 Q "Look Magazine"?

15 A "Look Magazine."

16 Q -Life-?

17 A Yeah, "Life Magazine."

18 Q "Newsweek"?

19 A "Newsweek." The illustrations have been in

20 Newsweek.

21 Q "People Magazine"?

22 A Yeah.

23 Q "Heavy Metal Magazine"? "SteppingOut

24 Magazine," "Northwest"?

25 A Yeah.

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I Q "TodaN's Professionals Magazine"?

2 A Yeah.

3 Q "Airborne Magazine"?

4 A Yeah. There is others. Those are just

5 some that had -- the last three had, like, intervi ews

6 or something in there, or they had --

7 Q You have also interviewed some other

8 artists?

1) PW

9 A Yama Gata, Charles Bragg, and Bru Strusen.

10 Those are the three biggest artists that were in Los

11 Angeles when I was there.

12 MR. KREITMAN: John, I don't want to

13 interrupt your interrogation, but don't lead, or I

14 will have to object.

15 MR. HARPER: You object to me leading

16 your witness?

. 1

17 MR. KREITMAN: He is not my witness.

18 MR. HARPER: You called him. You

19 deposed him. You are making --

20 MR. KREITMAN: It doesn't make him my

21 witness, John. You can't lead.

22 MR. HARPER: I can't lead?

23 MR. KREITMAN: No, you can't.

24 MR. HARPER: I can't lead your witness?

25 Okay.

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1 MR. KREITMAN: His testimony was

2 unfriendly. He is a hostile witness.

3 MR. HARPER: He is a hostile witness?

4 No one designated that.

5 MR. KREITMAN: All I am saying -

6 MR. HARPER: You made the deposition --

7 MR. KREITMAN: All I am saying, JohV

8 MR. HARPER: I have prepared for;@~

9 cross-examination, Mark.

10 MR. KREITMAN: All I am saying is that

11 if you don't want me to interrupt your interrogation

12 with constant objections to leading questions, then

13 don't lead. It is your choice. I am offering this to

14 you as a courtesy.

15 MR. HARPER: Well, if you want to make a

16 continuing objection, fine. These are all --  
17 MR. KREITMAN: Okay. Fine. Then can I  
18 have a continuing objection to leading?  
19 MR. HARPER: Sure.  
20 MR. KREITMAN: I just don't want to  
21 interrupt you. That's all.  
22 MR. HARPER: No. That's fine. Thank  
23 you.

24 Q (By Mr. Harper) All right. You have  
25 received numerous commendations. You have testified a  
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1 James Thompson. Do you recall any other ones?  
2 A I am the Alaska's Ambassador of Goodwill,  
3 because of my heartwarming ways. I am honorary  
4 citizen of Arkansas -- no, maybe it was -- I can't  
5 remember all of the places. I have got a list here.  
6 You know, it is just a lot of nice things. I do some  
7 civil stuff.

8 Q Let me ask you this. Was this information  
9 made available to purchasers of your art by your  
10 distributors?

I I A Not always. A lot of the time they just  
12 sold them on the basis of the painting. Although,  
13 this pack, the information in this pack has been -- in  
14 answer to your question, yes, it has been. The  
15 information has been available all along for people to  
16 go over it.

17 Q All right. Is it possible that when OTS  
118 purchased this and Mid Nevada Art was formed, they  
19 were given this information?

20 MR. KREITMAN: Objection.

21 A The answer is yes, they were. They were  
22 given this information, because it was printed, up in  
23 another book. This is the second edition, or further  
24 on down. There is another black and white book.

25 Q You are referring to Bankers Art Museum --

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I A "The Treasure" book, yeah.

2 Q -- "The Treasure." Correct?

3 A Yeah.

4 MR. KREITMAN: Sky, can I take a look at  
5 both of these books while John is questioning you?  
6 THE WITNESS: Sure.

7 Q (By Mr. Harper) All right. You talked  
8 earlier about the clothing, the different identities,  
9 Joseph Banker, Art Carter, Rich S. Dickens. Now, can  
10 you tell me exactly where that was disclosed?

I I A Where it was? Okay. The first thing we  
12 do, and the SEC has this, the SEC versus ITEX. That  
13 was published in a nationwide art magazine. Michael  
14 R. Whipple would be working and painting under the  
15 following names. Okay. It named exactly which ones  
16 they were.

17 Q Now, it is possible not everybody saw that?

18 A It is real possible they didn't see it.

19 Q Okay.  
20 A The next thing was put  
21 Q What year was that? Do you recall when  
22 that was published?  
23 A That was '80 something.  
24 Q Okay.  
25 A '89, '88.

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1 Q What magazine was that?  
2 A I don't know. They have got it all. They  
3 have got the whole file. You might even have it- You  
4 look like you have got a big pile of stuff. It may be  
5 in your pile, too.  
6 A After that it was put on the web, also on  
7 the Banker Art Museum 800 number. That was always  
8 available on there.  
9 Q You literally have to call the number,  
10 though?  
11 A You have got to call up and find out. If  
12 you have got something  
13 Q If you called that number, what would the  
14 message be? Do you recall?  
15 A It is a recorded message, And if you want  
16 to talk to somebody, you talk to them later.  
17 Currently, that has been going on for awhile, for the  
18 last several years, since-this one guy has taken over  
19 the number.  
20 Q Would you agree with me that it is not  
21 really easy to figure out the different names you are?  
22 A Well, usually, the answer to that is if you  
23 have a full package, you will know that Sky Jones is  
24 Joe Banker, and that Sky Jones appraises his own art,  
25 using the Joe Banker identity.

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1 A And that is that. And Banker Art Museum as  
2 Sky Jones is an entity. I have come here to establish  
3 a museum, and I have done that. As far as it being  
4 difficult to find it -- if anybody has read any of  
5 this stuff on me, it has been for the last- -  
6 Q Well, I can represent I have read a lot of  
7 your stuff, and some of the stuff I have read is not  
8 real clear, only when it came out later in testimony.  
9 MR. KREITMAN: Objection.  
10 Q (By Mr. Harper) Let's move on.  
11 A Okay. This right here is where it is very  
12 clearly mentioned. This right here. This is a  
13 -50-year retrospective. (Indicating)  
14 Q But not everybody received one of those,  
15 did they?  
16 A No, not everybody did. In fact, this is a  
17 very good point you are bringing up.  
18 Q Right. Yes. These names that you have  
19 created, Arthur Carter, Joseph Banker, Rich S.  
20 Dickens, have any effect on the value of your art?  
21 MR. KREITMAN: Objection.

22                   A        On my art statement -- on the art statement  
23 that I am making, which is for an artist to be whole,  
24 they have to have these identities. And I looked  
25 around, and I didn't see any Joe Banker, and I needed  
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I        one. I looked around, and I didn't see anybody Rich  
2        as the Dickens, and I needed one.

3                   And I was looking for an art carter, and  
4 everybody seemed to be sitting around, so I needed  
5 one. So I said, "Well, I guess all the artists need  
6 them, so here they are." Boom, boom, boom. Here they  
7 are. We will use them. This is exactly the name of  
8 the post.

9                   Hi, what are you? I am the secretary.  
10 What is your name? Who cares. You are the secretary.  
I I    Okay, there is a secretary here. In the organization,  
12 I gave each one of them a creative position.

13                   But, no, it is not easy to figure it out or  
14 anything else. That is why it says "For Members  
15 Only."

16            Q        So you have to be a member to get that  
17 book?

18            A        To get that information. You would have to  
19 be a member to get this book and ethically have it --  
20 and it says right on the first page, "For Members  
21 Only." This right here, this information wouldn't  
22 even go to you unless you were a member.

23            Q        Okay.

24            A        You wouldn't even have access to it. Right  
25 here it says, oh, Sky Jones, he also, you know --

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1        Q        That would require someone to read all of  
2 that. Correct?

3 A Well, no. Because right here it says, "Who  
4 is Sky Jones?" That is the first article in it. And  
5 within three or four pages, it covers it. They are  
6 short pages. Anyway, go ahead.

7 Q I read somewhere you created a waste paper  
8 recycling company. Is that true?

9 A Yes. What we were doing is we were  
10 blending up the paper and trying to make it into art  
I I paper. This was in Santa Monica and Venice where we  
12 took these big blenders and would soak it in water and  
13 beef it up and put it down and float in the water.  
14 And then we would shake the water, and we would slide  
15 a screen under it and lift the paper up and let it  
16 dry. It is just how they make paper; right? So we  
17 made a bunch of that art paper like that.

18        Q        That company was called Amus, A-M-U-S --

19        A        Yeah.

20        Q        -- Fine Paper?

21        A        That am us.

22        Q        Is that still in business?

23        A        No. I got it going as a recycling tool to  
24 test out how easy it would be to do art paper with  
25 this. We ran a bunch of it. There is a lot of stuff

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1 out there on that paper.

2 Q All right. Now, was there most recently a  
3 web site out with the web address "Ildint.net"?

4 A That is my brother, Gary.

5 Q And what was Gary doing with this web site?

6 A Answering communications that weardirected  
7 to me or to the Banker Art Museum, and also notifying.

8 people of. you know, exactly who I was and Banker Art  
9 Museum, Joe Banker, Art Carter, and all of that.

10 Q Was he selling any merchandise?

I I A I think he had some prints and stuff and  
12 might have had some paintings listed on there. I gave  
13 him a bunch and told him he could do with them what he  
14 wanted.

15 Q Now, did you have anything to do with the  
16 creating of this web site?

17 A His choice, his decisions.

18 Q Did you look at it at all?

19 A I went through it. He had some of the  
20 paintings upside down. I never bothered telling him.

21 Q Let me ask you this. This was on your web  
22 site, or on your brother's web site, talking about the  
23 Milan Gallery in Fort Worth. Said it hosted a \$10  
24 million show, Sky Jones new artwork. They sold 90  
25 percent of the paintings in the show. The proceeds

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1 went to charities and corporations, besides bought  
2 property. You testified about this a littler bit  
3 earlier, I believe.

4 A Yeah.

5 Q Is this the same show

6 A Yeah. I have got the papers right here,  
7 the newspaper articles, as well as the "Decor  
8 Magazine" article.

9 Q Is it the case, then. that \$10 million of  
10 your art was sold, Sky Jones?

I I A There were 10 million in the show. And 9  
12 million of that 10 million was sold or traded. I know  
13 that it was heavy barter. Not all of them had cash.  
14 It was heavy barter. And I know that he told --

15 Q When you say "he," who is that?

16 A Milan. Tal Milan who owns it and runs the  
17 gallery.

18 Q Okay. Do you have any idea how many pieces  
19 to arrive at that figure?

20 A I never even saw the show or pictures of  
21 the show. But there were quite a few pieces. They  
22 have a big vault there where they keep all the Sky  
23 Jones paintings in the bottom of the gallery. There  
24 is a great, big vault.

25 Q So you have been to the gallery?

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I A Yeah.

2 Q In fact, if I called there and asked to

3 look at some of your work, they would call you,  
4 wouldn't they?

5- MR- KREITMAN: Objection.

6 A They would call you and tell you to come  
7 down and take a look, because there is a company in  
8 Fort Worth that put on the show called AIN,  
9 Independent - AIN. It is a video company. They have  
10 got \$20 million worth. They put on the whole show.  
11 It was their art. Whatever came out of it, they got  
12 and split it with Milan. David Newren was also  
13 responsible for putting it on.

14 Q How many pieces, do you think, of Yours are  
15 currently at that Milan Gallery?

16 MR. KREITMAN: I'm sorry. I didn't hear  
17 that.

18 , Q (By Mr. Harper) How many pieces of your  
19 art are currently at the Milan Gallery?

20 A Currently right now?

21 Q Yes.

22 A Oh, I bet they have got 30 or 40 downstairs  
23 in their vaults right now. They may have more.

24 Q How many are they displaying?

25 A On display, I think - they run shows, so

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I they set up a show and take it down and stuff. I  
2 don't know if they have anything on display right now  
3, or not. I haven't been down there for a couple of  
4 years. They have probably got a couple of pieces on  
5 display. You can sure call him on the phone and ask  
6 him, and he will set up a viewing.

7 Q Do you know if they sell any postcards with  
9 your work on them? ~

9 A Yeah. They had a bunch of postcards  
10 printed up. I

I I (Mr. Harper produced a postcard.) 1

12 Q What does that look like? 1

13 A Yeah. That is one of them. I

14 Q All right. 1

15 A That is a gorgeous piece, by the way. 1

16 Q Why don't you go ahead and hold on to that. 1

17 I will mark it. 1

18 A Okay. Thank you. 1

19 MR. KREITMAN: Do you have a copy for 1  
20, me? 2

21 MR. HARPER:.. Yes, I do. 2

22 (Mr. Harper provided a document to 2  
23 Mr. Kreitman.) 2

24 MR. KREITMAN: Thank you. 2

25 MR. HARPER: Mark that as Defendant's 2

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1 Exhibit A.

2 A This is an unbelievable piece. The longer  
3 you look at it --

4 Q (By Mr. Harper) What is it? Do you know  
5 the name of that?

6 A , It is probably called "Artist and Model" or  
7 something.

8 THE REPORTER: I'm sorry. Called --

9 A Artist and -- niight be "The Artist and the  
10 Model," something like that. I don't know how many  
11 I I more of these they have. They have some other ones  
12 printed up, too.

13 Q Oh, they have others? How do they

14 A These are just the ones they sent to you?

15 Q Yes. Do you know if they sell these in the  
16 gift shop?

17 A Yeah, they do. Plus, they

18 Q That is your signature there at the bottom  
19 right?

20 A Yes, uh-huh, uh-huh.

21 Q I can't read the year. What year is that?  
22 '99?

23 A I don't know. I can't tell. Probably '90.

24 MS. LEVINE: '92.

25 A '92. This piece here is on canvas, by the

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1 way.

2 Q That is on canvas?

3 A Yeah. That is a canvas piece.

4 Q All right. Also on that web site-it states  
5 that, "After the sizzling Fort Worth show, the  
6 Securities and Exchange Commission made it publicly  
7 known that more than a quarter of a billion dollars  
8 worth of Sky Jones paintings were in the collection of  
9 125 corporations.

0 A They sure did make that public.

1 I MR. KREITMAN: Objection. There is no  
2 question.

3 Q (By Mr. Harper) Is that true?

4 A Yes, sir.

5 Q And how was that made public?

6 A Through the deposition that they made. And  
7 once it was over, it was free, public infon-nation.

8 Q All right. And it also says that "Sky

9 Jones was documented- officially by Walter S. Kinsey,  
0 Jr., of the SEC in March 1996 as being the single most.

1 collected artist of all time by U.S. corporations."

2 Is that true?

3 MR. KREITMAN: Objection.

4 A They got upset about me using that.

5 QHow so?

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1 A Well, it was on the web site. The SEC  
2 attorney lady called me up, or the guy called me up on  
3 the phone and said, "You know, we would like it if you  
4 didn't use that." I said, "Why noi? It's true." And  
5 he said, well -- here is'what they did. They gave me  
6 an R factor, an R factor is a reality factor before  
7 they started telling me. I said, "By the way. what  
8 are we doing this for?" and they told me.

9 Q Explain that to me. I don't know what you

10 mean.

I I A R factor is a reality factor, give me a  
12 little reality on why I am here.

13 Q Who was this?

14 A Kinsey, whatever his --

15 Q This was back in '96?

16 A '6 or '97.

17 Q '96, '97.

18 A Something like that.

19 Q And what did they tell you?

20 A This was just before they turned on the  
21 camera. I said, "Why am I here?" He says, "Because  
22 there is an anomaly." I says, "anomaly?" I says,  
23 "What do you mean anomaly? Something that wasn't  
24 supposed to happen, never happened before, wasn't  
25 supposed to happen?" He says, "Yeah, kind of like

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1 that."

2 MR. KREITMAN: Objection. Move to  
3 strike. Non-responsive and hearsay.

4 Q (By Mr. Harper) And Mr. Kinsey, he knew you  
5 were without an attorney; is that correct?

6 A Yeah.

7 MR. KREITMAN: Objection as to what  
8 Mr. Kinsey knew.

9 Q (By Mr. Harper) And he had a conversation  
10 with you off camera?

I I A Right, before we started. My response was,  
12 Well, more than Picasso or than Dali, more than  
13 Chagall, more than Monroe? He says, "Yes." I said

14 MR. KREITMAN: Objection.

15 A -- "Do I hold the record?" He said, "Yes."

16 MR. KREITMAN: Objection. Move to  
17 strike, non-responsive.

18 Q (By Mr. Harper) All right. Also on this  
19 website are some suggested retail prices. Are you  
20 familiar with those?

21 A Oh, yeah, probably. I am pretty familiar  
22 with those. I think they are all pritty standard at  
23 this point.

24 Q All right. And if I were to represent to  
25 you that the web site had suggested retail prices up

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1 to \$350,000, would you agree that that is accurate.)

2 A Sure.

3 Q In fact, is there one particular piece  
4 called the "Prayer of Venus" that is worth \$3501000?

5 MR. KREITMAN: Objection.

6 A It may be "The Prayer"?

7 Q (By Mr. Harper) I'm sorry.

8 A If it is called "The Prayer."

9 Q How about the "Rebirth of Venus." Are you  
10 familiar with that?

I I A Yeah.

12 Q You established a value for that?

13 A The "Rebirth of Venus" is an amazing  
14 painting. I personally traded that one out. It is  
15 just an amazing painting. It is worth whatever the  
16 market will bear. You know, today is another day. I  
17 don't know. Maybe it is not worth so much. Maybe it  
18 is only worth 200,000 instead of 250,000. The market  
19 fluctuates. Unless I have got my broker, I won't know  
20 for sure. I have to call my broker. He will tell me.  
21 Q Who is your broker?  
22 A I just made that up. It was a joke.  
23 Q I got you. I am a little slow over here.  
24 A It is all right. Everybody else is  
25 listening.

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1 Q Do you recall selling, or at least having  
2 your distributor selling paintings to the Birmingham  
3 Consultants Group? ,  
4 A No, I don't. Although, I remember P.  
5 Birmingham, the name came up in the last deposition, I  
6 believe. P. Birmingham may have. I have seen the  
7 name around. But I don't know where it was or what  
8 the guy gave.

9 Q If I represented to you that the purchase  
10 price of a Michael Whipple was \$150,000, would you  
11 I I agree with me?

12 A Purchase price of one? Sure. Any Whipples  
13 you can get -- well, there is a package of them. They  
14 are a certain category. Any of them that are \$100,000  
15 is a deal, that is because there just aren't any more  
16 of them, and there haven't been any more of them for  
17 the last 25 years.

18 Q What do you base that on?

19 A The fact I don't sign my name on any of  
20 them anymore.

21 Q You base that on how the market has gone  
22 Whipple?

23 A Yeah. Right now, there is plenty of Sky  
24 Jones floating around. But Whipple is all sucked up  
25 out of the thing. You know, you go to a trade show,  
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1 you go to a trade show and you see the Sky Jones  
2 floating around here, and you see the Whipples locked  
up.

4 Well, I will bid this and this and this,  
5 you know. You know, you go to a trade show, and you  
6 see the Sky Jones floating around here, you see the  
7 Whipples locked up. Well, I will bid this and this  
8 and this, except on my Whipples. The guy will lock  
9 them up, and he won't let you get into his bag, so  
10 to speak.

11 Q Do you recall your distributor making a  
12 sell to the Stephen R. Reed Automobile Manufacturing  
13 Corporation?

14 A Ok yeah. This guy had a lot of money,  
15 too. He put out a lot of cash.  
16 The contract that went along with that was

.17 amazing. It was a \$20 million contract.  
18 Q Explain that. -  
19 , A Well, I doWt know if I should, you know.  
20 The fact of the matter is they came in, and they took  
21 a look at the art, and they said, we would like to -  
22 give you \$20 million cash. I said, "Wow!"  
24 I am jumping the gun. A guy came by. 1  
25 was out of money. I was broke, as usual. A guy came  
by, and he walked through the place, you know, through,

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I the Banker Art Museum, walked through~it, my studio at  
2 the time. And I told him a story about how one of my  
3 art dealers had been trading these prints over here  
4 for stock, and then taking the stock and trading it  
5 for real estate. So I had cash income producing real  
6 estate with the stock.

7 That was Dave Gerlach that was doing it.  
8 He already picked up six income-producing farms as a  
9 result of it. And I thought, "Wow, this sounds  
10 great." So this Dale Vega comes along and takes all  
I I my art.

12 Q So you couldn't fulfill the contract  
13 because of Mr. Baker? 1

14 A -No, no. What they did, they came along, 1  
15 and said, "We would like to" w- he said, "Do you mind 1  
16 if I bring the owner of the bank over?" I said, I  
17 "Fine." I

18 He brought the owner of the bank over. He 1  
19 brought the owner of the bank over. They collected 1  
20 Bentleys. Every time they came over, they drove a 2  
21 different Bentley. They started to 2

22 They came in and started to come in and 2  
23 signed a \$20 million contract that I never had to pay 2  
24 any of it back if they defaulted. Then they started 2  
25 to bring the cash in, in briefcases, \$100.000 at a 2

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I time.  
2 Now, what happened is that the federal --  
3 somebody in their office answered the Phone --  
4 somebody in their office answered their phone,  
5 'European Oversees National Bank," and the Feds.  
6 closed them down and froze their accounts, and they  
17 were unable to deliver on the rest of their contract.  
8 But I got to keep the money they gave me and was under  
9 no obligation to pay them back, per their own  
10 contract.

I I Q How about the Stephen R. Reed Automobile  
12 Manufacturing Corporation?

13 A Same guy.

14 Q And you recall that company purchasing

15 A Well, I was, you know -- you know, they  
16 just came in and cleaned it out. They wanted a lot of  
17 artwork. They liked the ide& And they were real  
18 happy with everything they had.

19 Q Describe, if you can, if you recall, the

20 transaction and the amount.

21 A Okay. On the artwork, they sent their own  
22 man over to pick through the artwork and to certify it  
23 and different things. I can't remember his name.

24 - ' But the only part I remember is, very  
25 ; clearly is when they brought over all the c;yh, big,

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I big piles of cash. I remember counting it. It seemed  
2 like it ' takes forever to count V 00,000 in hundred  
3 dollar bills. One, two, three, four, five. "Should  
4 we count it again?" "No." "Let's count it once  
5 more." Okay. You know, keep on counting.  
6 Geez- the staggering numbers of the amount  
7 of money coming in. This is a \$20 million contract.  
8 And it says th at if they don't deliver all the money  
9 within five months, the contract is null and void.

0 Q Now, what were you to produce in  
I consideration for

2 A Just art, just art, just give them the art.

3 Q Was it broken down by actual piece?

4 A No, no. It was wide open. They just  
5 wanted to be my benefactor, because of the nature of  
6 what I was doing. I gave them cart blanche. I said,  
7 "Yeah, do anything you want."

8 , He says, oh, I know somcb~dy that has got a  
9 seat on the New York Stock Exchange, and she has got  
0 zip, zip, zip companies under her, named a whole bunch  
I of big numbers. Boy, she can really use this art. 1  
2 said, great.

3 You know, this. is before --

4 Q Did you ever sign an actual contract?

5 A (T4ods head.)

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I Q Do you have any idea where that is?

2 A These guys have it.

3 Q SEC has it?

4 A Yes.

5 Q You are referring to the SEC?

6 A Yes.

7 Q When did you give them that?

8 A I didn't. Everybody else had papers that  
9 had subpoenaed from them. Now, Artie Freestone would  
10 have had the files, and she would have turned them  
I I over to them.

12 Q You are talking about the previous  
13 litigation, the ITEX litigation?

14 A Um-hum. Yes.

15 Q Yes? Do you recall a transaction with a  
16 Haitian American Bank --

17 A What you are doing is digging through a  
18 bunch of Michael Whipple stuff

19 Q Right.

20 A -- that was put away in a file and says, 1  
21 don't want to open up this anymore. He wanted to get  
22 some stuff going, and he wanted to get some things set  
23 up. That is the letter you have there. As far as

24 what came down out of it, it was a bank that wanted to  
25 do some type of whatever. I don't believe anything

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1 ever came of it.

2 Q Do you recall that you were going to put up  
3 art for collateral, or as collateral for a loan? Do  
4 you recall?

5 A Yeah.

6 Q Do you recall the numbers?

7 A No. I see 365,000 or million or thousand  
8 or something down there, but I don't know what the  
9 numbers mean.

10 Q If I represented to you that you were to  
11 I provide \$4 million of art for \$1,700,000 million in a  
12 loan, would that -

13 A Yeah, something like that. That has been  
14 ran through. You know, just about everybody and their  
15 dog tries that. As soon as they get some of my art,  
16 they start hitting up financial institutions trying to  
17 borrow money from them.

18 Q And why would they do that?

19 A They need the money. They take a look at  
20 the art, and they know it is a step closer than where  
21 they were.

22 Q More meaning that art has ;~alue9

23 A Sure.

24 Q More than nominal value.

25 A Well, some of them are able to run it

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1 through. but you have got to put it down as a  
2 collateral or the sweetener or something, you know.  
3 It is just not art. They just will not loan on  
4 straight art, unless it is a very unusual situation.  
5 You know, the stuff started improving, just like  
6 Bernet?

7 Q Do you recall a Judith Lazarre purchasing  
8 art?

9 A Um-hum. She was the owner of the bank.

10 Q What bank was that?

11 A European Overseas National or whatever.

12 Q Did she actually purchase any work from  
13 you?

14 A Dick Prowl.

15 Q Do you recall a dollar value?

16 A No.

17 Q If I represented it was \$575,000, does that  
18 refresh you?

19 A That could be really something. That could  
20 really be something. They owned a tractor importing  
21 place from -- tractor importing place from China was  
22 one of the things that they had. They were importing  
23 tractors. The feds closed their operation down. That  
24 one there is a good one.

25 Q Tracy Collins. Do you recall that?

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1 A Yeah.

2 Q What was the deal with that?

3 A Said they had a bunch of my paintings in

4 their collection and were looking for more, right?

5 Ted May?

6 Q Right.

7 A Salt Lake City? 0

8 Q Right.

9 A They had some paintings and wanted more.

10 Q They had three of your Whipples. Do recall

I I what they valued those at?

12 A Up a ways. It was pretty up there. There

13 was another bank that was like that that had a

14 collection of them, too. It was in Long Beach. 1

15 can't remember the name.

16 They had -- Artie was going bankrupt, and 1

17 said, you know, "Don't cheat them by doing that. Give

18 them some art or something. Don't go bankrupt on

19 them." We called the bank president and owner, and

20 they came over., and we talked to them, and we

21 agreed --

22 Q Explain that a little more. Did Artie owe

23 somebody some money?

24 A When I met her, she was \$385,000 in the

25 hole to lenders. At one point, she was worth 50

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I million cash. And she got down to just lost  
2 everything, was down to 385,000 in the hole. And 1  
3 contacted her debtors and bailed her out with the art.,  
4 That was 1983. -

5 Q Can you tell me what the actual deal was,  
6 howmuch of your art was traded for that debt you  
7 described?

8 , , A Home Bank on Cherry Hill in Long Beach was  
9 the Aame of the bank" The principles, I can't  
10 remember their names. The 385,000, 1 believe, was the  
I I number that she owed on the loan. The amount for  
12 the - the amount of paintings that they owned, and  
13 they owned the Universe Creator Series. You should  
14 have ~I mean, I am just shooting wild on this.

15 Q Okay.

16 A I believe the Universe Creator Series  
17 appraised by some other appraiser other than all these  
118 appraisers we know. They took it to their own  
19 appraiser. I think it came out at \$2 1/2 million or  
20 2.2 million. I can't remember.what it was. It was up  
21 there a ways.

22 Q So some other independent appraiser

23 A ~ Um-hum.

24 Q -- appraised your paintings for 2 1/2  
25 million?

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I A Oh, it was

2 Q And you --

3 A It was Home Bank's appraiser. They had

4 their own guy.

5 Q And that was what was traded for the debt  
6 she owed? -

7 , A Yeah. That canceled out the 385,000. Then  
8 she didn't have to go bankrupt.

9 Q So at a minimum, this piece was worth  
10 385,000; is that correct?

11 A Yeah. There was more than one piece. 1  
12 gave them several pieces'. I believe there were five  
13 or six pieces or something, five or six pieces. But 1  
14 would, you know

15 Q In fact, there has been other appraisers  
16 besides this National Institute --

17- A Oh, yeah. National Institute of  
18 Appraisers.

19 Q Yeah. Are there a couple down in Orange  
20 County? Aren't there a couple down in Orange County?

21 A Yeah, there were some in Orange County. 1  
22 don't remember the names of them. I think I have it  
23 somewhere. I might be able to get it -- Arnold White  
24 and David Gerlach. David Gerlach out of Walnut Creek,  
25 California and Arnold White out of North Hollywood.

264

1 Yeah.

2 Q Wasn't Mr. White the one you testified  
3 earlier receiving insurance?

4 A Yes.

-5 Q Insurance proceeds for the

6 A Yeah. He had the art in the trunk and  
7 somebody stole his Cadillac and stripped it. He had  
8 proof he was an art dealer, so that helped.

9 -Q Do you recall how much he received for  
10 the --

11 A He never told me. He never would tell me.  
12 But that was back in the '70s.

13 Q All right. In fact, you have your,  
14 distributors have utilized your art for quite a bit of  
15 merchandise

16 MR. KREITMAN: Objection.

17 Q (By Mr. Harper) -- in your career? Is that  
18 correct?

19 MR. KREITMAN: Objection.

20 A Sure. Yeah, they have traded for a huge  
21 amount of stuff. There was the first deal Newren put  
22 together was a \$485,000 yacht, new one. And that was  
23 heavy cash.

24 Q So, your art was traded by Mr. Newren for a  
25 \$485,000 yacht?

265

1 A To begin with. That was -- the first deal .  
2 he did, he went and talked to his dad and got a whole  
3 bunch of money and got us into a huge facility, The  
4 Osmond Center down in Warren, Utah. The Osmond  
5 Center.

6 The Osmond Center was -- we had that-for a

7 couple of months. And then his father came in with a  
8 big chunk of money. Then he traded for the yacht. He  
9 got rid of the yacht and we all went to Thailand and  
10 printed up a bunch

I I Q You mean you sold the yacht?

12 A Yes.

13 Q- Do you recall what you sold it for?

14 A He never told me. It was appraised for

15 \$485,000.

16 Q Converted it for cash?

17 A A percentage-of that, yes. He went to cash  
18 with it. He says, "Don't you even want to go ride on  
19 it?" "I don't even want to see it. Can't you tell an  
20 alligator from a pussy cat?"

21 So that was the first one. Then he

22 many, many times he traded for automobiles and are  
23 you rattling those papers real loud just to distract  
24 me, or do you do that as a habit?

25 MR. KREITMAN: I'm sorry. I apologize.

266

1 THE WITNESS: I know I am a hostile  
2 witness, but you don't have to be hostile, too.

3 MR. KREITMAN: When we say "hostile", it  
4 is just a legal term. It doesn't mean unfriendly.

5 THE WITNESS: Okay.

6 MR. HARPER: How about a break? Is  
7 anybody up for a break?

8 MR. KREITMAN: Sure, a break. Let's  
9 have a break.

10 (A break was had from 4:27 to 4:43

11 P.M. )

12 Q (By Mr. Harper) All right, Sky. I don't  
13 really recall where we were, but let's move forward.

14 A Okay.

15 Q You were talking about some of the trades  
16 with David Newren early on.

17 A Um-hum.

18 Q Isn't it true you had a policy that your  
19 distributor was to trade for products, services, and  
20 you would trade art that was worth twice as much.)

21 A Um-hum.

22 Q And that is a yes?

23 A Yes, sir.

24 Q And then if the product or service could be  
25 converted into cash, it was converted into cash. Is

267

1 that true?

2 A Yes.

3 Q And if not, you would donate it to charity?

4 A Donations to charity are a standard. I  
5 don't even have to have a receipt for it. Just get it  
6 out of here. As soon as a thing slows down, because  
7 it is hard to move -- a lot of things are easy to pick  
8 up on trade. Like last month's advertising. Well,  
9 it's just about worthless, isn't it? Yeah, this guy  
10 is still trading last month's advertising around.

I I                    So a lot of the things, especially  
12 merchandise that won't go back into the marketplace,  
13 that is something that is donation material. And I  
14 just told him to just call any one of the donation  
15 places and just get rid of the stuff.

16                    So we have, essentially, because so much  
17 junk was picked up, set up some major pipelines to  
18 charities. Salvation Army is a standard. A lot of  
19 places around town here, the charity places have my  
20 art in them. Remember the old trader's adage, whoever  
21 takes possession, loses. That is because one time I  
22 traded for 30,000 pounds of socks.

23                    Q                    What did you end up doing with those?

24                    A                    I became a sock salesman. I had a guy  
25 going door to door, a couple people going door to

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1                    door. You know. the hell with being an artist.

2                    Hell, I am a sock salesman now.

3                    Then I got 30.000 pounds of dried fruit.

4 Most of it was prunes. My realization on that was I  
5 ended up selling that for 75 cents a pound. That was  
6 good. We got rid of it all. But, you know, for &

7 longest time, I was a fruit salesman. So what I did

8                    is I decided, to be economical with my career, I would  
9 stay away from taking possession as much as possible.

10 And either dump it for quick cash or give it to the

I I charities to do with what they may.

12                    Q                    And, in fact, you were interviewed in the

13 "Barter News". You talked about that before.

14 Correct?

15                    A                    Yes.

16                    Q                    And you discussed some of the articles that  
17 you had received -

18                    A                    Yeah.

19                    Q                    -- that your distributor received in trade.

20 Correct?

21                    A                    Uh-huh. It is a river of stuff. As soon

22 as you start bartering, everything that doesn't move

23 easily for cash becomes available to you, and that is

24 a lot of good. good things.

25                    Q In fact, you had an Apollo re-entry rocket

269

I                    at one time, didn't you?

2                    A I had the Apollo I I re-entry rocket that

3 brought our boys back. And it was involved in a

4 lawsuit. And the guy that had it in the lawsuit won

5 and got to keep it and traded it to me.

6                    And another guy came along out of

7 Sacramento named Wayne John, and he told me hywtadly

8 he needed it and how much he would be willing to

9 provide. Of course, I need printing and books and

10 everything. Right. Oh, yeah, I have got tons of

I I                    that. Yeah, just give me this and blah, blah blah,

12                    blah, blah. I never saw him again. That thing just

13                    kept on flying. That was amazing.

14 Q You also at one time had valuable antiques;  
15 is that correct?  
16 A Sure. There is -- the valuable antiques,  
17 there is just a massive amount of that stuff that is  
18 available on barter. Oddball items that are too  
19 expensive to sell for cash, and won't sell for cash,  
20 because they are so expensive, but will barter.  
21 Jade towers, six feet tall. Jade trees  
22 with fruit on them bigger than grapefruits, all hand  
23 carved fruits at different sizes of developments. IL  
24 comes in. What am I going to do? Sit around and  
25 stare at that stuff? Whoever takes possession, loses.,  
270

1 And if you have got more than a couple of guitars,  
2 chances are you won't play the guitar much. You will  
3 be too busy picking around with your guitars.

4 Q Also, you traded for jewelry, diamonds. and  
5 gemstones. Correct?

6 X Yes. The most common thing is commercial  
7 grade gems, as we all know, and I have had buckets  
8 full of that stuff come through. I have used a lot of  
9 it on the paintings. Usually what I do, when I travel  
10 around, I give people handfuls of gemstones as gifts.

11 I Oh, here is some stuff. You need to start  
12 your jewelry box. The next time I come and see them,  
13 they are happy to see me, and I am the only guy that  
14 ever gave them jewels.

15 Of course, you know, if you can't use it,  
16 you might as well give it away.

17 Q You also had some other stuff. Was there  
18 an industrial park at one time that your art was  
19 traded for?

20 A That's right. We traded the art for an  
21 industrial park in San Marcos. California. That was  
22 one deal.

23 Q Do you recall the value?

24 A I believe it was a million and a half  
25 dollars or something like that. It was up there a

271

I ways. That was that one place.

2 Q What do you mean "that one place"?

3 A Well, there are other places, too, that are  
4 similar to that.

5 Q Okay.

6 A There is a high rise in the -- David Newren  
7 did the first deal on the industrial park. I don't  
8 know how the whole thing worked out.

9 Q Is that the one with Bill Ghores?

10 A Bill Ghores, yeah. There was a lawsuit on  
11 I that. I believe the lawsuit ended up paying several  
12 million dollars.,

13 Q To?

14 A Pamela Weston. That was the last we heard  
15 of her. She was on that lawsuit about three or four  
16 years. She was dogging that guy. She was flying back  
17 and forth from Florida.

18 All of a sudden she came over one day and  
19 she said, "I just happen to have an extra 1,000,"  
20 peeled off ten I 00s. I didn't see her ever after  
21 that. I haven't even bothered to check in with Bill  
22 Ghores and his attorney to find out what the  
23 settlement was for, how much money she ran off with.  
24 I did contact the police, and I got that report right  
25 here, Exhibit Number 8.

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1 Q Are you a ptaintiff in that lawsuit? Do  
2 you recall?

3 A Banker Art Museum, Sky Jones, yeah. If you  
4 want to run a check on that, you know --

5- Q Do you know where that was filed?

6 A It was filed in Las Vegas.

7 Q Doyou know if itwas in federal orjust  
8 regular state court?

9 A I am, not sure. I think probably regular  
10 state-Spelled G-H-O~R-E-S.

I I Q And it is your understanding her settlement  
12 was how much?

13 A My understanding was that they settled with  
14 her for an undisclosed amount of money. And i have no  
15 way to say. But that was the last I saw of her.

16 Q Now, if I represented to you that the  
17, industrial park was appraised at \$9 million, would  
18 that ring a bell?

19 A I had no idea- I wasn't in on the lines.  
20 I just knew that Newren had purchased it from Bill  
21 Ghores. I was there. I was there working. I built  
22 500 boxes while I was there, and painted several  
23 thousand feet. 51 inches wide, experimental - I was  
24 trying everything. Experiment there, experiment  
25 there.

273

1 Q When you say there, you mean you were at  
2 the industrial park?

3 A Yeah. I actually moved in.

4 Q How large was it?

5 A It was huge. it must have had 60 or 100  
6 units or more.

7 Q Was it like a mini storage place?

8 A No. It was actual places where people  
9 rented out the actual place for a business. And a lot  
10 of auto body stuff, and. little garage type things.

I I But a-lot of it was regular, open right up to the  
12 public for retail business places. Some of them were  
13 real nice. I mean, it was new.

14 But they were low on tenants. Artie went  
15 in there and rented out 17 units just within six  
16 weeks. Artie turned everything around, everything was  
17 really producing. That is when they ran into some  
18 problems.

19 , Q When you say "ran into problems," did it  
20 never close escrow?

21 A I don't know what finally happened. There  
22 was a lawsuit, because he took the art and wouldn't  
23 give it back. I don't know whether or not we got  
24 clear title to the thing. I haven't spoken to Newren  
25 nor Artie about what occurred.  
274

1 The reason is because the numbers are  
2 staggering. Once you get into these, you do a deal,  
3 out of every ten deals, one deal might go through. So  
4 if I have to listen to the other nine, -and then the  
5 one deal that did go through, and there are problems  
6 on it, I am going to lose interest in painting.

7 Q So you didn't want to take care of the  
8 business aspect?

9 A I didn't want to have any part of that, in  
10 fact. I haven't, as a matter of fact.

11 Q Now, you talked earlier about 75 lots  
12 somewhere in California.

13 A Yeah. I traded to -- from one guy, 75 lots  
14 in Clear Lake, Northern California. His name was -- 1  
15 can't remember his name right off. The tax came due,  
16 and it was \$25 a lot, and I took a look at it. 1  
17 thought I am going to go out and earn some money, make  
18 some money someplace. I might as well pay this off  
19 and do it again next year.

20 What? Oh, maybe I should list some and  
21 sell them, and then I will have money to blah, blah,  
22 blah. Is this really what I want? And I thought,  
23 "Nope". Then I tore them right in half, through them  
24 in the trash next to me. I haven't had to think of  
25 them since, except every once in a while if I mention

275

1 it, you know.

2 Q Do you have any idea what the value of  
3 those lots were?

4 A Yeah. They were 3500 to 5500 per lot. So  
5 I don't have a lot of respect for these things, you  
6 know.

7 Q How about this LaYerne, La Verne,  
8 California museum?

9 A Yeah. I put 150,000 cash into that  
10 building to upgrade it. It used to be an orphanage,  
11 beautiful, magnificent building. Went in the top  
12 floor. 15,000 square feet, just in the top floor.

13 Stripped it completely. Knocked all the  
14 walls out, turned it into one room. Painted the  
15 entire building, ceilings, walls, floors and roof,  
16 inside and out, including the white sidewalks, high  
17 gloss enamel white.

18 The place was just full of evil spirits  
19 from the orphanage, that had abortions there and  
20 beatings and sexual incidents and all kinds of  
21 incidents, and all kinds of horrible things. And I  
22 went in there and just made all the bad spirits go  
23 away, took a tractor and leveled everything around  
24 the whole property, fixed it up.

25 And then everything has its season, and

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1 then the time came, it was time to go. So I left it  
2 as a gift to the David and Margaret Home for Boys,  
3 Home for Girls is what it was called, the David and  
4 Margaret Home for Girls. These were all wirts of  
5 the court.

6 Q And somebody associated with you ow~ed this  
7 property; is that correct?

8 A I went in and contracted -- I purchased to  
9 buy it. I purchased to buy it. But, you know, you  
10 get into a lot of these personal areas. you know.

11 I I Q So what did you end up donating, then, to  
12 the David and Margaret Home?

13 A I upgraded it for them and then I left the  
14 property in their hands, period. I fixed it up, I  
15 cleaned it up. I made it so it wasn't discreditable.  
16 so it was something to be proud of. .. N

17 Q So, the property never transferred to you?

18 A No, never took possession.

19 Q Okay.

20 A A lot of these things -- you can look at  
21 the ground, but let's talk about what happened to  
22 people, the Sooners, you know. What really happened  
23 there, and were there acts of kindness and generosity,  
24 as people ran their lots. and were there acts of  
25 criminality.

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1 Well, who cares about the land. The  
2 subject is the people. The David and Margaret Home  
3 for Girls - I was with a woman that had been  
4 horribly, maliciously abused and tortured. Well, what  
5 were we doing at the David and Margaret Home for  
6 Girls? We were contributing to that part of society  
7 so she could get the flow going back to be suppyrti:~e  
8 of girls that had been abused. That is why we were  
9 there.

10 How much did it have to do with the  
11 I I bankrupt museum or what we call the Michael R. Whipple  
12 Museum of Fine Arts at the time? That was almost just  
13 an excuse for the spiritual connection for me. This  
14 was a spirit that was in need of help and had serious  
15 physical problems as a result of horrible treatments.  
16 And I can't say she came out of it all the way.

17 Q How much do you think was put into the  
18 renovation of that?

19 A Not counting my

20 MR. KREITMAN: Objection.

21 A Not counting my work, it was \$150,000 cash.

22 Q (By Mr. Harper) And where did that money  
23 come from? \* 4

24 A All of it came from - 100,000 of it came  
25 from art and 47,000 of it came from the sale of an

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1 ' apartment complex in Houston.

2 Q And the apartment complex was owned by?  
3 A Weston.  
4 Q Weston?  
5 A Pamela.  
6, Q How about, at one time, did David Newren do  
7- a deal regarding some franchises for a minor league  
8 basketball team? Do you remember that?  
9 A Oh, yeah. Artie ended up getting some of  
10 those. I don't know what happened to all of them.  
I I Yeah, they had a bunch of basketball franchises they  
12 owned. I don't know whatever happened to them. I  
13 remember hearing about them. I heard you had to have  
14 a couple to get them going. Some people said they  
15 were interested in them.,  
16 You know, I don't know what ever happened  
17 with those. I have never seen them. I don't ever  
18 think I ever even sat down -- I just heard them  
19 talking about it. I never sat down.  
20, Q But in order to enact those transactions,  
21 they were utilizing your art; is that correct?  
22 A Correct. Oh, Newren started a bail  
23 bondsman, helped a bail bondsman to get his bond in  
24 - Arizona with the artwork. They didn't have enough  
25 money to get the bond, so they gave them the art.

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I They put the art up and got the bond.

2 Q - Do you have any idea how much the bond was  
3 worth?

4 A It was worth enough to open up a bail  
5 bondsman shop, you know.

6 Q What about this phone call deal, do you  
7 remember that?

8 A Yeah. There was One World phone cards. I  
9 think we did a couple million dollars worth of that,  
10 did a couple of million dollars worth of art for a  
I I couple million dollars worth of phone cards.

12 Q The phone cards never worked, did they?

13 A No. That was a big loss. But, you know,  
14 the good part of it was that the art went out and  
15 didn't come back. Of course, if it would have come  
16, back, that would have been good, too. I still have  
17 recourse on that suppose, if I wanted it.

18 Q You probably do on some of these?

19 MR. KREITMAN: Objection.

20 A Yes, I probably do. I would turn the whole  
21 thing over to somebody with a big stick that knew how  
22 to hit in the right spot,

23 Q (By Mr. Harper) Do you have any idea how  
24 much of your art has been traded for other merchandise  
25 or services in your career?

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I MR. KREITMAN: Objection.

2 My numbers that I have come up with to  
3 try to make sense of it is the last deposition, it  
4 was -- I believe it was \$275 million worth of art the

5 SEC had traced down in 127 publicly held corporations.

6 My numbers were closer to 530 million  
7 dollars worth of art that had gone out, to a total of  
8 about 15,000 pieces, of sculpture and painting and  
9 jewelry, et cetera, to the -- mainly one-of-a-kind  
10 original pieces on that, not counting prints, what is,  
11 I I at this point, way over 200 publicly held  
12 corporations.

13 So there is really quite a large amount.  
14 Now, where most of the stuff went, the Whipple stuff,  
15 the Whipple stuff all went out, and it kind of went  
16 out here and there for a little cash. a little trade  
17 here and there, and then a bunch of trade here. And  
18 then all of a sudden, this Dale Baker comes in and  
19 cleans out all the rtst of them. He is the first  
20 corporate guy that came over and took me to the  
21 cleaners.

22 And he came in, and he took all the rest of  
23 the prints I had and, if we still have recourse on  
24 that. That is another strange area.

25 Q How about, do you recall a trade for some

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1 building lots, a hundred building lots in 5ue' Saint  
2 Marie, Michigan for your art?

3 A That may have been one ofNewren's trades.  
4 Although there was a guy by the name of John Worthen,  
5 who Newren was working with, that had picked up a lot  
6 of big, big chunks of land with this stuff.

7 1 They had -- one, I wanted to get it and go  
8 out and build a studio on it. But they were all just  
9 doing their business deal. They forgot about me. It  
10 was in Utah. It was hund reds, hundreds of lots. It  
11 I I was a big, big chunk. It wasn't a section, but it was  
12 a big chunk of a sectiorCin Utah.

13 He was doing that with David Newren, John  
14 Worthen and, the company's name was Carousel, I think.  
15 But Worthen had many corporations, I think. I have  
16 seen a lot of these things with the land go down. The  
17 guys that end up holding the land lose. The guys that  
18 get the art, they did better. It is my viewpoint.

19 Q All right. As an artist, do you consider  
20 yourself a manufacturer of fine art?

21 A Ab~solutely, manufacturer being synonym with  
22-2 creator, originator, constructor, that type of a  
23 thing.

24 Q Your suggested replacement value is based  
25 upon what?

28

1 A How hard you are going to want to have to  
2 pay me to get it replaced. I don't like to redo  
3 anything, you know. Say I did a recording, and it was  
4 lost 30 years ago. Now I have got to sing that same  
5 song again? Well, I will if you pay me enough.

6 Plus, how much am I going to lose by  
7 messing around with this stupid painting? Some of  
8 these paintings, like this one right here, you can't

9 even walk next to that painting without at least 200  
10 gallons of premixed color, at least 200 gallons.  
I I And most of these in here--

12 Q Let the record reflect that Sky is showing  
13 Defendant's Exhibit A.

14 A Yes. And here is Exhibit Number 7. These  
15 paintings in here, another artist can't even  
16 approximate them without at least 300, 400 to 500  
17 gallons of paint. I had always a minimum of 500  
18 gallons of paint right there at my fingertips. So  
19 if I wanted it, there it was.

20 And there was enough of it and it was the  
21 right color. That includes all of these. In other  
22 words, you cannot get this effect and compete with me  
23 unless you walk in with 500 gallons of paint. Now,  
24 that is first rule. In other words, I have got a look  
25 here that nobody can copy.

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1 Q And has the market been true to your value  
2 of your art?

3 MR. KREITMAN: Objection.

4 A In every case where I personally have gone  
5 out with my art, I have been able to do real well.  
6 Where other people, other art dealers and stuff, they  
7 may be here and there, they don't do as well as I do.

8 Nobody can sell the art like the artist  
9 himself. The ones that have done pretty good,  
10 successfully maintained \$25,000 to \$35,000 per  
I I painting cash price, the people that have done that  
12 have been Mark Papendick, Robert -- or Ronald  
13 Welborn, Papendick, Welbom, Newren. He did a lot  
14 that were just 35, 40, 50,000 a piece with those  
15 deals he put together. And those have been three  
16 major ones, but there is some other ones that have  
17 also done real well with the cash line on that.

18 But I just -- I am a real isolationist. I  
19 just stay away from the marketing lines. I don't like  
20 to go to any of the Barter club things. I like to  
21 spend my time on the artwork. Life is short and  
22 artists mature slowly. I figure I Ein getting close to  
23 being mature now. It is about time to do something  
24 good.

25 QHave you ever forced anybody to buy your

2

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1 art9

2 A No. Well, let me think. Oh, have I?

3 Q ~'eah.

4 A No. No. I would like to say I used w  
5 sell awful hard. I guess that is kind of a force. I  
6 talked this one guy into having me paint hisTwife"  
7 just like this other one that I painted. He says,  
8 "Howmuch?" I said, 110,000." Well, I painted the  
9 first one. it took six weeks. Herejectedit. She  
10 rejected it, he kind of liked it. "Well, I'll try  
I I again." I said.

12 1 painted the second one. It took six  
13 weeks. She rejected that one, too. I started to work  
14 on the third painting. Three months had gone by. I  
15 was totally discouraged.  
16 I said, "Well, why don't you just take the  
17 one you like and forget about me painting her, because  
18 nothing is ever going to make her happy, especially  
19 me. And I don't know how to -- I can't paint her.  
20 All I can paint is my impression. and at this point,  
21 it's not a very good one."  
22 Q Describe if you think your art has cash  
23 value.  
24 A Absolutely. The easiest way to get some  
25 money in the world is go find out what somebody would

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1 paint if he could. Go tell him you will paint it  
for  
2 him. That is cash. Or here is another one. Easy!  
3 takes, covers for magazines. They are hard-pressed  
4 for guys that know how to paint. You go in there  
and  
5 covers for magazines are quick cash.  
6 A lot of business deals with business  
7 things, organizational things. Business is, V  
8 basically, an organization. It has various  
9 departments, depending on the type, your  
organization  
10 might have six or seven or eight departments,  
major  
11 I I departments.

12 If one of them isn't marketing in sales and  
13 promotions, then you really haven't got a full  
14 organization. So sales is important, and a person  
15 that is trained in sales can move a lot of arL  
16 Q So describe if you believe that your art  
17 has more than nominal value.  
18 MR. KREITMAN: Objection.  
19 A My viewpoint on my art is that, as  
20 anything, as - well, I planted some tomatoes three  
21 months ago, and I have been watering them too much  
and  
22 putting too much fertilizer on them.  
23 So they are gigantic, but they haven't got  
24 a whole lot of little tomatoes on them, because if  
you  
25 give them too much water and too much fertilizer,  
they

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1 get big, but they don't grow the tomatoes.  
2 So my life is a little bit like that. It  
3 is like. you know, some places have too much  
4 fertilizer and too much water and other places are a  
5 little dry: But I find that-the key to the whole  
6 thing is patience.  
7 Toward the end of the season, the tomatoes  
8 will start jumping out right into your hand, as they

9 are. And when I sowed my seeds, I threw them wild and  
10 I threw them free. Some of them hit barren ground.  
I I Some of them hit places where people wanted to see the  
12 ground barren. They didn't want to see it flourish.  
13 Others hit places that people were hungry,  
14 but the ground was barren. And they wanted it, but it'  
15 wouldn't grow. And there is other seeds that I threw  
16 out hit plates that people said, "Man, I know what  
17 this is for," and they took the ball and they ran it.'  
18 Other places, you know, I threw the seeds  
19 'out, and I come back later and I say, "Where is the  
20 seeds." And they said, "Oh, that, that ball? I stuck  
21 it in the closet. I didn't want anybody to fall over  
22 it. I've been saving it for you.. I say, "Oh, okay.  
23 Just hand it back to me, and I will leave."  
24 So it depends on, you can't give a poor  
25 baby a gift of much value, because they won't know

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I what to do with it. But if you get I around a baby that  
,2 has always had wealth, and you give him something  
3 wealthy, he will know exactly where h goes.  
4 And those are the ones that this stuff is  
5 for. It is not for everybody. It is only for, those  
6 that can use it.  
7 Q (By Mr. Harper) So it has more than nominal  
8 value?  
9 A It is heavy. This stuff is the most power  
10 packed art being produced in the world at this point, I  
I I from my viewpoint. Of course, I am kind of sold on 1  
12 it. 1  
13 Q Okay. I. am not going to keep you here much  
1 longer,  
14 longer, but I looked at my notes, and I hav6 made some  
1  
15 notes off Ms. Weston. Are there any trades that you 1  
16 are aware of that she made. that you can describe, I  
17 regarding your art? 1  
18 MR. KREITMAN: Objection. 1  
19 A She went to Florida. And in Florida, 1 1  
20 hadn't been to Florida since the early '80s. When 1 2  
21 was there, I just made out like a bandit. Oh, wrong 2  
22 word to use. I went in there and my work was very 2  
23 popular. When I left; I stuck ten sets of diamond 2  
24 rings on all ten of her fingers. Now, that was the 2  
25 last time I was in Florida. 2

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1 Every finger had more than one ring on it,  
2 but they all had diamonds on it. So I placed all  
3 those diamonds on her fingers and left.  
4 Now, the next time, I said, "You ought to  
5 go down Florida, spend some time down there, move some  
6 art down there," I says. "Ilere is some guys--" she  
7 went down there and she was there for two years, I  
8 believe.  
9 And a lot of these papers are from her -

10 there. It was just after she came back from there -  
I I that she got money and that was it. I hadn't seen her  
12 since.  
13 But all of die stuff that she got out of  
14 Florida, she kept. This is a very large inventory of  
15 stuff. She had a table like this piled this high with  
16 diamonds and gemstones, every kind of gemstone, that  
17 high, a table this big. I mean, that is a lot of  
18 stones.  
19 She must have had 10, \$1 ~ million worth.  
20 Some of the stones were great big ones like this. She  
21 had gold rings that had emeralds in them that were ten  
22 carat emeralds that big. Just massive mounds of this  
23 stuff.  
24 She says, "Well, I traded for this one for  
25 you." And I stuck it on my finger, felt pretty good,

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1 great big, old giant emerald. I said, "Well, I don't  
2 want to keep it. You know, I am not going to wear it.  
3 Do you want me to carry it around in my pocket?" I  
4 said, "Throw it in with the pile and see if you can  
5 move it to go in the direction we are going.  
6 I You do know where we are going, right?" -  
7 "Oh, yeah. We are trying to get a big, old hardbound  
8 book printed up with your stuff." Ha, ha, ha, ha.  
9 Boom, off she goes with the goods. You know, it is  
0 not the object that is important. It is people. And  
I when people place objects above other people,  
2 everything goes wrong.  
3 Q (By Mr. Harper) So she took off with 13,,,  
4 \$15 million  
5 -A Big, old giant pile worth everything, plus  
6 about 250, about 200, \$250 million worth of completed  
7 paintings that were all boxed. She was slapping those  
8 things around like it was a canopy in the wind.  
9 Q Let's back up to the jewels and gemstones.  
0 Those were as a result of her 'moving your paintings?  
I A Moving the items, correct, and as a result  
2 of things that Newren had turned'over to her. He  
3 turned over a large amount of assets to her, of which  
4 I had never -- I ne-Ver really knew what it was he gave  
5 her.

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1 Q Okay. And then the other thing you were  
2 talking about was when she took off with your car?  
3 A Yeah, yeah, took off with the semi and the  
4 art. When these guys did the deposition, they said,  
5 "You were down in the trailer, didn't have any water,  
6 didn't have any electricity, and the mosquitoes were  
7 eating you alive?"  
8 Yeah. I didn't tell you the dogs had been  
9 living in there, and there is shit all over the place  
10 and it really smelled bad. And I took out, and I  
I I covered all the walls and I covered the floors. Two,  
12 three layers of vinyl. And I slept in there. And I  
13 can tell you how to live where the mosquitoes are real

14 heavy so that they don't -- I can tell you a lot of  
15 different things about that.

16 But understand that during that time, I  
17 went into a meditative position. It was a three-month  
18 time period. During that three-month time period, I  
19 painted 41 paintings, four foot by six foot, big  
20 pieces, enough to -- huge amounts. Heavy, heavy  
21 mental focus and discipline. Living on, you know, 20,  
22 \$25 a week or 30 bucks a week.

23 But the focus and the discipline was  
24 intense. The paintings are magnificent. And whatever  
25 you do is an IQ test. If you haven't got any ~ if

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I your attention is stuck here and stuck there, you are  
2 going to do poor on the IQ test of life.

3 I was focused. To have the aggravation of  
4 utility payments and all these other types of things,  
5 and to feel that I was part of that and still trying  
6 to be something else wouldn't work for me, so I moved  
7 into a place that had zero.

8 From that zero base in those primitive  
9 circumstances, in this heat -- it was worse than this  
10 here, and more mosquitoes too -- I was able to  
I I climatize, and I was able to produce in a very high  
12 order of quality. That is all I care about.

13 Q Is that what she took? Is that what you  
14 were getting to?

15 A Yeah. She ran off with those, too.

16 Q Oh, those also?

17 A Yeah.

18 Q How long ago was that?

19 A It wasn't that long ago. It was '97.

20 Q So it was after the deposition with --

21 A Yes. It was just after the deposition,  
22 yeah. She had just finished up with the Bill Ghores'  
23 settlement~ got the cash. It was after the  
24 deposition, and she was down the road.

25 Q Now, I wanted to just go through this list

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1 of paintings that is in Plaintiffs Exhibit 1, which  
2 is the document you

3 A Yeah.

4 Q Can you fish that out of there and let's go  
5 through this?

6 A Sure. Be happy to. Okay. Which one have  
7 you got?

8 Q This is number 1. This was the Notice of  
9 Deposition that you brought with you today.

10 A Oh, this one over here? Okay.

I I MR. KREITMAN: This is it. Here it is.

12 MR. HARPER: Yeah, there it is.

13 Q (By Mr. Harper) Turn, if you don't mind.  
14 to, I believe it is the fifth page. It says "Exhibit

15 A" on the top.

16 A Got it.

17 Q All right. I just want to go through this  
18 list with you. If you look at the very top, there-is  
19 a -- looks like in the far left comer there is a  
20 number assigned, but I am not sure what that is. But  
21 I want to direct your attention to the serial number  
22 next to it.  
23 A Right.  
24 Q Areyou familiar with that serial number?  
25 A Yes. I designed that serial number.

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1 Q You designed that? What does that Mean?  
2 A The first one is the year the painting was  
3 painted and the next --  
4 Q So that would be '91?  
5 A Yeah. Then the next thing is 76, which  
6 means I did 76 of them - that is number 76 of what 1  
7 did in '91. V  
8 Q That year?  
9 A So you have got '76, '77, and '78, serial.  
10 numbers.

I I Q Talking about the first three?  
12 A Yeah. And that is the Harmony series.  
13 Q And there is the size, there. Correct?  
14 A Yes.  
15 Q Twenty-three by thirty-five.  
16 A Twenty-three by thirty-five, right.  
17 Q We are talking inches; right?  
18 A Right.  
19 Q And it says the year next to it. Then you  
20 have got the replacement value?  
21 A Urn-hum.  
22 Q All right. What is your opinion of the  
23 value of that first painting?  
24 MR. KREITMAN: Objection.  
25 A That is a \$62,000 suggested retail  
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I replacement value painting, and it is irreplaceable,  
-2 because it was done in '91. I am not painting that  
3 style anymore. The great message, of course, is  
4 Harmony series, harmony, harmony, harmony,  
5 harmonization. It is a very positive concept.

6 Q All right. So those first three were all  
7 in a series, the harmony series; is that correct?

8 A Correct.

91 Q And what do you base your statement here  
10 that that is worth, you say, 62,000, although it says  
11 62,500?

12 A Yeah. You come down here around Personages  
13 series, and see that \$50,000. You see that is 22 by  
14 29 inches. So it has a lot to do with the size.

15 Q Has to do with the, size?,

16 A Yeah.

17 Q And that is how, historically, how your  
18 -paintings have sold?

~19 A Generally speaking, yeah. It's about the  
20 only thing you can -- not at all times. Sometimes a

21 piece will be exceptional. Sometimes a piece will be  
22 exceptional, and that will have a higher price, or  
23 sometimes it will be that size and it will be  
24 unexceptional, it will have a lower price.

25 Q Okay. So --

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I A But generally speaking, this is the thing  
2 that we go by.

3 Q And have you sold or traded --- your  
4 distributors sold -or traded paintings of this similar  
5 size for that amount that is listed there?

6 A Yes.

7 Q How many times?

8 A Over and over and over and over they have  
9 traded paintings at this , size. And I want to tell you  
10 there are thousands and thousands with this exact

I I ratio of appraisals to size that have passed, out  
12 there, have gone out there into the marketplace.

13 Q Okay. So --

14 A I mean, all over the place.

15 Q Can you take a look at the whole list,  
16 except for the bottom two, which are a little bit  
17 different, and tell me based upon your experience and  
18 your knowledge, of how many of your paintings have  
19 been sold that are similar, whether these figures  
20 are --

21 A These are

22 MR. KREITMAN: Objection.

23 A These prices right here are absolutely  
24 right on target. And the reason they are right on  
25 target is because this is what the), go for. This is

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1 what the guys that gave stock for them gave stock for  
2 them for, or a percentage of this. This is what the  
3 suggested retail on the piece is.

4 You are going to go out there, and you can  
5 sell it for less than that, you can do it. But the  
6 guys that know what they are doing can get that much.  
7 One of these paintings will buy a semi load full of  
8 merchandise, just one of them, just one of the  
9 paintings. I have seen it done over and over and  
10 over.

I I I mean \$60,000 worth of merchandise in a  
12 semi -- depending on the kind of merchandise. I mean,  
13 rattan furniture, boom, you have got a whole 50 feet  
14 of it, eight feet wide and eight feet high, you know.  
15 Last year's electronics. Easy take. Advertising in  
16 magazines, easy.

17 In other words, as a currency, this  
18 currency has a lot of places that it can go. It has a,  
19 lot of diverse places that it can go to be used as a  
20 currency.

11 And to limit it and to say that, "Oh, well,  
22 this is only good for \$62,000, give Uie the cash or  
23 shut up," is stupid. That is plain dumb. Thafs

24 saying, "Let's close both eyes and see which one of  
25 our ears we can look out of."

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1 The fact of the matter is that this  
2 reflects exactly what you should go for, if you are  
3 going to go out and move these pieces. If you are  
4 not, you are letting down all of the other collectors  
5 that have got these prices. And there's hundreds and  
6 hundreds of people out there with this stuff that have  
7 paid a lot for it.

8 It is in our best of interest and their  
9 best of interest to keep the prices up high. And if  
10 somebody comes along to try to knock the prices down,  
11 I I tel I them to go fly a kite, because they are never  
12 going to make anything with art.

13 Q Now, this group here, let's say the first  
14 group before the break, are those all Sky Jones  
15 paintings?

16 A They sure look like it to me. I would-say  
17 yes.

18 Q All right. And then there is another  
19 group

20 A All the names, yeah.

21 Q It starts with The Clown and ends with The  
22 Doorway Out?

23 A Yes.

24 Q Now, are those Sky Jones' paintings?

25 A Yes, they are.

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1 Q Now, I want to draw your attention to the  
2 last two on this page.

3 A Urn-hum.

4 Q One is entitled Mysteritim Omniprescient,  
5 which was discussed earlier. Correct?

6 A Right.

7 Q And then one called "Powerbase"?

8 A Um-hum.

9 Q What is the significance of these two  
10 paintings?

11 MR. KREITMAN: Of these -- I'm sorry.

12 Q (By Mr. Harper) Of these two paintings.

13 A The significance of these two paintings?

14 Well, I believe -- I tld you the story about how they  
15 came into being. I believe a million dollars might be  
16 a little low on them, because of the size and  
17 comparison to other things. It may even be a little  
18 higher than that would be in order.

19 Q In comparison to what other things?

20 A Oh, when you figure out 23 by 35. Let's  
21 just figure out 18 by 24 at \$64,000. How many times  
22 will that go in nine foot by thirteen foot? So just  
23 by the square footage, it's undervalued.

24 Q Okay. How about by -- and let me ask you  
25 this. 'Mese are Whipple paintings; is that correct?

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1 A Correct.

2 Q And the year there it says 1982. Is that  
3 accurate? Do you recall?

4 A Yes, I believe so. '82,'83. It is right  
5 around that time.

6 Q And Michael Whipple paintings are no longer  
7 being produced; is that correct?

8 A Correct.

9 Q Since when?

10 A Since 1984 was the last time I signed any  
11 I paintings Whipple, unless I did Whipple and Sky Jones.  
12 For example, in this print I just gave you all, I  
13 wrote "Whipple a/k/a Sky Jones, because it was  
14 originally painted, just finally took the guy so many  
15 years to have these printed up.

16 Q As a Whipple?

17 A Yeah. He's had the color separations for  
18 15 years or something, 16 years, finally got around to  
19 doing it.

20 Q And can you describe your experiences in  
21 the marketplace with Whipple paintings?

22 A Well, you've got to have -- there is only a  
23 few of them around any more that are worth a lot more  
24 than the Sky Jones ones. The Whipple ones are more  
25 collectible, because Whipple is dead. That is a joke.

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1 The only good artist is a dead artist. Or that  
2 Indian? Or is it a black person? I don't know. I am  
3 just joking here, so don't try to -- I am trying not  
4 to. though. - V,

5 These two, the "Oniniprescient Mysterium"  
6 and "Powerbase" are both tremendous pieces. And they  
7 sort of -- you know, there was another guy, there was  
8 one other nine foot by thirteen foot one that was done  
9 just before that.

10 And the guy was -- bought it out of San  
11 Diego, and he had a split-level house, and he found a  
12 place in his house to hang it. It was so big that it  
13 made it look like his whole house was just the little  
14 hat that went on this painting.

15 But Whipple is hot. Whipple is hot. If  
16 you can get any one-of-kind, original Whipple,-

17 Q What do you base that on?

18 A What's that?

19 Q What do you base that on, the statement  
20 "Whipple is hot?"

21 A Whipple is hot. Did you hear my video "Hot  
22 and horny?"

23 Q No, I haven't.

24 A Well you should. It is on the CD here.

25 It is number 3 -- what it means, essentially, is that

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1 if you have got Whipple, and you are in the  
2 marketplace that Sky Jones has been moving around in,  
3 any collectors of any Sky Jones will be highly

4 interested in Whipple paintings.  
5 The reason is, is because they are earlier.  
6 And the older things tend to be more valuable than the  
7 current, new thing. So that is what I mean by that  
8 Q Is there any evidence, any collectors ";  
9 telling you this? Can you give me names of anyb-Idy  
10 that actually said this to you?  
11 I I A Milan is always -- Milan Gallery is always  
12 egging me on to send him some more paintings.  
13 Q Well, what --  
14 A He says, "I can sell anything you send me."  
15 Well, Whipple's are Sky Jones. Anything. He says,  
16 "Just send me something." He says, "All I have got is  
17 your old stuff." He says, "I need new stuff." He is  
18 constantly on that, telling me to send him some more  
19 stuff.  
20 Q Anybody else?  
21 A Jack Denney, BX, Oklahoma City. He is the  
22 one that just got through printing that up. He'sgot  
23 another one on the press right now. He thinks 4 is  
24 real hot. He deals in a lot of other prints, but  
25 those are the best prints. My prints are the ones he

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1 puts the highest prices on.  
2 MR. KREITMAN: Objection. Move to  
3 strike.  
4 Q (By Mr. Kreitman) Anybody else?  
5 A Who thinks Whipple' is hot?  
6 Q Yes.  
7 MR. KREITMAN: Objection.  
8 A You guys do, don't you?  
9 Q (By Mr. Harper) Sure.  
10 A Okay, there!s two. Let me think- How  
11 I I about you? You don't think so? Okay. Well, I guess  
12 tbat's about it. All of my friends.  
13 This stuff is hot. It is hot. There is no  
14 question about it.  
15 Q So how about at the time this transaction  
16 was done with OTS and Mid-Nevada Art. Were these  
17 prices an accurate reflection of the value?  
18 A They sure were. They sure, absolutely  
19 were, in comparison to what he was moving them for.  
20 He was moving them left and right. I don't have full  
21 knowledge of all of his marketing things that he did  
22 or his sales or his trades.  
23 And my word of the day for him -is, "Well,  
24 Dave, tell me the lie for the day." He couldn't say  
25- the truth. Now, I don't want to say this too much.

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1 He would come and would have terr d6'als going on.  
2 Every one of them was ridiculous.  
3 A week later, one of them would clear it.  
4 But as long as he came in and opened up his-mouth  
5 about those other nine deals that wouldn't go through,  
6 he was wasting my time and building my hopes up,  
7 Q But the reality is the deals went through.

8 A Yeah.  
9 Q And they went through for these types of  
10 values. Correct?  
11 I I A Yeah. They went through with that type of  
12 'value.  
13 Q He created a market.  
14 A He sure as-hell did. And bless his heart.  
15 No matter what negative things I ever said about him,  
16 I take them all back.  
17 Q All right.  
18 A Because if it hadn't been for Dave running  
19 the ball, and you can tell him when you see him, you  
20 know, if it hadn't been for Dave running the ball, I  
21 wouldn't be sitting here.  
22 Q All right. I just want to turn your  
23 attention to the next page. And we confirmed that  
24 those paintings that are listed there are, basically,  
25 the bottom, the second column on Exhibit A we looked

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1 at before, of the page before?'  
2 A Urn-hum.  
3 Q That is true?  
4 A Doorway Out is misspelled in the bottom  
5 there. That's okay.  
6 Q But, otherwise, they are the same  
7 paintings?  
8 A Sure. It looks like-it is, yeah. Okay.'  
9 Q Your opinion of National Institute- of  
10, Appraisers?  
11 A They are fine. Give them as much money as  
12 you have got and have them do as many appraisals as  
13 you can. They are friendly. Sometimes they are a  
14 little bit -- sometimes they are a, little bit low on  
15 their appraisals. But sometimes 10 percent low or  
16 something, maybe 15 percent low.  
17 They are always pretty close there. I have  
18 seen them a couple of times a little high. But,  
19 overall, they come out pretty good.  
20 Q Let me ask you this, You had earlier  
21 discussed magic, religion, science, art. We talked  
22 about it all day long.  
23 Is appraising a painting a science or an  
24 art?  
25 A That's a good question. Is appraising a

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1 painting a science or an art? Well, I said magic,  
2 religion, and science.  
3 Q And we have been talking about art all day.  
4 A Right. Okay. That fits under magic. It's  
5 not religion where you pray to somebody else to paint  
6 the painting. And it is not science where you go  
7 over -- it is an act of pure creation, based on  
8 whatever information you have available to you. It is  
9 on the same , basis that the painting was created under.

10 Q Is there any way you can answer a question  
I I regarding an appraisal? You don't have to --  
12 A I am a manufacturer. I am a creator,  
13 manufacturer, constructor. I have a right to put a  
14 price on my product. I have a right to put an .  
15 appraisal on that, too, anything I want. An appraisal  
16 just means value. If people check out and call the  
17 800 number, they find out. Sky Jones Banker Art  
18 Museum, Joe Banker, all the same thing, which is all  
19 right.  
20 But the nice thing about the illusion of  
21 art is that it looks 3D. And it looks so real. It  
22 looks like you can put your hand right into it. It is  
23 an illusion, it is a pure illusion. It is a pure  
24 illusion.

25 Now, what is a pure illusion? Well, it is  
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1 black magic, isn't it? Yes, it is. Well, what is  
2 this based on? It is based on the fact that I said,  
3 "Oh, you have some color. Oh, you have some  
4 technique. Oh, you have you had some canvas and  
5 materials. Watch this illusion."

6 Q And isn't it also based upon what people  
7 are willing to give for it?

8 A It is what they are willing to believe. It  
9 is what they are willing to believe. If a guy doesn't  
10 believe he saw magic, it won't be magic. If he  
I I believes it is magic, then it will be magic. It is  
12 not based on anything more than you believe.

13 Now, see this dollar bill right here? How  
14 much is it worth? Now, if you haven't -- see, so all  
15 of a sudden we were into this world. Who created this  
16 dollar bill? What is a dollar bill based on? What is  
17 really going on here?

18 Well, you find out what happened is, is I  
19 set up my own government. I set up my own stock  
20 exchange. And I set up my own insurance company.  
21 Then I set up my own appraisers. Then I set up my own  
22 museum.

23 Q Your art is currency?

24 A Yeah, the art is the currency. The thing  
25 is, is if you have only got five or ten, it is not

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1 going to be currency., To be currency, it has got to  
2 be enough of them to move around. So what I did is I  
3 issued an unregistered security, sort of, not exactly.

4 Q All right. Let me just see if I have any  
5 other questions. I think we have pretty much got  
6 everything. Just bear with me for one minute.

7 A All right.

8 MR. HARPER: I have no further  
9 questions. I thank you very much for your time.

10 THE WITNESS: Okay. Thank you very  
I I much. You want to ask a few more, Mark?

12 MR. KREITMAN: Yeah. I will try to be  
13 brief, Mr. Jones.

14 REDIRECT EXAMINATION  
15 BY MR. KREITMAN:  
16 Q You discussed with Mr. Harper some barter  
17 transactions involving the paintings. Do you remember  
18 that?  
19 A Yes.  
20 Q Do you have any documents concerning any of  
21 those barter transactions?  
22 A No. I didn't do any of them. None were  
23 provided me.  
24 Q You also talked to Mr. Harper about some  
25 portraits of well-known people that you have painted.

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1 Do you remember that?  
2 A Sure.  
3 Q Were any of those portraits commissioned by  
4 the people before they were painted?  
5 A The pieces were all commissioned by movie  
6 studios. It was the movie studios. We were talking  
7 about Warner Brother and some other ones.  
8 Q Tell me which studios and which portraits.  
9 A Well, Warner Brothers was one big one.  
10 Then there was another one called PFT, which is Print,  
11 I I Film and Tape. Then there was another one puts out  
12 the TV Guide. I don't know. Maybe that was an  
13 authority of Warner Brothers or something. I can't  
14 remember. I remember the building I went in and the  
15 name on the building.  
16 Q And which portraits were commissioned in  
17 that way?  
18 A All the ones done around 1978 through-198 1,  
19 1 think, were in that category.  
20 Q And whose portraits were they?  
21 A Oh, there was Jaclyn Smith, Robert Mitchum,  
22 some other funny guys that I don't know their names,  
23 you know. Who knows what those ones were. Let me  
24 think if there was any more on there. Oh, there  
25 was -- let's see. I said Robert Mitchum. There was

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1 Chuck Norris, Leonard Nemo, you know, Captain Kirk,  
2 what's his name?  
3 MS. LEVINE: Shatner.  
4 A William Shatner.  
5 MR. KREITMAN: Now, Ms. Levine, you  
6 can't say anything in this deposition, and,  
7 particularly, it is inappropriate for you to suggest  
8 an answer to the witness. Please don't do that.  
9 A The four major characters in the Star Trek,  
10 thing.  
11 Q (By Mr. Kreitman) Do you have any  
12 documentation evidencing those commissions?  
13 A You want to see some pictures of them?  
14 Q There are pictures of them in this green  
15 book, which is Exhibit --  
16 A There's pictures and mentions exactly what

17 it is. It is Exhibits 3.

18 Q What is your understanding for the  
19 statement that Queen Elizabeth owns a painting of  
20 yours?

21 A What do you mean? What is my understanding  
22 to that statement?

23 Q The basis. I'm sorry. What is the basis?  
24 You said that you think Queen Elizabeth owns a  
25 painting.

310

1 A There is two different things. One art  
2 dealer, Ken Scarborough, wa's-an art dealer and got one  
3 in her hands.

4 Q How do you know?

5 A He told me. Then later on, one of the  
6 corporations double-checked, one of the corporations  
7 who wanted to verify information on it double-checked  
8 by contacting them by the mail. And the Queen's guys,  
9 got it and they said, "Yes, in fact, he is~ in our

10 collection."

I I Q Do you have any documentation that  
12 evidences Queen Elizabeth's possession of one of your  
13 paintings?

14 A Do I have any documentation on that? No, I  
15 don't. I haven't been -collecting heavy documentation  
16 for a while.

17 Q - You said that one of the most successful  
18 retailers of your work is the Milan Gallery; is that  
19 correct? Do you remember that testimony?

20 A Yeah. Actually, the Milan Gallery, they  
21 have been real successful.

22 ~ Q But don't you remember your testimony at,  
23 page 160 of the September 4, 1997, testimony in which  
24 you said, you were asked this question and gave this  
25 answer:

311

I "Question: So this artwork that wa's displayed  
2 at the Milan Gallery was not your artwork?

3 "Answer: Well, it was done under my direction,' but  
4 it wasn't completed under my direction."

5 And you testified that it was done by some  
6 young people in Thailand and was not, in fact, your  
7 work. Do you remember that testimony?

8 A Some of them were. Some of them weren't.  
9 It wasn't an absolute thing. But I remember saying

10 that, because what happened is Newren ran down there  
I I and took some of those three-foot by four-foot pieces,

12 remember the ones that I told you were no good? They  
13 had some of those on display there. I don't know if  
14 they sold any of them or not.

15 Q Now, you referred in your responses to  
16 Mr. Harper's- questions to your distributors. Who were  
17 your distributors?

18 A When?

19 Q At any time from and after -- let me see  
20 Exhibit 1, please, the Deposition

21 A You are talking about '92 to  
22 Q Let me see it. I am confused.  
23 (The witness handed a document to  
24 Mr. Kreitman.) 2  
25 Q January 1, 1993 forward, 2

312

I A Uh-huh.  
2 Q At any time from January 1, 1993 forward,  
3 - who were your distributors?  
4 A Okay. There is Ronald Welborn, David  
5 Newren, Milan Gallery, Jack Denney -- I have a lot of  
6 them. Do you want me to go down the list? Keep  
7 talking? Okay. Don Card, Pamela Weston. Are you  
8 writing these all down?  
9 Q No. They will be on the transcript.  
10 A Okay. Good. Don Card, Pamela Weston,  
11 I Larry Redman, Lynn Burrell, Gene Malone, Diana Fava,  
12 let's see. Who else was distributing around that  
13 time? Dale Baker, John Worthen, Allen Wolfson.  
14 Between then and now? Is that what you are  
15 saying, between then and now?'  
16 O Yes.  
17 A Michael Weston, Mark Papendick. Let's see.  
18 Peter Piper. Some of these have been involved in this  
19 for years. Let me think. Then at least 127 publicly  
20 held corporations that are distributing the stuff,  
21 because they all got it from a wholesale viewpoint to  
22 retail it out. So you can just list every one of  
23 those guys that have got lump sums of the art as  
24 distributors.  
25 Q Now, these distributors acquired the

313

1 paintings from you, in what you have described as a  
2 wholesale operation. Correct? In other words~ you  
3 wholesale the paintings to the distributors?  
4 A Well, manufacturer, prices, you know,  
5 wholesale.  
6 Q Do they buy the paintings from you?  
7 . A From me?  
8 Q Yes.  
9 A I don't sell anything.  
10 Q You mentioned -- well, do they get the  
11 I I paintings on consignment?  
12 A They get them somehow. Sometimes it is  
13 consignment, sometimes there is agreements and stuff.  
14 But as far as sales and so forth, I don't do the  
15 sales. These are people, most of them are people that  
16 I have known for decades, for example, Peter Piper and  
17 Jack Denney and Don Card and Larry Redman, these  
18 people have been on the lines for a long time.  
19 There is another one. Bob Newman, Orville  
20 Cline, there is another one. These guys have been  
21 around a long time and have dealt in the work for  
22 many, many years.  
23 In fact, you have the list of all of these

4 people. Every single one of them has been beaten over  
5 and over and over by deposition with 'ITEX?

3 14

1 Q Now, when these sell the paintings, do you  
2 have agreements with them, pursuant to which they  
3 return back to you a percentage of the sale price?

4 A Sometimes. It depend\$ on what it is.

5 Q How many times do you have that?

6 A Well, for example, with Jack Denney, what  
7 we do is, whatever he does, we split 50150. If he  
8 publishes something, we split it.

9 Then after that happens, and if he takes  
10 what he's -- he has already got his, he doesn't have  
I I to pay me any more for it. So if he prints up 1,000  
12 prints, and he gives me 500 and he keeps 500.  
13 Whatever he does, I have already been paid. So it  
14 is over.

15 Q Well, with respect to the 500 prints that  
16 you get, do you sell them?

17 A I have still got them all in boxes.

18 Q With which other distributors do you have  
19 arrangements, pursuant to which they return a  
20 percentage of the retail prices that they receive?

21 A Usually we -- future commitment is a  
22 problem, a future commitment is a problem. So the  
23 best thing to do is to finish the deal right now. All  
24 right?

25 Now, here is my stuff. Now here is your

315

1 stuff. Now what can you give me right now so we can  
2 call it quits, because I don't want to have to come  
3 back here and collect.

4 So that is usually the type of deal that  
5 comes down. You do that to begin with. Other than  
6 that, what happens is after 15 or 20 people, you know,  
7 you can't keep track of them anymore. Every time you  
8 do, you just show up as a beggar saying, "give me my  
9 money, you cheated me out of, you bum."

10 You know, come on. The best thing to do is  
I I to handle it right then and there. Now, these people  
12 are all active. There are agreements that they will  
13 give things back to me, but a lot of them have it.  
14 You know, this restricted order out of these guys in  
15 California, I can't even go get my art supplies.

16 Q Well, in the cases where you have set right  
17 then and there, as you have described, do they give  
18 you cash money when you give them the paintings?

19 A I am a barterer. Cash is only one of the  
20 things I barter for. Even though it is the number one  
21 thing in your world, to me it is not.

22 Q I see.

23 A As I look around here, those frames on the  
24 wall are as good as cash. See all those chairs, to me  
25 all these chairs, I can use those for currency. They

331166

uy]

1 are nice chairs. Tables are a good currency. 00nee gguy  
2 1 knoxv over in Tulsa. he uses carpet as a currency.  
3 Buy it by the semi load, and then he goes out cart  
4 shopping.

5 Q We are talking here, Mr. Jones, about  
6 paintings that you claim are worth millions'and  
7 millions of dollars. And you are telling us that  
8 these distributors are selling the paintings for  
9 millions and millions of dollars.

10 A They sell them for whatever they can get.

I I Q And you are telling us that you don't sell  
12 the paintings for cash, but you sell them in barter,  
13 trade them for goods. Now, are you actually receiving  
14 millions of dollars in goods?

15 A No, no.

16 Q I see. Now, you talked with Mr. Harper,  
17 about a particular contract that you said was a \$20  
18 million contract. Do you have a copy of that? -

19 A You do.

20 Q Do you have a copy of it?

21 A No. It's been stolen. But you do have a  
22 copy of that contract, for sure, no question about it.

23 Q And your claim is you produced it to us in  
24 connection with the ITEX deposition?

25 A Yes, sir.

317

I Q Now, how much money did you actually  
2 realize from the \$20 million contract?

3 A Quite a bit.

4 Q How much?

5 A I am not going to say.

6 Q I see. When was this contract executed?

7 A 1984, '84, '85, I guess. Seems like it

.,waj

8 '84.

9 Q Now, did you ever successfully put up qny  
10 of your art as collateral?

I I A For what?

12 Q For any loan.

13 A I don't deal with banks.

14 Q So the answer to my question is no?

15 A I haven't had a bank account since 1976.

16 Q Where do you keep your cash when you get  
17 it?

18 A What cash?

19 Q Well, you said that in some cases, you give  
20 paintings to the distributors, and they give you back  
21 some cash.

22 A That was -- well, I usually carry my cash  
23 in my pocket.

24 Q I see.

25 A You know, a lot of us Mexicans and Jappinese

318

1 don't trust the banking industry, so we don't use it

2 much.

3 Q Okay. Do you know anyone who has  
4 successfully put up your artwork as collateral for a  
5 loan?

6 A Not without other things added into it to  
7 borrow the money.

8 Q I see.

9 A As far as just a straight bank with the  
10 straight art, the answer is no.

11 I Q Now, you talked a little bit about the  
12 woman who you said was the president of the European  
13 Overseas Bank named Judith something. Do you remember  
114 that?

15 A Urn-hum.

16 Q What is her last name?

17 A Lazar, I think.

18 Q Lazar?

19 A L-A-Z-A-R, something like that.

20 Q Do you have any documentation -at all

21 A You have got all of those papers.

22 Q Please let me finish the question.

23 A Okay.

24 Q Any documentation at all with respect to  
25 your transactions with her?

319

I A Not one piece of paper.

2 Q Do you have any documentation with respect  
3 to your transactions with Tracy Collins?

4 A Sure. You have all these papers. He has  
5 the papers. Everybody has the papers.

6 Q Your claim --

7 A You already have them. I have already  
8 provided them. I have provided them last time and in  
9 the last deposition.

10 Q So your claim is that they were produced to  
11 I the Commission, in connection with the September 1997  
investigative testimony in the matter-of ITEX

13 Corporation?

14 A Maybe not by me. But by Pamela Weston, by  
15 David Newren or by me, or some of the other people  
16 like the National Institute of Appraisers that they  
17 did two days on.

18 - Q Now, is that also true with respect to any  
19 transactions with Ted Ma~?,

20 A Well, you have got one paper from Ted May.

21 Q Your claim is that you will produce that to  
22 us again in connection with the ITEX matter?

23 A That Ted May paper?

24 Q Yes.

25 AYes. You have got 100 percent of all

320

I papers. Check out how many people received  
2 depositions where they were supposed to come in and  
3 check it out and find out who they are. We are  
4 talking about a massive river of papers.

5 Q Did you sell any artwork to Judith Lazar  
6 yourself  
7 A I don't sell any artwork to anybody.  
8 Q So you didn't sell to Tracy Collins either,  
9 or Ted May?  
10 A I don't sell to them.  
11 I I Q What is the basis for your claim that these  
12 people own your artwork?  
13 A Based on letters that they wrote and thank  
14 you's that they had written.  
15 Q Do you have those letters?  
16 A He showed up a whole bunch, and you do,  
17 too.  
18 Q And then you talked a little bit about  
19 Artie going bankrupt, in your conversation with  
20 Mr. Harper.  
21 A That was prior to my arrival.  
22 Q And you said that you bailed her out --  
23 A Uh-huh  
24 Q -- of debt in 1983. Do you remember that?  
25 A Yes, I do.

321

1 Q You said that her debt was about \$385,000.  
2 Do you remember that?  
3 A I think it was, yes.  
4 Q Now, as I understand your testimony was  
5 that you bailed out Artie by the sale of some of your  
6 paintings; is that right?  
7 A No, that is not right. You weren't  
8 listening.  
9 Q Well, correct me, then, please?  
10 A Okay. We went over there, and we told them  
11 I I we would give them some art.  
12 Q You told who?  
13 A The owners of the bank, that we would -get  
14 some art to solve the --  
15 Q What were their names?  
16 A I can't remember their names. They came  
17 over to the studio, the owner of the bank and the  
18 other guy' the president, came over to the studio and  
19 1 says, "Other rather than bankruptcy, try these  
20 fish." And they ate them. .  
21 Q So they came to you  
22 A They smiled.  
23 Q They came to your studio and they selected  
24 some paintings that they wanted?  
25 A , No. I painted special pdintings for them.

322

1 Q You painted paintings for them?  
2 A Yeah, it was called the universe creator  
3 series.  
4 Q I see. And I thought you said that you  
5 valued those paintings at two and a half million  
6 dollars, in your conversation with Mr. Harper.  
7 A Yeah, yeah. That is what I have in my mind  
8 right now, but; gees, it had been so long, I can't

9 even remember. It might have been -- it was a 360 of  
10 the -- of what was owed, is all I can say.

I I Q I see. Was there any independent appraisal  
12 anywhere near who have said those paintings was worth  
13 two and a half million dollars?

14 A Yes. They had them appraised through their  
15 appraiser.

16 Q Do you have any documents to substantiate  
17 that?

18 A Nope.

19 Q Well, the debt was \$385,000; right?

20 A I don't know whether it was or not.

21 Q I see.

22 A It was over 300,000. It could have been  
23 330,000 or 360,000, or 385.

24 Q But it was n that area?

25 A Yes. It was over 300,000 dollars.

323

1 Q Do you know how much the independent  
2 appraiser valued those paintings at?

3 A Nope. Well, I mean, I know it was a ratio.  
4 I told them I would paint for them at a ratio, and  
5 give it to them until their appraiser said it was  
6 something like three times that amount, or something  
7 like that.

8 Q Was the appraisal anywhere near 250,000,  
9 two and a half million dollars?

10 A I would say it was closer to -- I am -  
I I thinking three times now. So 385 would be, maybe, a  
12 million, a million, two. But I am somehow thinking a  
13 million six, a million eight. But we are talking  
14 about an area I am foggy on, and I'm sure -- I will be  
15 honest with you, I really don't remember. But it was  
16 a good ratio, three times or something, something to  
17 make them feel they got a good deal and didn't get  
18 cheated.

19 Q You said that, in some cases, some  
20 individuals got insurance recoveries for the loss of  
21 your paintings?

22 A Yes.

23 Q Do you have any documentation for that?

24 A How could I?

25 QI am just asking if you do.

324

1 A Well, I am answering.

2 Q Is the answer no?

3 A Yes.

4 Q Do you have any documents of any  
5 independent appraisals of any of your paintings?

6 A Many.

7 Q Have you turned them over to us?

8 A 100 percent.

9 Q In the ITEX matter?

10 A True.

I I Q Then you have talked to Mr. Harper about a

12 yacht, which you say Mr. Newren traded paintings for,  
13 and that the yacht was valued at \$485,000?

14 A That was the appraisal that went with it.

15 Q I see. Do you have any documentation for  
16 that?

17 A Nope.

18 Q How do you know the yacht was worth that  
19 much money?

20 A Because he showed it to me. He showed me  
21 the appraisal.

22 Q Do you know what paintings it was that  
23 Newren traded for the yacht?

24 A Ones that were similar to these that these  
25 folks have.

325

1 Q Do you know how many he traded?

2 A No.

3 Q Had you appraised those paintings?

4 A Probably. They came out of the Banker Art  
5 Museum. They always had suggested retail and  
6 appraisals on them.

7 Q What was your suggested retail for thos;  
8 paintings?

9 A Same range as we have been looking at,  
10 exactly.

I I Q And how many paintings were there?

12 A I have no idea. I wasn't in on the deal.  
13 I never met the guy. I never even saw the boat.

14 Q So you don't know whether or not your  
15 appraisal of the paintings that Newren traded for the  
16 yacht was anywhere near \$485,000?

17 A I will tell the truth, so help me God, that  
18 the guy never told me the truth. I don't even know if  
19 there was a yacht. I don't even know if it was a real  
20 person. I don't even know if he traded it. I don't  
21 know.

22 Now, he told me he did. But all I can say  
23 is, you know, it is just hearsay, unless -- whzktevqr.  
24 I happen to know, that, you know, there was plenty of  
25 cash floating around. He said this is where it was

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1 coming from and wanted to know if I wanted to go ride  
2 on my new yacht.

3 Q You also told Mr. Harper that Newren traded  
4 some paintings for automobiles. Do you remember what  
5 automobiles they were?

6 A Well, the Mercedes I am driving?

7 Q \_ Do you know what automobiles they were?

8 A Well, the Mercedes I am driving.

9 Q Was that the '84, '85 Mercedes?

10 A No, no. Another Mercedes you didn't ask me  
I I about.

12 Q What year is this Mercedes?

13 A It is a 1980.

14 Q 1980?- -

15 A Yeah.

16 Q Do you know how many paintings Newren  
17 traded for automobiles?

18 A Well, I remember the he was driving - the  
19 answer is no, of course. I remember he was driving a  
20 Porsche.

21 Q How old was that?

22 A I have no idea. I am not hip on Porsches.  
23 He had a Porsche and he had other vehicles he was  
24 messing around with, His last name, his middle name  
25 is Car, C-A-R-L, so he always was real good on cars.

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I Q Do you know whether the values that  
2 Mr. Newren was able to receive in automobiles was  
3 anywhere near your appraisals of the paintings that he  
4 traded them for?

5 A Well, you have to -- to answer that  
6 question, you have to understand that this , \$60,000  
7 painting won't trade for one car. It will trade for a  
8 car, some Real Estate, and what is that junk over  
9 there, okay, I'll take that too.

10 What's this? Oh I need a lift, yeah, just  
I I like that. Okay. We will do a deal. So it never  
12 comes in painting for this. What you do is,  
13 basically, my junk for your junk.

'14 Now, you have got a bunch of junk  
15 can see you want to get rid of, and there's only one  
16 thing out of it that I want. I want the diamond.

17 Now, I have got a bunch of junk over here  
18 that you want, and, actually, there is one piece in  
19 there that you have really got your eye on. the  
20 original, and the rest are prints, limited edition  
21 prints.

22 So it is my junk for your junk. Now, I am  
23 not going to be able to move my junk myself unless I  
24 give him something to make him swallow the pill. And  
25 he is not going to get me to take all that junk unless

328

1 he tosses in the diamond. So this is the way barter  
2 works.

3 Q So you got -- in terms of Newren's trade of  
4 paintings for cars, you got a 1980 Mercedes; right?

5 A Yes. There was more on that deal than the  
6 '80 Mercedes. There was also a tractor that he picked  
7 up at the same time, and several other big items.

8 Q And he got the Porsche?

9 A Yes.

10 Q Okay. Now, do you know what the value of  
11 the Porsche and the tractor, and whatever else it was  
12 that Newren got?

13 A We don't talk values

14 Q So you don't know?

15 A -- in barter. No, I don't. We talk  
16 perceived values.

17 Q And do you know what the value of the  
18 paintings that he gave up for that stuff was?

19 A He probably overpaid.  
20 Q Okay. But you don't know what paintings he  
21 gave up, do you?  
22 A I have no idea.  
23 Q So you don't know what your appraisal of  
24 the paintings that he gave up was; right?  
25 A Correct.

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Q And that is also true with respect to your  
2 trades of painting ftii- wool. Correct?  
3 A Correct.  
4 Q And it is true of your trades of paintings  
5 for hosiery. Correct?  
6 A Correct  
7 Q And it is true of your trades of paintings  
8 for prunes. Correct?  
9 A Right.  
10 Q Now, you know that one of the elements of  
I I this lawsuit is -'- arises from the fact that the  
12 defendant owns some of your paintings; right?  
13 A Understood.  
14 Q Do you know what paintings they own?  
15 A I just saw the list.~  
16 Q Did you sell them those paintings?  
17. A Did I sell them those paintings? I don't  
18 sell.  
19 Q So the answer is no. Correct?  
20 A Correct.  
21 Q Do you know how they acquired those  
22 paintings?  
23 A Through an art dealer named David Newren.  
24 Q , I see. Do you know what they paid for  
25 those paintings?

330

1 A Whatever they paid him, whatever the basis  
2 is in it. He didn't tell me. But I do suspect that  
3 it was at least a good percentage of the retail.  
4 Q Now, you have told us-that on at least  
5 three occasions, people stole paintings from you.  
6 Correct?  
7 A More than three, yes.  
8 Q There are more than three?  
9 A Many times.  
10 Q There was Weston, and there was Newren?  
I I A Um-hum.  
12 Q And who else?  
13 A Papendick.  
14 Q Papendick. Who else?  
15 A Another Weston.  
16 Q Another Weston? Who is that Weston?  
17 A Well, there is Michael Weston and then  
18 Pamela Weston. They aren't related.  
19 Q Okay. Who else?  
20 A Gene Malone.  
21 Q How much did Gene Malone steal?  
22 A \$8 million.

23 Q And how much did Michael Weston steal?  
24 A I figure it is \$51 million right now.  
25 Q And how much did Pamela Weston steal?

331

I A She probably took about 250, 260 million.  
2 Q And how about Mr. Newren, how much did he  
3 steal?  
4 A He cleaned out everything. He pulled in a  
5 semi and just emptied the whole place.  
6 Q Have I left anybody out who stole?  
7 A Yes.  
8 Q Who else?  
9 A Well, there is Bob Bowen in Phoenix who ran  
10 off with half a semi load of stuff.  
I I Q How much did he steal?  
12 A I will put -- Bowen, Dale Baker. I didn't  
13 get him. Bowen is probably, you know, \$100,000,  
14 \$150,000, 200,000, maybe.  
15 Q Baker?  
16 A Dale Baker, probably a couple of million,  
17 at least.  
18 Q Who else?  
19 A Then there was -- well, there is more.  
20 These are all very ugly negatives. Do you want me to  
21 keep digging?  
22 Q I want a list of them, yeafi~  
23 A Okay. There is a one-eyed guy that grew up  
24 in thejunk yard. Don Farris.  
25 How much did he steal?

332

1 A He is in the Scottsdale area. Probably  
2 about -- he took a lot of prints. Might-have been  
3 around -- several million dollars, two or three  
4 million dollars, as I can recall right now.  
5 Q Who else?  
6 A There is another guy in the Fort Worth7area  
7 that walked off with som~- stuff.  
8 Q How much?  
9 A Oh, I guess it was about \$400,000 or  
10 something.  
I I Q Do you remember his name?  
12 A Lynn Burrell.  
13 Q Okay. Who else?  
14 A Let me think. Well, see, stealing from me  
15 or taking from one of my dealers is two different  
16 things. Now, if they stole from the dealer, and the  
17 dealer took from me, that is one thing. Now, the  
18 dealers had a lot of deals that they did where they  
19 got ripped off, and they just passed it on down the  
20 line.  
21 For example, Welborn did a million and a  
22 half dollars or something like that in telephone, long  
23 distance phone time.  
24 Q Stoic from you or stole from the dealers?  
25 A When they got something that turned out to

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I be not good, and you have to eat it, you know. So  
2 they would go out, and they would trade for something,  
3 and it would turn out that it was bogus, and then the  
4 art is gone, but you didn't get anything. So your  
5 recourse is to get an attorney and go after them, if  
6 you want.

7 Q I am just asking who stole either from pu,,,  
8 or from the dealers, and how much they stole?

9 A I combed over some of it there.

10 Q Okay. Are there any others, anybody else  
I I over the years?

12 A Absolutely.

13 Q And what would you say the total amount  
14 that was stolen from you over the years?

15 A I don't know.

16 Q How many millions of dollars?

17 A I have no way to figure it out.

18 Q More than ten million?

19 A You are asking me where I have been a  
20 victim?

21 Q Yes.

22 A Okay. My senior viewpoint is that I am not  
23 a victim, that I used all those situations as a method,  
24 of distribution.

25 Q Okay. I understand that.

334

I A Do you understand that? Because as soon as  
2 I go to victim, and they cheated me off and all this  
3 type of stuff, all it does is make me feel bad. I  
4 have to change my mind and take another look at it.

5 Q , All right. Let's ask the question a  
6 different way. What is the total value of artwork  
7 that was distributed by reason of people stealing it  
8 from you? Can you estimate that over the years?

9 A No, because a lot of the thieves are  
10 hoards, and what they do is they take the stuff and  
I I they lock it up and keep their fingers crossed I will  
12 die soon.

13 Q Okay. Well, even counting all of that.

14 A How much art has gone out?

15 Q Yeah.

16 A Over \$500 million.

17 Q Next, art that was either stolen from you,  
118 - and distributed out, or stolen from you and hoarded.  
19 Correct?

20 A Or just given out.

21 Q Given out by you?

22 A - As gifts by me or by distributors.

23 Q Well, let's exclude the stuff that you gave  
24 out as gifts. Would it still be something around \$500  
25 million?

335

I A That has been stolen from me?

2 Q Yes.

3                   A        I don't think so. That-depends on where 1  
4 want to draw the line. Now. Gene Malone took care of  
5 me for a year before he stole the \$8 million and  
6 locked me out. Now, I can kind of go, well, you know  
7  
8                   Q        But it is certainly hundreds of millions  
9 dollars; right?  
10                  A        If s up there, yeah.        I  
11 I I               Q        Okay. 1  
12                  A        There is enough to it that I would just 1  
13 recommend that everyone that you come in contact with 1  
14 chasing after Sky Jones art comes up with their basis I  
15 in it.            I  
16                  Q        In other words, their provenance? 1  
17                  A        That is correct. Know exactly where it 1  
18 came from.        1  
19                  Q        Because a lot of the Sky Jones paintings I  
20 out there might have been stolen; right?        2  
21                  A        Correct.        2  
22                  Q        And that might also, be true of the 2  
23 paintings that the Defendants have-, right?        2  
24                  A        Correct.        2  
25                  Q        Now, you told Mr. Harper that some of the 2

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1                                paintings you exchanged for lots of land. Do you  
2 remember that?  
3                    A        I said I saw that happen with other trades  
4 and so forth. I just doet mess with it. The lots in  
5 northern California, that was Howard Ranson that gave  
6 me all that property., And he gave me lots in Beverly  
7 Hills and a lot in Bel] Air and a bunch of other stuff.  
8                                And the guy that put the deal together, he ,  
9 gave him a bunch of stuff, and I didn't evert get the  
10 good stuff. I got all thejunk. The real good stuff,  
11 I I the super good stuff, the other guy got. By the time  
12 I got the stuff I got, I just ripped it up and through  
13 it in the garbage.  
14                    Q        The lots of land that you got, was it ever  
15 titled in your name?  
16                    A        No. I don't put anything in my name at  
17 all. I just either pass it on --  
18                    Q        Did you ever have a title search done to  
19 see whether or not you had good title to any of those  
20 lots of land?  
21                    A        I knew they were all good. He had already  
22 checked them.  
23                    Q        I am just asking whether you ever had them  
24 checked -  
25                    A        No, I never did. But as soon as the title

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1 search came up, it's like, "Ohl I wonder how much they  
2 cost. How much paint can you buy for that?"  
3                    Q        Do you have any documents at all that  
4 indicate thatyou received lots of land in exchange  
5 for                artwork?

6 A Nothing at all. And if I did, I would just  
7 go to jail for not paying taxes on it, or they would  
8 take the land so, why bother. I really don't want any  
9 land.

0 Q Now, with respect to the orphanage that you  
1 talked about with Mr. Harper, you said that that was  
2 also paid for by paintings. Remember?

3 A Um-hum.

4 Q You said it was paid for by \$ 100,000 from  
5 the sale of art.

A Um-hum.

7 Q Do you remember that?

8 A That was a Steve Reed European Bank deal.

9 Q Now, how many paintings were sold for the  
0 100,000?

1 A You know, you are drawing lines, you are  
2 drawing hairs, you're lines between things that don't  
3 have lines drawn between them.

4 Q Well, do you know? Can you answer that  
5 question?

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1 A Yes. It was a \$20 million contract that  
2 they defaulted on.

3 Q No, no. I am talking about the purchase of  
4 the orphanage. You said that you told \$100,000 worth  
5 of paintings --

6 A No. Now, on the orphanage, on the  
7 orphanage, the purchase of the contract was to  
8 purchase it with stock.

9 Q I see. Stock in what company?

10 A Stock in corporations.

11 Q What corporations?

12 A Undefined at that time.

13 Q I see. So did you ever purchase the  
14 orphanage?

15 A No.

16 Q So the orphanage was never titled in your  
17 name?

18 A No. I turned it all over to them and said,  
19 "This is a gift."

20 Q You gave it as a gift to whom?

21 A The orphanage.

22 Q You gave the building as a gift back to the  
23 orphanage?

24 A Correct. I had gone in there and  
25 contracted to take it in exchange for stock. I fixed

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1 it up and remodeled the whole thing, and then I left.

2 Q Okay. But I thought you told us that the  
3 orphanage was never titled in your name; isn't that  
4 right?

5 A Correct. It never was. It never was  
6 titled in my name.

7 Q So you didn't have good title to it?

8 A Huh-uh. I had a contract that I could, you  
9 know, as soon as I paid for it with stock.

10 Q Then you told Mr. Harper about some  
I I telephone cards. Do you remember that?  
12 A Yes.  
13 Q How much in value did you get in phone  
14 cards?  
15 A Oh, I think it was about a million and a  
16 half dollars worth. I think, originally, it was two  
17 and a half million dollars worth.  
18 Q And who was on the other side of the  
19 transaction?  
20 A Ronald Welborn was the one that was doing  
21 it. I didn't do it. He was just another guy--  
22 Q And who did he do the transaction with?  
23 A Somebody who I don't know his name.  
24 Q This was exchanged for paintings?  
25 AYes.

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1 Q How many paintings?  
2 A I think it was -- I don't know. A couple  
3 million dollars worth for a couple million dollars  
4 worth. or something. I really don't know about that.  
5 Q Do you know which paintings were exchanged  
6 for the phone cards?  
7 A I believe they were 20 by 30s, \$50,000  
8 pieces.  
9 Q I see. Now, then you said that there was a  
10 number of paintings that went out to corporations. Do  
I I you remember telling Mr. Harper that?  
12 A Yes..  
13 Q And you estimated -- did you estimate the  
14 value of that art that went out to corporations?  
15 A It is pretty easy to estimate, but, yeah.  
16 Q What was your estimate of that art? - %  
17 A Well, you guys located 275 million. My  
18 numbers are 530 million. I just put it at a half a -  
19 billion to round it off.  
20 Q And what is the basis for that estimate?  
21 Are these your appraisals?  
22 A My suggested retail.  
23 Q When did the art go out to the  
24 corporations? What period of time?  
25 A1984 to 19 -- well, they are still going

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1 out.  
2 Q And when was the phone card deal?  
3 A 1996, I think.  
4 Q And when was the orphanage deal?  
5 A 1985.  
6 Q And when was the land, the deal on the lots  
7 of land?  
8 A Oh.. it was 19 -- let me think. It was lots  
9 of land -- I have to picture myself throwing it in the\_  
10 garbage, because it was before that. What building  
I I was I at when I threw them in the garbage? I think it  
12 was about '85, I guess.

13 Q And when were the trades of art for wool,  
14 hosiery, and prunes?  
15 A Oh, that was probably 19 -- those were just  
16 a few. There were a lot of big trades like that, semi  
17 loads. We used to take in two semi loads a week.  
18 They would come in. That was stretched out from 1979  
19 to 1988.  
20 Q And when was Newren's trade of paintings  
21 for automobiles?  
22 A Newren came in around -- my mind is getting  
23 a little foggy here. I don't know. Whenever he was.  
24 around. Let me think. When was he around? David  
25 Newren. 1991 or '2 to 1995 or '4, 1994 or '5. '92 to

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1 '94.

2 Q And when was the deal on the trade for --  
3 of paintings for the yacht?

4 A During Newren's time, '92 --probably 90 --  
5 -1 guess it was '92. I am just going by some arbitrary  
6 numbers here. I imagine I am close, but I just want  
7 to say that. you know, whole truth, nothing but the  
8 truth is something I can't say right now.

9 Q When was the time that you bailed Artie out  
10 of bankruptcy?

I I A Right when I first met her.

12 Q When was that?

13 A That was '84. It could have been '83. You  
14 know, these numbers, I am not real clear on them, but  
15 I will do the best I can.

16 Q Now, you have talked about the amount of  
17 paint that was necessary to produce the artwork.

18 A Right.

19 Q And you mentioned the figure. 500 gallons.  
20 But it didn't take 500 gallons to paint each painting,  
21 did it?

22 A No.

23 Q How many paintings could you paint for the  
24 506 gallons of paint?

125 A You wouldn't figure it out that way.

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1 Q Well, approximately, how many gallons does  
2 it take to paint a painting?

3 A Well, it is layered. And ]It may take about  
4 a gallon, about a gallon to a gallon and a half for a  
5 painting, a painting about this big, about 20 by 30  
6 inches. It may take as much as a gallon of paint.  
7 Now, 90 percent of it is water, you know.

8 Q Of course. Now, you talked a little with  
9 Mr. Harper about the profits that tile retailers. who  
10 were retailing your paintings, were making. Do you  
11 remember that? You were saying these retailers were  
12 doing well and the like.

13 A Uh-huh, yes.

14 Q \* And you were talking about retailers  
15 including Papendick, Welborn, Newren, and a number of  
16 others. Do you remember that?

17 A Yes. - 1  
18 Q Do you have any documentation at all to 1  
19 support -- any documentation at all concerning their 1  
120 profits? 2  
21 A Sure. You have been given them all in the  
22 ITEX thing. 2  
23 Q I see. 2  
24 A And they were also deposed and did tell and 2  
25 provide the papers themselves. This is actually 2

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I available information.  
2 Q Now, you said that at some point in time,  
3 you actually were selling the paintings. And you said  
4 that you would, "Sell awful hard." What period of  
5 time was that?  
6 A Well, back in the 1970s  
7 Q In the '70s and not since then?  
8 A Correct. In the 70s, I studied sales so  
9 that I could learn how to sell my art, because I was  
10 unsuccessful at it.  
I I Q Where did you study sales?  
12 A At a Big League Sales Closing Techniques by  
13 Les Dane.  
14 Q Is that a book?  
15 A Yes. I called-it the artist's bible at the  
16 time.  
17 Q Did you go to any seminars or formal  
18 training?  
19 A No.  
20 Q And then at a certain point, you had a  
21 change of heart and stopped selling your paintings  
22 yourself, is that right?  
23 A Correct. Well, I went from sales into  
24 bartering.  
25 Q When was that?

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1 A Then I stepped out of bartering. Well,  
2 let's see. I ran sales -- barter had started right  
3 off. In '74, '75, I was doing sales. And barter was  
4 right there. '75, I did \$110,000 in barter that year.  
5 And then, I think it was 125, 110, 125,000, something  
6 like that.  
7 But I was bartering and selling them both.  
8 And in 1976, it was just straight sales for cash. In  
9 '77, straight sales for cash. '78, straight sales for  
10 cash.  
I I Now, keep in mind, I get patrons. And a  
12 patron may be good for anywhere from \$15 to \$400,000.  
13 It could be \$15,000 to \$400,000. And the patron will  
14 hang around for awhile. And Bob Bode put out  
15 \$175,000.  
16 - Q Did you ever have a patron give you  
7 \$400,000 for artwork?  
8 A I had one give over that.

9 Q Who?  
0 A David Newren.  
1 Q Newren actually gave you 5400,000 in cash?  
2 A Not at the same time.  
3 Q Over what period of time?  
4 A I don't know the exact numbers. I could  
5 say over 400,000, 400,000~ My estimation on it is he  
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1 put out about \$480,000, between him and his father, in  
2 order to finance all of this art. That was my  
3 reality,  
4 Q Do you have an  
y documdritation for that at  
5 all?  
6 A No.  
7 Q That's just a guesstimate?  
8 A This is just as money came in, we spent it  
9 on the project. The money never came in in big chunks  
10 like that. It would come in ten, twenty, \$30,000 at a  
I I time, and we would spend it on labor and art and move  
12 on.  
13 Q Now, the appraisals of your artwork that  
14 you did, you said size was an element. Was it based  
15 at all upon actual cash sales of those particular  
16 paintings in a public market?  
17 A Yes.  
18 Q Now, how did you know about those --  
19 A I got up to \$ 10,000 a painting before 1  
20 went into barter, 10,000 cash.  
21 Q I am asking about paintings, for example,  
22 on Exhibit A to the Subpoena.  
23 A Right.  
24 Q Did you do those estimates? Whoprepared  
25 Exhibit A? I believe this is Exhibit A to -  
  
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1 A Somebody did. Yes. What are you asking  
2 me?  
3 Q You prepared that?  
4 A I didn't type this up, no. Somebody else  
5 did. I have never seen this paper before in my life.  
6 Q Are those your appraisals of those  
7 paintings?  
8 A I -- with these paintings, those are the  
9 numbers that I recommended and these are the museum  
10 numbers.  
I I Q When you say "museum numbers," these are  
12 numbers that you assigned to them, the Bankees  
13 Museum?  
14 A Sure. This is not an appraisal by me or  
15 anything else. This is just --  
16 Q It is not an appraisal. It isjust  
17 suggested retail values?  
18 A No. It's nothing. It's a piece of paper  
19 that says Sky Jones Paintings and it has all this  
20 written on there. It's nothing.  
21 We don't know who put it out. We don't

22 know where it came from. It looks- like it was faxed  
23 by this little number down here. That is what is in  
24 front of us. Now, I have never seen this before. 1  
25 don't know who did it, you know.

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1 Q Now. when you did appraise your paintings,  
2 like the appraisals that are in the exhibit you are  
3 holding now -- tell us what number it is.

4 A I am on Exhibit 6 right now.

5 Q So with respect to, for example, those  
6 appraisers, those appraisals. did you rely upon  
7 evidence of cash sales in the public market?

8 A Barter.

9 Q I see. You relied on barter transactions?

10 A Urn-hum.

11 Q So in no case did you rely upon cash sales  
12 in the public market; is that right?

13 A On these?

14 Q Yes.

15 A Cash sales in the public market. No. No,  
16 this is for members only. And it's barter, barter,  
17 barter. Barter is the same as cash, according to the  
18 IRS.

19 Q What is the highest price, that you know,  
20 that has ever been paid in the public market for a  
21 painting of yours, in cash?

22 A Cash. Gee, I don't know. I would have to  
23 spend a long time thinking about that, because my mind  
24 is a little bit different than a cash mind. I think  
25 in terms of value, not cash.

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1 Q Thank you. Now, you told Mr. Harper, with  
2 respect to Exhibit A to the Notice of Deposition and  
3 document request, that these two paintings *Mysterium*  
4 *Omniprescient*.

5 A "Oninipressiont *Mysterium*" is its name.

6 Q And "Powerbase".

7 A Um-hum.

8 Q That the replacement value is a million  
9 dollars?

10 A I say it should be higher than that, yes.

11 Q Higher than that?

12 A Yes.

13 Q Are you aware of any painting of yours that  
14 has ever sold for a million dollars?

15 A Well, I myself have moved over 75 or 80  
16 paintings over \$ 100,000 apiece myself

17 Q Is the answer to my question no?

18 A Ask it again.

19 Q Do you know any painting of yours that has  
20 ever sold in the public market for \$1 million?

21 A Cash?

22 Q Cash.

23 A No.

24 Q Do you know of any painting that has ever

25 sold in the public market for anywhere near \$1  
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I million, for cash?

2 A Sure, sure. For cash?

3 Q Yes.,

4 A No.

5 Q Has any independent

6 A It is a loaded question. You are asking me

7 a double-edged question. Well, you say cash. Well,

8 that means value, too. I am sorry, but you are wrong.

9 I traded one painting just like that for very close to

10 a million dollars, myself, to a guy by the name of

I I Richard Sharp. It was a nine foot by thirteen foot

12 piece.

13 Q And what did you get in exchange?

14 A Oh, he gave me a complete lapidary outfit

15 with all the cutting things and all the equipment. -He

16 gave me great big table full of gemstones. He gave

17- me -- he had tons of tools, went and cleaned his whole

18 garage out, went throughout his whole house and

19 cleaned out everything that looked good.

20 Q When did this occur?

21 A Oh, this is back in the early '80s, you

22 know.

23 Q Any documentation for that having occurred?

24 A - Wouldn't it be dumb to document that, don't

25 you think?

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I Q Why would it be dumb to document that?

2 A You tell me.

3 Q I'm asking you the question.

4 A Well, I'm asking it back. Why would it be

5 dumb to document that?

6 Q Did you document it?

7 A What if I would have?

8 Q I am just asking you whether you did?

9 A Let me answer why I wouldn't.

10 Q Please tell me.

I I A All right. Every time you trade a

12 painting, it triggers a tax event.

13 Q I see.

14 A All right. Now you are going to sit here

15 and you are going to grill me and you are going to be

16 the devil on my shoulder and you're going to run me

17 right into the shit saying, "Tell me more," "Tell me

18 more."

19 We all know that the IRS has got access to

20 this. We know that the reason you guys are having a

21 rough time finding out values on these things by the

22 people that have picked them up is because of that.

23 Every time these guys pick it up, the painting, or

24 trade one, it triggers a tax event.

25 Now, if it happens in a barter club, it is

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1 traceable. If it outside of a barter club, it is not

2 traceable, except by way of the way you are following  
3 them down right here, tracking where the painting is  
4 back to where they came from and so forth.  
5 So there is one thing that the guys do is  
6 they say, "Here, take this." "Here, take that.- And  
7 they do a trade. Now, they don't put prices on it. -  
8 They don't even write it up on an invoice. They say:  
9 Here is mine, give me yours. That is how it goes.  
10 Now, this is a standard, unless you are in  
I I a barter club and you are dealing with trade dollars,  
12 then it is another story. And, yes, some of the trade  
13 dollars are stronger than other trade dollars. Some  
14 trade dollars are only worth 50 cents, some are only  
15 worth 10 cents.  
16 Q Mr. Jones, has any independent appraiser,  
17 to your knowledge, ever appraised a painting of yours  
18 at a million dollars?  
19 A I don't know. Maybe.  
20 Q You don't have a bank account you told, us;  
21 right?  
22 A Correct.  
23 Q Do you have cash money anywhere?  
24 A Yes, in my pocket.  
25 Q I see. And you don't own any securities, I

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1 understand; is that correct?  
2 A Correct.  
3 Q And you own a 1980 Mercedes?  
4 A Yes.  
5 Q And that is the only car you own?  
6 A Yes.  
7 Q And you don't have any retirement accounts,  
8 do you?  
9 A Well, no.  
10 Q You do have health insurance?  
I I A No.  
112 Q Do you own some of your own paintings at  
13 this point in time?  
14 A Not very many, except by law. They still  
15 belong to me. I just got ripped off. All I was able  
16 to do is drive out with my clothes. That is all I  
17 have got.  
18 Q But you -don't have possession of any of  
19 your paintings right now, do you?  
20 A I have a few. You can come over and take a.  
21 look.  
22 Q You have a few?  
23 A Yeah.  
24 Q How much do you value those at?  
25 A Well, I just painted them this year. I

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1 haven't put a value on them yet and I don't call them  
2 finished yet.  
3 Q I see. Do you have any asset of any value  
4 in excess of \$1,000?  
5 A I think the car is worth more than a

6 thousand, but, you know, it is not running very good  
7 right now.

8 Q Aside from the car?

9 A It is just parked. Well, I have got a  
10 truck my dad gave me before he died. It is an old  
I I plumbing truck. It is about a 1970 something.

12 Q So you have those two assets worth more  
13 than \$ 1,000. Anything else?

14 A I have taken a monk's vow of detachment.  
15 Do you understand?

16 Q I see. Well, is the answer to my question  
17 no?

18 A Well, I asked you if you understood.

19 Q Well, I have a sense of what a monk's value  
20 is -- a monk's vow.

21 A Of detachment. That means I don't want any  
22 real estate. Don't give me any money. I don't want  
23 any real estate. I don't want any valuables. I don't  
24 want a whole bunch of cars. Those things are  
25 fixations to me.-

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1 Q When did you take that vow?

2 A Oh, 1984.

3 Q And how old are you now, sir?

4 A Fifty-four.

5 MR. KREF[WIAN: I have no further  
6 questions.

7 THE WITNESS: Fifty-four in October.

8 RE-CROSS-EXAMINATION

9 BY MR. HARPER:

10 Q Just a couple of follow-up. I need to put  
I I on my microphone. Do you recall David Newren selling  
12 a painting to a Reginald Davis?

13 A Oh, Reginald Davis. I forgot all about  
14 him. He is an attorney from Mexico.

15 Q Do you remember the transaction?

16 A I don't. I do know that Reginald Davis was  
17 a big attorney out of Mexico City, and he was hanging  
18 around with the Ronald Welborn gang. David -- I don't  
19 know. Give me a hint.

20 Q Do you recall selling a painting for  
21 \$35,000 in cash?

22 A Oh, yes, yes. There was indie than one of  
23 that, too.

24 Q Oh, really?

25 A There were several. Yeah. The guy, the

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1 hot guy to talk, to about that would be Ronald Welborn.  
2 because he sold several to doctors that are his  
3 friends- The guy is worth 50 million bucks right now  
4 and has heavy vested interest in making suretha?the  
5 ball rolls, ou know, in his direction, because he has

y  
6 got so much art. He is the one that has I I gTobai  
7 corporations. They are all named the same thing.

8 Q This is Welborn?  
9 A Yeah, out of Fort Worth.  
10 Q Now, at one time did you sell some prints  
I I of your work, or did one of your distributors?  
12 A Well, I set up -- I had a whole bunch and  
13 we set up sales on them. That was '78 through '81 or  
14 '2.  
15 Q That was Whipple stuff?  
16 A That was all Whipple stuff, yeah.  
17 Q Do you recall how much money that brought  
18 in?  
19 A That was \$2,000 a print. And they were  
20 selling the prints for, to Beverly Hills Gallery for  
21 \$100,000 for the set of the prints. And I had one  
22 girl that was selling them for - she was selling six  
23 to seven sets a day.  
24 Q \$ 100,000 a set?  
25 A Um-hum.

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I Q This is the Beverly Hills Gallery?  
2 A She was selling six to seven sets a day for  
3 cash. That was incredible. And of course it wasn't,  
4 "Give me all the money right now." It was a time  
5 payment. It was great. I had a \$5,000 a week cash  
6 flow happening, a great big, old mansion and a Rolls  
7 Royce out front and two Mercedes parked on either  
8 of it, and on and on and on.

9 Q That was before your vow of detachment.  
10 Correct?

I I A Um-hum.

12 Q Is the Beverly Hills Gallery still around  
13 now?

14 A I don't know. Larry and Jerry Yeager, I  
15 think, went and opened up something else. They may  
16 have something else going on now. I haven't bothered  
17 looking them up.

18 Q How do you spell that last name, do you  
19 know?

20 A Y-E-A-G-E-R.

21 Q All right. I think we are just about done.

22 A And the woman that was doing the sales, her  
23 name was Sammi Lewis. I don't know what ever happened  
24 to her. She was real good. And I kind of had a  
25 little affair with her, and then my old lady came

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1 back.

2 Q Did that throw a wrench into the affair?

3 A Yes.

4 Q Is that a yes?

5 A ' Yes. I just had to end off on that. It  
6 was too bad.

7 Q Do you recall the total sales volumes of  
8 those prints at that time?

9 A It was a la We put out at least 200

10 sets.

I I Q So times 100,000?  
12 A (Nods head.)  
13 Q That comes out to, what, 20 million? I am  
14 an attorney, not a mathematician.  
15 A It is up there a,ways. It is up there a  
16 way~.  
17 Q These arejust prints. Correct?  
18 A Yes.  
19 Q Not even originals?  
20 A No. And then Dale Baker comes along. We  
21 have talked about him. We have got the paper on him.  
22 He comes along and says, "Oh, I am a corporation. I  
23 can really help,you out. I know all about corporation  
24 stuff." "Oh, good." "Just give me all those prints."  
25 He took them and ran off, and haven't seen him since.

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I All the ones that were left.  
2 Q And when was that, in the early'80s?  
3 A About'84 or'85.  
4 MR. HARPER:- I have no further  
5 questions. Thank you.  
6 TJ-IE WITNESS: All right.'  
7 FURTHER REDIRECT EXAMINATION  
8 BY MR. KREITMAN:  
9 Q You said that a set of these prints in  
10 -Beverly Hills was --  
I I A I didn't say in Beverly Hills.  
Q Oh, it was the Beverly Hills Gallery?  
13 A They were advertised through the Beverly  
14 Hills Gallery.  
15 Q Now, when did that o ccur?  
16 A '80,'81. '79,'80,'81, maybe some'82.  
i7 Q And how much did you realize from the sale  
18 of those prints?  
19 A I had a \$5,000 cash flow a week coming in,  
20 but them I split up with my old lady, so I signed all  
21 the accounts over to her., The cash was okay for a  
22 while, but then I thought, well, I am going to be  
23 leaving her here. I might as well leave her with  
24 something to take care of her, so I gave her all those  
25, accounts.

360

1 Q So your cash flow was about 5,000 a week?  
2 A Urn-hum.  
3 Q So that was something like \$250,000 a year.  
4 Correct?  
5 A Kind of like that.  
6 Q And the gallery was selling --  
7 A That doesn't count barter. That was,  
8 just - this is just cash.  
9 Q I understand. BuIrthis is from -- the  
10 gallery you say sold \$26 million worth of  
I I A ' I didn't say th at.  
12 Q That is the number you gave to Mr. Harper.  
13 A You weren't listening closely. The gallery

14 did not sell that. That is how many we had printed  
15 up.

16 Q Oh, I see, Well, how many sold?

17 A About that.

18 Q Okay. So

19 A But not through the gallery.

20 Q I see.

21 A See, I had other sales forces working

22 Q How many sold through the gallery?

23 A Very few. None at all, I'd say. We just

24 used them for an advertising name. Place the ads in

25 their thing. The people would call them up on the

361

I phone. They had some, down there. They'd say, "Yeah,  
2 come down here and get them." They didn't want to go  
3 down there and buy them.

4 Q So \$20 million worth of these prints were  
5 being sold by your distributors; is that right?

6 A Correct.

7 Q And by you?

8 A I was pushing them everywhere I could. 1  
9 traveled coast to coast and traded them out big-time.

10 Q This '80 to '81?

11 A Yes.

12 Q And your cash flow was \$5,000 a week from  
13 the gallery?

14 A No. I didn't say that.

15 Q All together.

16 A This is as a result of the sales, yeah.

17 And this was just at a certain point.

18 Q I see~

19 A It was \$5,000 a week as of '81, and then I  
20 stepped outside of that circle and took a couple of  
21 years off to work.

22 Q So on a year's sale of \$20 million worth of  
23 prints, you got \$250,000. Is that your testimony?  
24 5,000 a week times 12 weeks.

25 A You don't listen very close. You don't-

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I listen and your numbering is bad.

2 Q Well, correct me, then.

3 A Well, first of all, I say I got up to

4 \$5,000 a week, and for you it goes all year. Wrong.

5 It was \$5,000 a week up to a certain point. It got up

6 to \$5,000 a week. Sometimes it got \$8,000, \$7,000.

7 then \$5,000. Then I turned it all over to my

8 girlfriend who I split up with, had the baby. 1

9 turned it all over to her. Then that -- the money

10 that was coming in from all these sale things.

11 I Then Dale Baker came along, First Pac, this

12 corporation here that you showed me, he came along,

13 and he walked off with the rest of the prints, and

14 that completely stopped any income from there, any

15 future income. He cleaned me out big-time.

16 Q Did you pay taxes on the profits you made

17 on these paintings?

18 A The profits I made on what paintings?  
19 Q I'm sorry. On the prints.  
20 A On these prints, did I pay taxes? I don't  
21 think I did.  
U Q Where were you living at the time?  
23 A In a mansion.  
24 Q Do you have any documentation concerning  
25 the sale of these prints?

363

1 A It's been a long time.  
2 Q You told Mr. Harper that you sold a \$35,000  
3 painting for cash to a Mexican attorney. Do you  
4 remember that?  
5 A No, I didn't say that.  
6 Q Well, correct me. You said something like  
7 that, didn't you?  
8 A You remember the sale you did to the,  
9 what's his name, the Mexican attorney? Me and David  
10 Newren doing the sale are different things. David  
11 I Newren sold it to him. That means that I did. That  
12 is how we are speaking, understand.  
13 Q When did that occur?  
14 A I don't know. It was around that time.  
15 Q Early '80s?  
16 A No. That was '90 -- that Mexican attorney  
17 was Ronald Welborn time. That was around '94, '95.  
18 Then the Welborn, yeah, he sold a bunch of them for  
19 30, 35, 25 to \$35,000.  
20 Q And what was your cut?  
21 A Nothing. He just told me he was doing it.  
22 Q So when you told Mr. Harper in this last  
23 set of questions that you sold a \$35,000 painting for  
24 cash to a Mexican attorney, in fact, you didn't get  
25 anything from it; right?

364

1 A Correct.  
2 Q And you didn't mean to indicate in your  
3 answer to Mr. Harper that you had received cash for  
4 that painting; is that right?  
5 A I didn't mean to indicate that I personally  
6 received cash from it. correct.  
7 Q I see. And you said that at the same time  
8 you sold some other paintings for cash to other  
9 persons. Do you remember that, saying that to  
10 Mr. Harper?  
11 A I sold some other paintings to some other  
12 people.  
13 Q For cash.  
14 A For cash.  
15 Q You said to Mr. Harper.  
16 A Me?  
17 Q Well. that is what you told Mr. Harper.  
18 A Me or one of my distributors?  
19 Q Well, you told him you sold them. That was  
20 your testimony. In fact. it was your distributors who

21 sold them?  
22 A Probably so. Probably so, yeah.  
23 Q Did you get any part of that?  
24 A You have to be specific about what deal and  
25 what guy.

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1 Q In any of the paintings that were sold for  
2 cash  
3 A Yes, yes.  
4 Q -- in or about the time 1994 to 1995, at  
5 the time that you sold the painting to the Mexican  
6 attorney. the time that you were talking to Mr. Harper  
7 -- & \*  
8 A Well, Welborn was giving me \$2,500 a week  
9 cash, at that time. \$2,500 cash every week in hundred  
10 dollar bills.

11 Q And for how long did that last?  
12 A It lasted for quite a while.  
13 Q For how long?  
14 A Three or four months, something like that,  
15 five months, six months, something like that. What  
16 did I do I paid labor with it. I used it all to pay  
17 labor.

18 Q So this was after your vow of poverty;  
19 right?

20 A You didn't hear what I just said. And you  
21 are invalidating me.

22 Q I am just asking you about the timing.

23 A I just feel like you did that. Let me say  
24 that again, because you didn't hear me, and you took  
25 it wrong.

166

1 Q I see.  
2 A Okay. \$2,500 a week Ronald Welborn was  
3 giving me. All right? Now, he was selling the  
4 paintings. He was worth \$50 million himself. The  
5 \$2,500 a week he was giving me was being used to hire  
6 the homeless, particularly black, indigent homeless in  
7 Fort Worth. It was an all black crew. All right?  
8 It was paid, it was the cash that came in  
9 that was used to pay their wage. None of it was  
10 personally used by me, except for I needed to have  
11 food or my car fixed, and that was it.

12 So don't invalidate my monk's vow of  
13 detachment. You want to stick stuff on me, and I'm  
14 not going to let you stick it on me.

15 MR. KREITMAN: I just asked in terms of  
16 time. Very well. I have no further questions.

17 Mr. Harper? 1

18 MR. HARPER: I have no further  
19 questions.

20 MR. KREITMAN: Thank you very much,

21 Mr. Jones.

22 THE WITNESS: Okay. You have all been  
23 very professional, and I appreciate you.

24 MR. KREITMAN: Mr. Jones, we'll send you

25 the transcript.

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I THE WITNESS: Look what y6i~i did. You  
2 stuck your exhibit on this here. Now, have you got  
3 copies of all this?

4 MR. KREITMAN: She's going to make  
5 copies of all of this.

6 THE WITNESS: That is not good enough.  
7 I have got to take this with me. What if somebody  
8 comes over and has money. I won't be able to show  
9 them this stuff. They won't believe what I say. I'm  
10 joking.

I I MR. KREITMAN: How quickly can you make  
12 copies of these documents?

13 THE REPORTER: Can we return them to you  
14 by the end of the day tomorrow?

15

16 MR. KREITMAN: Because Mr. Jones want to  
17 keep the originals, four exhibits, is that four?

18 THE WITNESS: Correct.

19 MR. KREITMAN: Can we have an agreement  
20 that the copying service will make copies of them, and  
21 we will substitute the copies for the originals? 2

22 MR. HARPER: Absolutely. 2

2

23 MR. KREITMAN: Now, one of the exhibits 2  
24 is a CD. That is difficult to make a copy. 2

25 MR. HARPER: Yeah. All we need is tile 2

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1 documentation inside the CD, not the actual CD.

2 MR. KREITMAN: That's fine. So can you  
3 make a copy of the document inside the CD and mark  
4 that as the exhibit, pursuant to agreement of counsel,  
5 and returri the CD to Mr. Jones?  
6 Now, is all of this satisfactory to you,

7 Mr. Jones?

8 THE WITNESS: Yes, sir.

9 MR. KREITMAN: Okay. So you'll get the  
10 copies made as soon as possible and return the  
I I originals to Mr. Jones.

12 (The deposition was thus concluded.)

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JURATPAGE

1, Michael R. Whipple aka Sky Jones, do hereby state under oath that I have read the above and foregoing deposition in its entirety and that the same is a full, true and correct transcript of my testimony so given at said time and place, except for the corrections noted.

MICHAEL R. WHIPPLE  
aka SKY JONES

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9

Subscribed and sworn to before me, the undersigned Notary Public in and for the State of Oklahoma, by said witness ., on this the day of 12001.

Notary Public

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I

My Commission Expires:

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370

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CERTIFICATE  
STATE OF OKLAHOMA  
) SS:  
COUNTY OF OKLAHOMA

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1, Trena K. Bloye, CSR for the State of Oklahoma, and Kerri Wood, CSR for the State of Oklahoma, certify that MICHAEL R. WMPPLE aka SKY JONES was by me sworn to testify the truth; that the deposition was taken by me in stenotype and thereafter transcribed and is a true and correct transcript of I I the testimony of the witness; that the deposition was taken on the 10th day of July, 2001, at 1:30 p.m., at the U.S. Attorney's Office, 2 10 West Park Avenue, Oklahoma City, State of Oklahoma; that I am not an attorney for or a relative of either party, or otherwise interested in this action.

17  
18  
19  
20

Witness my hand and seal of office on this the 16th day of July, 2001.

21  
22  
23

Kerri Wood  
Oklahoma Certified Shorthand Reporter

24  
25

Trena K. Bloye  
Oklahoma Certified Shorthand Reporter