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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

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CLERK
U.S. DISTRICT COURT

1 UNITED STATES OF AMERICA,

89-2352

2 Plaintiff,

3 -vs-

4 No. 88 CR 709

5 NORBY WALTERS and LLOYD BLOOM,

6 Chicago, Illinois

7 Defendants.

8 March 7, 1989

9 10:00 a.m.

892353

10 REPORT OF PROCEEDINGS
BEFORE THE HONORABLE GEORGE M. MAROVICH

11 For the Plaintiff:

MR. ANTON R. VALUKAS

12 MR. HOWARD M. PEARL

13 MS. HELEN B. GREENWALD

14 For the Defendants:

MR. ROBERT GOLD

15 MR. ETHAN LEVIN-EPSTEIN

16 MR. MATTHEW KENNELLY

17 MR. DAN K. WEBB

18 MR. STEVEN F. MOLO

19 MR. GEORGE LOMBARDI

20 Official Court Reporter:

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H. STUART CUNNINGHAM
CLERK, U. S. DISTRICT COURT

U.S.C.A. - 7th Circuit
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THOMAS F. STRUBBE
CLERK

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1 THE COURT: Please be seated. Are we ready to go for
2 the jury?

3 MR. VALUKAS: Your Honor, we have a motion in limine
4 which we would like to have addressed before we proceed this
5 morning.

6 MR. WEBB: There's nothing to suggest as far as that
7 motion -- I'm not prepared to argue it, but can we hear the
8 direct examination so we know what we're shooting at before --
9 I don't know what the direct examination is going to be --
10 before I know whether my cross examination is going to be
11 limited or restricted?

12 THE COURT: I would suggest we take the direct
13 testimony for the reason you suggested and, in addition,
14 another one.

15 I would like to recreate in the minds of our jurors
16 that when we say we are going to start on time that we do start
17 on time instead of keeping them in the back room wondering
18 what's going on out here. And I will with deal with it.

19 MR. VALUKAS: Your Honor, just let me say with regard
20 to that, if -- one of the questions we're asking is, we were
21 under the impression based on previous rulings of the Court
22 that some of these issues were covered which Mr. Webb went into
23 in his opening statement, and I objected, believing that the
24 Court ruled we were limited in that area, or the Court was not
25 going to permit examination in that area based on relevance.

1 One of the problems we have in even putting together
2 direct testimony is that the Court is going to rule that
3 certain areas are relevant, then we are going to go into those
4 areas on direct examination rather than waiting to see whether
5 they go into it on cross. And some of these issues at least
6 have been addressed by the Court previously.

7 MR. WEBB: The issues that have been addressed by the
8 Court previously dealt with whether we could go into other
9 players and other universities other than what is in this
10 case. And your Honor indicated -- and I'll paraphrase -- this
11 is not a morality trial; I wasn't going to be allowed to do
12 that.

13 I'm only talking about cross examining this witness,
14 and I haven't heard his direct examination.

15 THE COURT: We will address it as I said. There are
16 other things that have laid the groundwork for this trial, and
17 they were contained in a very lengthy opinion that I gave you
18 Friday. You have it, and you know what the issues are.

19 You are excellent lawyers. And I intend to rule in
20 conformity with my previous rulings and I expect you to put on
21 your witnesses in accordance.

22 If what you are trying to do is find out how close to
23 the edge you can get, I'll answer that at the appropriate time,
24 but I don't think it's necessary to keep our jurors waiting at
25 this moment.

1 MR. VALUKAS: Your Honor, then I do understand that
2 prior to the cross examination we will address the motions?

3 THE COURT: We will.

4 MR. WEBB: Just for the record, and I will be brief,
5 I would like to just for the record renew my motion for
6 severance, because Mr. Gold did go into this advice-of-counsel
7 issue related to conversations with the law firm of Shea &
8 Gould in which my client received confidential communications.

9 I accept the Court's earlier ruling that my client
10 did not have a privilege with that law firm, but I simply want
11 to renew my motion for severance because of that.

12 I would like to make for the record a motion for
13 severance in light of Mr. Valukas' opening statement which
14 talked about Mr. Francheese or Mr. Franzese. I believe the
15 evidence will establish that my client was totally unconnected
16 with that gentleman, and this evidence is extraordinarily
17 prejudicial. And for the record, I'd like to move for
18 severance because of that prejudice involving Mr. Franzese.

19 THE COURT: I don't want to make Mr. Valukas'
20 argument, but I kind of think he's going to tell me that
21 whether he knew him personally or whether Mr. Walters knew him,
22 and they were acting together in any event is irrelevant.

23 MR. VALUKAS: Right. And I expect there may come a
24 time when --

25 THE COURT: Do I think that I will hear that from

1 you, sir?

2 MR. VALUKAS: I think you will, your Honor.

3 THE COURT: I thought I would and I will rule
4 accordingly.

5 MR. WEBB: My motions are denied?

6 THE COURT: Denied.

7 Now can we have the jurors, please.

8 MR. VALUKAS: One other thing, your Honor.

9 THE COURT: Excuse me.

10 MR. VALUKAS: Excuse me.

11 As a matter of convenience for the jurors and for
12 counsel, we have prepared exhibit books which are the exhibits
13 which will be utilized in the direct examination of Mr.
14 Harmon. We have copies for the defense, copies for the Court
15 and copies for the jury.

16 And what we would anticipate doing is distributing
17 those books, and as the exhibit is admitted into evidence,
18 turning their attention to that page in the book which contains
19 a copy of that exhibit so they can follow along on the
20 examination.

21 THE COURT: Well, okay?

22 MR. WEBB: Your Honor, my only objection goes to that
23 the transcript itself, which I don't believe to be in
24 evidence. I don't believe it should be distributed to the
25 jury. I have no problem with the actual -- the hearsay that's

1 coming in is admissible under the hearsay exception, and the
2 tape is admissible. I don't believe the transcript is
3 admissible in evidence and I object to the transcript being
4 used. But I don't object to the tape being played.

5 If it turns out that the tape is inaudible and
6 there's portions that can't be followed, we can then address it
7 at that point in time.

8 MR. VALUKAS: Your Honor, let me address that. The
9 courts have consistently ruled that the transcripts are
10 admissible as being an aid even though they're not in evidence
11 so the jury can follow along and listen and read at the
12 same time. And that's consistency.

13 Even if those are not admitted, obviously, the tape
14 is in evidence, and that's how the transcripts are utilized in
15 these cases.

16 THE COURT: It is in evidence, as are a number of
17 other demonstrative things.

18 MR. VALUKAS: That is correct.

19 THE COURT: And I'll take it in that context as an
20 aid and not as evidence, and they can be used for that
21 purpose.

22 MR. VALUKAS: Thank you, your Honor.

23 THE COURT: Now are we ready for the jury?

24 MR. VALUKAS: We are, your Honor. The only time we
25 will need to do anything is to explain how to use the head sets

1 at the appropriate time.

2 THE COURT: Okay.

3 MR. VALUKAS: Your Honor, may I put these on the
4 people's --- the jurors' chairs?

5 THE COURT: Fine.

6 MR. VALUKAS: Thank you.

7 THE COURT: If you wish, Mr. Webb, I will explain to
8 the jurors the transcripts are not evidence but the tapes are.

9 MR. WEBB: Thank you, your Honor.

10 MR. VALUKAS: Your Honor, if I may.

11 THE COURT: Yes.

12 MR. GOLD: Your Honor, could I inquire. This exhibit
13 book is being passed out to the jury?

14 MR. VALUKAS: Right. Only as each of the exhibit is
15 is identified will they be turned to that page.

16 MR. PEARL: Judge, maybe it would help to instruct
17 the jury not to look at something until it has been admitted.

18 MR. WEBB: I have be objection to the Government, as
19 each witness testifies, passing go out the exhibits that they
20 are going to use during that witness' examination. But unless
21 I've misread this --

22 THE COURT: I'll take care of it. I think that I can
23 take care of it by just telling them to put it under their
24 chair and don't do anything with it until I instruct them what
25 to turn to.

1 MR. GOLD: Your Honor, could I make one additional
2 observation?

3 THE COURT: Uh-huh.

4 MR. GOLD: I'm seeing this book for the first time,
5 and I notice that it not only contains exhibits that I expect
6 the Government intends to offer through the first witness, Mr.
7 Harmon, but I see documents in here that I expect they are
8 going to offer through follow-up witnesses.

9 That's another reason I find this proposed procedure,
10 although it may seem to be expeditious for the first witness, I
11 certainly object to having exhibits that won't even be offered
12 to that first witness handed out to the jury before the trial
13 starts.

14 THE COURT: If it solves your problem by just taking
15 the other things out --

16 MR. PEARL: Judge, these are today's witness. We are
17 going to do it on basically a day-by-day basis so each day we
18 don't have on pause and do that.

19 And, again, I think if you just instruct the jury not
20 to turn to something until it's admitted, it won't be a
21 problem.

22 THE COURT: Well, I'm going to do it that way. And I
23 will deal with the matter first off before you call anybody.

24 Have the jurors in, please.

25 (JURY IN.)

1 THE COURT: Put those things underneath your chairs
2 without looking at them, if you will.

3 Please be seated.

4 Ladies and gentlemen, there are materials that are on
5 your seats, and I want to make a couple of things about them
6 clear to you. First of all, put the books underneath your
7 seats for the time being, and the head phones as well.

8 It is my understanding that during the course of the
9 examinations today that you will be listening to tapes, and
10 that is what those head phones are all about so that you can
11 listen to them. And you have also been given booklets that are
12 supposed to be transcripts of what is on the tapes, and it's
13 supposed to help you.

14 Two things that I want you to understand. It is
15 those tapes and what you hear and your conclusion as to what is
16 on those tapes that is the evidence rather than those
17 transcripts. The transcripts are not evidence. They are
18 supposed to help you to better listen and understand the
19 tapes.

20 Secondly, there are tabs in there that deal with
21 witnesses who are going to be called today. I don't want you
22 to be getting involved in a preview of coming attractions and
23 look about what the witness is going to say before we are
24 through dealing with the one on the stand.

25 So I will instruct you as to which part of those

1 books to turn to. I expect that that's what you will do. And
2 as you leave here, leave the books. Okay?

3 With that, I forgot to say good morning. How are
4 you?

5 Let's call a witness, Mr. Valukas, if you have one.

6 MR. PEARL: Your Honor, the Government's first
7 witness is Ronald Harmon.

8 RONALD HARMON, GOVERNMENT'S WITNESS, DULY SWORN.

9 DIRECT EXAMINATION

10 BY MR. PEARL:

11 Q. Please state full name and spell it.

12 A. Ronnie Harmon. R-o-n-n-i-e, H-a-r-m-o-n.

13 Q. Where do you live, Mr. Harmon?

14 A. Queen, New York.

15 Q. How are you currently employed?

16 A. Buffalo Bills.

17 Q. What are the Buffalo Bills?

18 A. Professional football organization.

19 Q. What position do you play?

20 A. Running back.

21 Q. Where did you grow up, Mr. Harmon?

22 A. Queens, New York.

23 Q. Did you go to high school there?

24 A. Yes, I did.

25 Q. What high school did you attend?

1 A. Bayside High School.

2 Q. Mr. Harmon, have you entered into an agreement with the
3 United States Attorney's office in connection with this case?

4 A. Yes, I have.

5 Q. You have before you some documents, one of which has been
6 marked as Government Exhibit Harmon-12. Do you have that?

7 A. Yes, I do.

8 Q. Could you please identify that document?

9 A. It's an agreement with the United States government.

10 Q. What is your understanding of that agreement?

11 MR. WEBB: Judge, I object to his understanding. The
12 agreement speaks for itself. My objection is to his
13 understanding of the agreement.

14 THE COURT: Sustained.

15 MR. PEARL: Government offers Exhibit Harmon-11.

16 MR. WEBB: No objection.

17 MR. GOLD: I have no objection, your Honor.

18 THE COURT: It will be received.

19 (Government Exhibit Harmon-12 received in evidence.)

20 BY MR. PEARL:

21 Q. Let me draw your attention to Paragraph 3 of that
22 agreement. What did you agree to do in Paragraph 3?

23 A. To pay back the University of Iowa, to do 250 hours
24 community service, a year probation, and to testify truthfully.

25 Q. If you do all those things, what then is the result?

- 1 A. That I won't be indicted.
- 2 Q. While you were in high school, did you play on your high
3 school football team?
- 4 A. Yes, I did.
- 5 Q. What year did you graduate from high school?
- 6 A. 1982.
- 7 Q. Did you go directly from high school to college?
- 8 A. Yes, I did.
- 9 Q. Where did you attend college?
- 10 A. University of Iowa, in Iowa City, Iowa.
- 11 Q. Is it correct then that you started college in August of
12 1982?
- 13 A. Yes.
- 14 Q. During what years were you at the University of Iowa?
- 15 A. '82, '83, '84, and '85.
- 16 Q. Who paid your tuition, room and board during your four
17 years at the University of Iowa?
- 18 A. University of Iowa.
- 19 Q. How did they pay it?
- 20 A. Scholarship.
- 21 Q. While you were at the University of Iowa, did you play on
22 the university's varsity football team?
- 23 A. Yes, I did.
- 24 Q. How many years did you play varsity football?
- 25 A. Four years.

1 Q. What position did you play?

2 A. Running back. Running back for two years, my later two
3 years, and receiver for the first two years.

4 Q. When you first arrived at the University of Iowa, who was
5 the head football coach?

6 A. Hayden Fry.

7 Q. Who was the athletic director?

8 A. Hump Elliott.

9 Q. Did the coach of the football team and athletic director
10 remain the same during your four years there?

11 A. Yes.

12 Q. Were you told while you were at the University of Iowa
13 about rules that the school had adopted involving your athletic
14 eligibility and your eligibility for the football scholarship?

15 A. Yes, I was.

16 Q. When was the first time that you were told about those
17 rules?

18 A. In August of '82, just before training camp.

19 Q. That would be prior to the start of your first year?

20 A. Yes.

21 Q. Who spoke to you about the university's rules concerning
22 your eligibility to compete and to receive a scholarship?

23 A. Fred Mims and Sue Flood.

24 Q. Who is Fred Mims?

25 A. He's an academic advisor.

- 1 Q. Who is Sue Flood?
- 2 A. Assistant academic advisor.
- 3 Q. In what context did they speak to you about these rules?
- 4 A. It was at a team meeting.
- 5 Q. Where did that take place?
- 6 A. University of Iowa campus in the team meeting room.
- 7 Q. Was that prior to the start of the season?
- 8 A. Yes.
- 9 Q. To the best of your recollection, what happened at that
10 meeting?
- 11 A. Fred Mims explained the rules and regulations concerning
12 having a scholarship, pertaining to agents, signing early, and
13 rules and regulations for the football team.
- 14 Q. Each member of the Iowa football team is given a play book;
15 is that correct?
- 16 A. Yes.
- 17 Q. Could you please explain to us what a play book is?
- 18 A. Play book is a group of plays that we perform on the
19 football field and has rules and regulations at the beginning
20 of the play book.
- 21 Q. You have before you what's been marked as Government
22 Exhibit University of Iowa-4. Are you able to identify that
23 exhibit?
- 24 A. Yes.
- 25 Q. What is it?

1 A. It's the rules and regulations concerning agents.

2 Q. Where did --

3 A. Professional sports.

4 Q. Where did that document appear?

5 A. In the play book.

6 MR. PEARL: Your Honor, the Government moves the
7 admission of University of Iowa-4.

8 MR. GOLD: I would like to make a suggestion at
9 sidebar.

10 THE COURT: All right.

11 (Sidebar conference:)

12 THE COURT: Go ahead.

13 MR. GOLD: I think this is an appropriate time to
14 suggest to you that the books that are being distributed to the
15 jury and to the Court contain excerpts from the NCAA manual. I
16 think, in fairness, we ought to put the entire manual in so we
17 won't have to supplement it from witness to witness and it will
18 make cross examination easier and we won't have to keep telling
19 the jury to open and close their binders.

20 THE COURT: I'm going to let them put in their case
21 and you put in your case and we will proceed on that basis.

22 (End of sidebar.)

23 THE COURT: Overruled.

24 What exhibit are we talking about?

25 MR. PEARL: University of Iowa-4, which is found

1 immediately prior to Tab B, the two pages prior.

2 THE COURT: If you will open up your books to that.
3 Just before you get to Tab B is the document that we have
4 reference to.

5 Okay. It's entitled "Government Exhibit No. 4,
6 University of Iowa."

7 Okay? Does everybody have it? Turn to Tab B and go
8 back two pages.

9 Now are we all set?

10 MR. PEARL: Thank you, Judge.

11 BY MR. PEARL:

12 Q. Mr. Harmon, what is the title of that document?

13 A. "NCAA Rules Concerning Agents & Professional
14 Representation."

15 Q. This is what appeared in the play book?

16 A. Yes.

17 Q. Could you please read the first rule?

18 A. "NCAA rules forbid an NCAA athlete to agree, either orally
19 or in writing, to be represented by an agent or organization in
20 the marketing of his or her athletic ability or reputation
21 until after completion of the last intercollegiate contest,
22 including post-season games. This includes entering an
23 agreement that is not effective until after the last game."

24 Q. What did you understand that rule to mean?

25 MR. WEBB: Objection to his understanding, Judge.

1 THE COURT: The rule speaks for itself. Proceed.

2 BY MR. PEARL:

3 Q. Would you please read the fourth rule.

4 A. "NCAA rules for a student athlete to accept expenses or gifts of
5 any kind, including meals or transportation from an agent or
6 anyone else who wishes to provide services to the athlete.
7 Such payment is not allowed because it would be compensation
8 based on athletic skills and a parental [sic] benefit not
9 available to the other students."

10 Q. At that team meeting, were you told anything about what
11 would happen if you didn't follow the rules?

12 A. Yes.

13 Q. What was that?

14 A. That you wouldn't be able to play football and you would
15 lose your scholarship.

16 Q. Each year when you returned to the University of Iowa, did
17 you have another team meeting with Mr. Mims and Miss Flood
18 concerning the eligibility rules regarding your scholarship and
19 your athletic eligibility?

20 A. Yes.

21 Q. When did you have those meetings?

22 A. We had a meeting in August before training camp, before the
23 start of the next football season.

24 Q. What happened each year at the -- at those meetings?

25 A. We had to -- we would go over the rules and regulations and

1 also we would talk about agents. And we would fill out
2 financial aid statements concerning the scholarship.

3 Q. Prior to the start of your first year at the August '82
4 meeting, were you required to fill out various forms concerning
5 your scholarship and your eligibility to compete?

6 A. Yes.

7 Q. Did you have to fill those forms out in order to obtain
8 your scholarship?

9 A. Yes.

10 Q. Where were you when you filled out those forms?

11 A. In the team meeting room.

12 Q. And did you fill out those forms at the same team meeting
13 each year when you returned to Iowa?

14 A. Yes.

15 Q. Did you have to certify anything on those forms?

16 A. Yes.

17 Q. What was that?

18 MR. WEBB: Judge, I object. I don't object to the
19 forms themselves. I would object to him testifying about the
20 forms, if they are not in evidence, as to what he certified on
21 it. I don't object to the forms themselves. They are not --

22 THE COURT: I presume you are going to offer them in
23 evidence?

24 MR. PEARL: Yes, your Honor. We will get to the
25 forms.

1 THE COURT: I don't have any problem with his
2 testifying to them. Go ahead.

3 BY MR. PEARL:

4 Q. Mr. Harmon, what is it that you certified on those forms?

5 MR. WEBB: I'm sorry. I thought -- did you rule on
6 my --

7 THE COURT: I have no problem with the question. The
8 objection is overruled.

9 MR. PEARL: Thank you, your Honor.

10 THE WITNESS: Repeat the question, please.

11 BY MR. PEARL:

12 Q. Mr. Harmon, what was it that you certified on those forms?

13 A. Certified that we didn't sign with any agent or accept any
14 monies before or during the season.

15 Q. Mr. Harmon, let me direct your attention to your junior
16 year. Is it correct that it would be the fall of 1984 that you
17 were in your junior year at Iowa?

18 A. Yes.

19 Q. Did you play the University of Wisconsin that year?

20 A. Yes, I did.

21 Q. At approximately what point in the season did you play at
22 at the University of Wisconsin?

23 A. About November, third to the last game of the season.

24 Q. Would you please describe to the ladies and gentlemen of
25 the jury what happened to you during that game.

1 A. I broke my leg in two places.

2 Q. After that game, was your leg placed in a cast?

3 A. Yes, it was.

4 Q. For approximately what period of time did you have your leg
5 in a cast?

6 A. From about November to April.

7 Q. Also during the spring of your junior year, did you meet an
8 individual by the name of Lloyd Bloom?

9 A. Yes, I did.

10 Q. Did you see Mr. Bloom present here in court today?

11 A. I do.

12 Q. Would you please identify him?

13 MR. WEBB: We will stipulate that they know each
14 other well.

15 THE COURT: So stipulated.

16 BY MR. PEARL:

17 Q. Was your first contact with Mr. Bloom in person or over the
18 telephone?

19 A. Over the telephone.

20 Q. Did you call Mr. Bloom?

21 A. No.

22 Q. Or did he call you?

23 A. He called me.

24 Q. Approximately when was it that Mr. Bloom called you?

25 A. In March. Early March.

- 1 Q. And this is March of 1985?
- 2 A. Yes.
- 3 Q. Had you ever heard of Mr. Bloom prior to that phone call?
- 4 A. No.
- 5 Q. Where did Mr. Bloom reach you?
- 6 A. In my dorm room.
- 7 Q. To the best of your recollection, what did Mr. Bloom tell
- 8 you during that telephone conversation?
- 9 A. That this was my lucky day because they represented
- 10 big-time stars and that he wanted to represent me and that he
- 11 wanted me to come to New York.
- 12 Q. Were arrangements made for you to go to New York?
- 13 A. Yes, they were.
- 14 Q. What were those arrangements?
- 15 A. Well, that I would fly out maybe -- at the end of the week
- 16 I would fly out and he would pick me up in a limousine and take
- 17 me to his office in New York.
- 18 Q. Did you in fact go to New York?
- 19 A. Yes, I did.
- 20 Q. About when was that?
- 21 A. About -- it was on a -- probably was March 8, on a Friday.
- 22 8th or 9th.
- 23 Q. How would you receive your airline ticket?
- 24 A. Federal Express.
- 25 Q. Who paid for it?

1 A. I guess Lloyd Bloom and Norby Walters.

2 Q. When you arrived at the airport in New York, what happened?

3 A. They picked me up in a limousine and took me to the office
4 in Manhattan, and I met with them in their office.

5 Q. What office was that?

6 A. Norby Walters' office.

7 Q. Did you go there alone?

8 A. Yes.

9 Q. With whom did you meet when you arrived there?

10 A. I met -- that's the first time I met Norby Walters, for
11 about 15 minutes.

12 Q. Who introduced you to Mr. Walters?

13 A. Lloyd Bloom.

14 Q. Did have a conversation with Mr. Bloom and Mr. Walters?

15 THE COURT: Mr. Pearl, excuse me. Are you done with
16 this exhibit?

17 MR. PEARL: Yes. Thank you, your Honor.

18 BY MR. PEARL:

19 Q. Mr. Harmon, when you were at the office of Mr. Walters and
20 Mr. Bloom, did you meet with them?

21 A. Yes.

22 Q. And was anyone else present when the three of you spoke?

23 A. There was people in the office. We didn't really go into
24 private about it.

25 Q. Approximately how long were you in the office that day?

- 1 A. About 30 minutes.
- 2 Q. What happened during that 30 minutes?
- 3 A. Well, we didn't really talk much. We just talked about --
- 4 we really didn't talk about too much. He just wanted to me to
- 5 bring my father up the next day. Norby Walters wanted me to
- 6 bring my father up the following day.
- 7 Q. What arrangements were made at the end of the meeting.
- 8 A. That I would bring my father up on a Saturday.
- 9 Q. Where did you stay that night?
- 10 A. Stayed home.
- 11 Q. Where do your parents live?
- 12 A. Queens, New York.
- 13 Q. How did you get to Queens that night?
- 14 A. Limousine took me home.
- 15 Q. What did you do the next morning?
- 16 A. My me and my father woke up and took the train to
- 17 Manhattan.
- 18 Q. Where did you go in Manhattan?
- 19 A. Norby Walters's office.
- 20 Q. With whom did you meet when you got there?
- 21 A. Norby Walters at first.
- 22 Q. Just Mr. Walters alone?
- 23 A. Yeah.
- 24 Q. Where did you meet with him within that office?
- 25 A. In his private office.

- 1 Q. Who was present for that meeting when it first started?
- 2 A. Norby Walters, my father and myself.
- 3 Q. How did the conversation begin?
- 4 A. Just began with I guess call it small talk. Just talked
5 about neighborhoods in New York.
- 6 Q. Was there a point at which Mr. Bloom arrived?
- 7 A. Yeah.
- 8 Q. How close to the beginning of the conversation, the small
9 talk that you described, was that?
- 10 A. Well, I guess he was waiting for Lloyd to get there before
11 he started. So probably maybe five minutes, maybe.
- 12 Q. What if anything did you bring with you to that meeting?
- 13 A. I brought a -- I had a briefcase with a tape player.
- 14 Q. Just prior to Mr. Bloom arriving, during the small talk
15 about the neighbors, did you do anything with your tape
16 recorder?
- 17 A. Yes. I turned it on.
- 18 Q. Did you at that time tell Mr. Bloom and Mr. Walters that
19 you were going to tape the meeting?
- 20 A. No.
- 21 Q. When was the first time that you listened to the tape after
22 the meeting?
- 23 A. As soon as I got home.
- 24 Q. Did the tape record the entire meeting?
- 25 A. Yes. The majority of the meeting.

1 Q. What part is missing?

2 A. The -- probably the conclusion of the whole meeting.

3 Probably just summing up the whole meeting.

4 Q. Prior to coming to Court here today, did you have a chance
5 to review that tape recording?

6 A. Yes.

7 Q. And prior to coming to Court here today, did you work on
8 preparing a transcript of the voices that appear on that tape
9 recording?

10 A. Yes.

11 Q. You have before you in your exhibit file what's been marked
12 as Government Exhibit Harmon 11-A and Harmon 11-B; is that
13 correct?

14 A. Yes.

15 Q. What is Harmon 11-A?

16 A. It's a transcript of the tape.

17 Q. And what is Harmon 11-B?

18 A. Tape.

19 Q. Are those the tapes that you reviewed?

20 A. Yes.

21 Q. And did you initial them?

22 A. Yes.

23 Q. Is that the transcript that you prepared?

24 A. Yes.

25 Q. How was that transcript prepared?

1 A. Well, I went through the tape and the transcript at the
2 same time and made corrections on it.

3 Q. And did you initial it when you were done?

4 A. Yes.

5 Q. Were you able to understand every word that appears on the
6 tape?

7 A. No.

8 Q. When you were unable to understand a particular portion,
9 how did you indicate that on the transcript?

10 A. "Inaudible."

11 Q. Was there also a point at which you had to flip the tape?

12 A. Yes.

13 Q. Did you indicate that on the transcript?

14 A. Yes, I did.

15 Q. You indicate that the tape ran out before the meeting
16 ended; is that right?

17 A. Yes.

18 Q. Approximately how many minutes later or how many minutes
19 longer did the meeting continue after the tape ran out?

20 A. About 15 minutes.

21 Q. Does the transcript that's marked Government Exhibit Harmon
22 11-A fairly and accurately reflect the conversation you hear on
23 the tape that's been marked Government Exhibit Harmon 11- B?

24 A. Yes.

25 Q. Now, you mentioned that this was a conversation involving

1 Mr. Walters. Do you see Mr. Walters present here in court
2 today?

3 A. Yes, I do.

4 MR. GOLD: We will concede the identification.

5 MR. PEARL: Your Honor, the Government moves the
6 admission of Harmon 11-A and B.

7 MR. WEBB: No objection.

8 MR. GOLD: I have no objection, subject to your
9 Honor's instruction to the jury.

10 THE COURT: It will be received.

11 Government Harmon Exhibits 11-A and 11-B received in
12 evidence.)

13 MR. PEARL: Your Honor, at this point we are going to
14 ask permission to play the tape and ask if the jury may turn to
15 Government Exhibit 11-A, which is found after Tab B.

16 THE COURT: I again remind you that the evidence is
17 the tape.

18 MR. PEARL: Your Honor, may I explain to the jury how
19 to use the head phones?

20 THE COURT: Can you explain to me, too?

21 MR. PEARL: Okay.

22 Ladies and gentlemen, these are wireless head
23 phones. The orange and yellow indicators are volume controls.
24 And you will want to adjust those to your own personal
25 hearing.

1 On the bottom, there is a button that you move to the
2 right. In very little print, it says "On." And on the top,
3 the similar thing should be in the middle. So the top one is
4 in the middle. These are for your personal convenience. And
5 the bottom one should be to the right.

6 And does everyone have the transcript, which is
7 Government Exhibit 11-A, which is found between Tabs B and C.

8 (Playing of tape.)

9 MR. PEARL: Your Honor, is it your practice to take a
10 morning break?

11 THE COURT: This may be a good time, and we can take
12 care of some other business, as well.

13 THE COURT: Ladies and gentlemen, we will excuse you
14 for a morning break. There are some matters that I must attend
15 to out of your presence, in any event.

16 Mr. Harmon I'm sure the bailiff can see is in the
17 witness room. So that situation is cared for. We will be in
18 recess shortly.

19 (The following proceedings were had in chambers.)

20 MR. WEBB: Should we send the jury out for lunch and
21 argue, or come back and argue it later. Whatever you want to
22 do is fine.

23 THE COURT: I have a goal that I think is a mutual
24 goal. I don't want to be wasting their time or have big gaps in
25 there. And I don't want to sit back here for 35 minutes and

1 argue this damned thing and then go out there for 15 and then
2 take a lunch break. I would just as soon see if we are going
3 to need to address it before the lunch hour.

4 While we are on break, there are certain things I
5 think that I ought to plan as a basis for further conversation
6 this afternoon. And one -- there are certain things here that
7 I believe have impact on what is and is not relevant. And
8 certainly what does the indictment charge is one. And,
9 secondly, what rulings has the Court made.

10 Amongst other things, and I know that these arguments
11 about relevance are primarily in the area of these mail fraud
12 charges, and while you may have some question about extortion
13 or expropriating the monies or whatever it is you want, I mean,
14 we are really concentrating on the mail fraud charges.

15 And in these mail fraud charges, the indictment says
16 that these specific defendants defrauded specifically named
17 universities by making payments in violation to NCAA and or Big
18 Ten rules to specifically named athletes. And what other
19 agents did in connection with other athletes at other
20 universities does not seem on the face of it relevant to
21 anything that is before this Court. And I so indicated to you
22 in my rulings on these subpoenas.

23 I also ruled on Friday, and you have copies of those
24 opinions that covered a number of things, that the tangible
25 property right to these scholarship money, the room and board

1 and things that the universities give to the student athletes
2 together with and including their intangible right to allocate
3 these limited numbers of scholarships, are the property that
4 this indictment alleges that they are defrauded out of.

5 I also have ruled that in setting rules governing
6 athletic competition between members of the association, the
7 NCAA, is not in violation of the antitrust laws. Now, whether
8 or not those rules should be amended or whether they should be
9 abolished or whether they are affected, whether the athletes
10 are being beset upon or whatever, I don't know is at issue
11 here. Those rules do exist, and it's a violation of those
12 rules by the athletes and/or Norby acting in conjunction, does
13 that amount to the defraud of a property right that they're
14 accused about.

15 Now, I suppose that it is relevant to as to how they
16 go about allocating those scholarships. The NCAA rules are
17 relevant, you know, what are they and what things do they
18 cover. And I am assuming that it is relevant to inquire as to
19 whether these specific universities or these specific athletes
20 violated other NCAA rules that would make them ineligible
21 regardless of whatever it is that Norby Walters did.

22 I have a little problem in my mind that you may want
23 to address to me at some point in time, as I have done some
24 independent research on this problem in trying to ascertain
25 what relevance things have, depending upon what has to be

1 proved here. And I know that you are, according to your
2 opening statement, going to call Fr. Hesburgh and Chalmers
3 Elliott and other people presumably to show that they rely on
4 these fraudulent statements. And I suppose that it is
5 appropriate in cross examination to say they give them a
6 passing nod because of other things.

7 The import of their football program and how much
8 money is derived from it, while I agree with your motion in
9 limine that says it's as easy to defraud somebody who is rich
10 as it is somebody who is poor, your point doesn't escape me.
11 But it may be that the magnitude of their business has
12 something to do on cross examination with how much reliance
13 they really place on this thing.

14 Now, I have another problem with that. I know of at
15 least one case, and I will cite it to you, that says that
16 "reliance" is not an issue in a criminal fraud case. It is in
17 a civil fraud case. And that's FDIC v. Kerr, K-e-r-r, 637
18 Federal Supplement 828.

19 You might want to look that over.

20 So those are the wide parameters. When I indicated
21 to you that this is going to be a criminal trial and not a
22 morality play, that's what I'm talking about. I am not going
23 to visit ever sin, real and imaginary, that has occurred in
24 intercollegiate sports. And I really don't care, any more than
25 in governing my children with what other mommies let their kids

1 do, what the hell is going on someplace in these other
2 universities who you claim and have the duty of showing have
3 been defrauded. That's what we are talking about here.

4 But I don't know how much more specific or how much
5 more guidance you need here.

6 MR. VALUKAS: Your Honor, let me address what I
7 perceive to be four separate issues. And maybe in light of the
8 timing here, it might be, if I might make a suggestion, since I
9 think there is some argument in connection with this, that if
10 we --

11 THE COURT: I will allow to you explore this in more
12 detail on the record when we are on our break and not keeping
13 this jury waiting for Mr. Harmon.

14 MR. VALUKAS: That's what I was going to suggest.
15 And maybe if the Court would permit, we could conclude the
16 direct examination and then argue the issues so that, you know,
17 the Court has the opportunity of ruling on it before we go into
18 the cross without keeping the jury waiting.

19 THE COURT: I would prefer to do that. And I want to
20 at least, as they say, lay the mattresses for you as to where
21 we are going to do battle.

22 These are, you know -- and there are other things
23 that I understand, and that is, what are our roles and what we
24 do here. I have made a ruling as far as the McNally counts and
25 a whole bunch of stuff. And I never claim infallibility, and

1 anybody that does is dumber than I perceive myself to be.

2 But what we do here every day is I give you the
3 guidelines as I see them and we proceed on that basis, and if
4 we're wrong, it goes upstairs. But in the meantime, this is
5 what guides us. And that lawyers try to test the parameters of
6 what that means is what you are supposed to do, and it doesn't
7 offend me, neither.

8 But it gets to my opening statement to you. There
9 are certain things that create the framework for what is and
10 what is not relevant, and that is the indictment that is before
11 the Court and the rulings that this Court has made about those
12 indictments. I may be wrong, but I intend to be consistently
13 wrong if I am.

14 MR. WEBB: Judge, let me address that while we're
15 just talking generally. First of all, I will state I
16 understand the Court's ruling. I have studied your opinion. I
17 accept it. Whether I agree with it is totally irrelevant.

18 And I will tell the Court, first of all, the
19 parameters you just laid out I pretty much agree with, I'll
20 tell you that. And there is one issue that you talked about
21 which will not come up with Harmon, which we can talk about
22 today or at any other time, and that is, the issue of what
23 other sports agents did as to other universities with other
24 players will not come up at all today. And the only reason I
25 mention is it is because that goes not to our --

1 THE COURT: I can see something about that in another
2 context, very frankly.

3 MR. GOLD: I just want to state that I can't adopt
4 that position.

5 MR. WEBB: Just let me finish.

6 What that goes to is my client's good-faith defense
7 which will come up later. So I'm prepared to tell you first of
8 all that I don't intend to cross examine Harmon about that
9 issue. We can talk about it now or later if you want to.

10 THE COURT: What I intend to do, if that's the case,
11 we will finish the direct, I will give you the opportunity to
12 cross, and if it poses any problems, we will recess at that
13 time and address it. And that way, no time is wasted.

14 MR. VALUKAS: Just so I'm clear on this, because I
15 seem to be in a position where, in connection with two of these
16 items -- three of these items in particular, one is, in the
17 cross that either with regard to Harmon or the officials who
18 will come after Harmon, our position is that there should not
19 be cross examination, for instance, on the questions of what
20 courses did you take, because that is irrelevant and it is not
21 relevant to the issues which are on trial here.

22 If the issue were, for instance, in connection with
23 that -- and that's why I wanted to argue this before we
24 addressed the cross examination. Because while Mr. Webb
25 agreed, we seemed to have been in disagreement here yesterday

1 during the course as to what the scope of the Court's ruling
2 are, and I want to get down to the particulars.

3 THE COURT: The only thing that I've got to tell you
4 in my mind, and I don't know -- I do not have a reputation for
5 being wishy-washy, but there are certain things that are
6 impossible for me to rule on because I don't know the context
7 in which they are going to come in is the problem.

8 I would agree with you that whether they're taking
9 easy courses or hard courses or whatever has -- if it has
10 relevance, it doesn't have any materiality to me, as we speak.

11 It may be that they know something and you know
12 something that I don't know that would indicate that they have
13 made a passing light in a general way about grades, or they
14 know that people don't make them or whatever, and, therefore,
15 it may have relevance. But I don't know that it is on cross
16 examination. Maybe you've got --

17 MR. WEBB: Judge, here's where it's going to come
18 up. We can talk about it now or we can go back out.

19 This is a critical issue because -- I'll make an
20 offer of proof so the Court knows exactly.

21 I intend to go into it on cross primarily because of
22 some NCAA rules that require that the student must be in what's
23 called good academic standing. And I do intend to examine this
24 witness in particular, based on my belief, based on the
25 documents you allowed us to subpoena from the university, that

1 he appears either not to have been in good academic standing,
2 or if he was, then the athletic department intentionally
3 insured his academic standing to avoid the NCAA rule.

4 The Government's whole theory here is that the
5 university was cheated and defrauded out of a certain type of
6 property. My whole defense is to try to show that that's not
7 true, that they weren't actually cheated out of that property.
8 And there is no question that when the Government throws this
9 out as a blob on direct examination that they were cheated out
10 of the property, all I can cross examine, for example, this
11 witness and suggest to the jury through -- and it's not -- I
12 don't think it's going to take it long -- that the truth is
13 that this university was not going to -- that they had the
14 benefit of their bargain, which was, he was to play football
15 and bring prominence to the school, and if he did that, they
16 were going to give him the scholarship.

17 Now, Mr. Valukas and Howard Pearl maybe be able to
18 destroy my defense, and I respect that. But that's my
19 defense. And there's no question --

20 THE COURT: They are going to say something else.
21 And it's not going to come as any surprise to anybody. I mean,
22 we have heard it over and over and over again. And they are
23 going to say, in addition to other things, I mean, they have a
24 right to allocate their scholarships between eligible people.
25 You have given me a piece of paper that misled me as far as

1 that selection, and that's the fraud.

2 That's what you are talking about. And I don't know
3 that it is quite as simple as that. It certainly is an
4 argument that I think is going to prevail -- excuse me, not
5 prevail, that is going to be made. And I'm going to give
6 instructions somewhere along the line as to what are the
7 elements of fraud, and we might have another argument along the
8 line on that.

9 But as we speak, if you intend to do that which you
10 intend, you just told me you did, --

11 MR. WEBB: I do.

12 THE COURT: -- this is my feeling. Whether or not the
13 university relied on that certificate or not, whether the
14 Government is required to prove reliance or what they -- or
15 don't, what you are really telling me is, that aside, he was
16 ineligible for other reasons and therefore couldn't have been
17 defrauded by the actions of Walters. Is that what you're --

18 MR. WEBB: That's essentially correct. It's a little
19 beyond that, but that's essentially correct.

20 THE COURT: And if that's what you think you can
21 show, rather than throw out your fishing pole, I'm going to let
22 you get into.

23 MR. VALUKAS: May I address that for a second?
24 Because there are two different things merged here. It's not
25 the question of whether or not he was eligible, because Mr.

1 Webb characterizes the NCAA rule.

2 If what Mr. Webb is going to be able to establish is
3 that he was not academically eligible, that's one thing. But
4 what Mr. Webb was talking about in his opening statement
5 yesterday and what he's talking about today, which slides on
6 through, is something entirely different.

7 THE COURT: I'm going by what he's talking about
8 today.

9 MR. VALUKAS: The second part of what he said dealt
10 with that he was taking soft course, not that he didn't
11 maintain his 2.0 grade point. Because as far as I can tell
12 from looking at the records, and maybe Mr. Webb has records
13 different from mine, he maintained that 2.0 average.

14 If what he is talking about is that he maintained the
15 average but that the courses may not have been difficult
16 courses or he may have slid into the easy courses, that's not
17 relevant evidence. And I suggest under 104, the Court -- this
18 is exactly why we raised issue that under 104. The Court needs
19 to look to see what he intends to do in connection with that.

20 And, secondly, under 403, it says specifically that
21 if the evidence is being admitted, even though it's
22 tangentially relevant, if it creates confusion with the jury or
23 raises false issues, it ought not be admitted.

24 And what I'm suggesting here is if Mr. Webb's
25 representation is that he will establish that, that he wasn't

1 maintaining that grade point average, that is one thing. But
2 if what he is saying is, and what I heard him say yesterday,
3 was, no, he was maintaining the average but the courses he was
4 taking were soft courses, or something similar to that, and the
5 university was helping him take soft courses, that's entirely
6 different.

7 The NCAA rules themselves say that the university
8 makes the determination as to whether or not he's in good
9 standing in connection with it. And what we are going to have
10 here is litigation by the jury to decide whether or not this is
11 a good course, not a good course, whether it's a tough course
12 or not a tough course. And that's irrelevant and has nothing
13 to do with whether or not Walters and Bloom committed fraud.

14 THE COURT: Wait a minute, because this conversation
15 is going to be over with these concluding remarks.

16 First of all, it may be that the two of you are the
17 victims of your reputation, which is great at least in the eyes
18 of this Court. And if Mr. Webb tells me in his offer that that
19 is where he is going to go, I will accept that. If that
20 reputation is tarnished, that is a price that he will pay on
21 another day, I'm sure.

22 Your reputation is, if there is any confusion that he
23 creates in the minds of that jury, I am awfully comfortable
24 about your ability to clear it up when your turns gets to
25 re-examine your witnesses. And we will proceed on that basis

1 now.

2 I didn't comment on your reputation, Mr. Gold,
3 because I don't know what it is.

4 MR. GOLD: I appreciate that, your Honor.

5 MR. VALUKAS: There was another issue which was
6 raised by Mr. Webb. And, again, I don't want to delay the
7 jury. But it's the issue involving the recruiting, as to
8 whether that has something to do with what's on here.

9 Mr. Webb raised the issue and I think Mr. Gold raised
10 the issue as to whether or not issues involving recruiting, the
11 fact these students are recruited, has something to do with
12 this trial.

13 And I suggest it has nothing to do with this trial.
14 The fact these students are recruited and come to the school as
15 a result of recruitment has nothing to do with whether or not
16 fraud has been perpetrated on the schools by Walters and Bloom.

17 THE COURT: I don't see it as an element of the crime
18 of fraud, but it might be some background that gives us a
19 framework without getting involved in --

20 MR. WEBB: I'll tell you what it is, briefly.

21 I don't intend going into into it very far. In fact,
22 Mr. Pearl brought it out on direct that he was in high school
23 when he agreed to come to the school.

24 I'm just going to talk -- my whole examination,
25 Judge, is pretty much based on my position that the university

1 was not cheated out of the scholarship. And part of that is
2 simply to establish how he got his scholarship and what the
3 terms of the scholarship were.

4 Clearly, the terms of the scholarship are relevant to
5 whether or not the university -- whether he -- this man is
6 accused of cheating the university out of that scholarship.
7 I'm not going to go into recruitment to any great extent other
8 than to bring out that he was recruited, that they came out to
9 him, sold him on the university and then there's a deal.
10 There's written documents.

11 THE COURT: It seems to me that if he got cheated out
12 of the scholarship, that you're entitled to show in what way he
13 was -- they were cheated.

14 MR. WEBB: And he will testify to his understanding.

15 THE COURT: That's fine.

16 (Proceedings in open court.)

17 (JURY IN.)

18 THE COURT: Mr. Harmon, if you will resume the stand,
19 please, sir.

20 Please be seated.

21 Mr. Pearl, you may resume your examination, sir.

22 BY MR. PEARL:

23 Q. Let me ask you, Mr. Harmon, if you would, and ladies and
24 gentlemen of the jury, to turn to Page 15 of the transcript.

25 Let me draw your attention to the box approximately

1 twelve lines down on page 15 where Mr. Walters says:

2 "We want to sell the Ronnie Harmon business, Norby
3 Walter and Lloyd Bloom. We want to represent the selling
4 of that product in the market place. And today before the
5 product comes to market, before it comes to market, I say I
6 want to make a deal now today. I don't want to wait to
7 January. I want to make a deal now."

8 What did you understand Mr. Walters to mean?

9 MR. WEBB: Judge, I object. That's why we played the
10 tape. I object to his understanding. The words speak for
11 themselves. I object to the form of the question.

12 THE COURT: Overruled.

13 BY THE WITNESS:

14 A. He wanted me to sign early in March and not wait until
15 January 1st.

16 BY MR. PEARL:

17 Q. Then a few lines down on the same page when Mr. Walters
18 says:

19 "I'm willing to come up with a few thousand dollars
20 cash American for Ronnie so that he has it to do with as he
21 please."

22 What did you understand him to mean?

23 A. That he wanted to pay me to sign early.

24 Q. During this conversation, did Mr. Walters display any cash?

25 A. Yes.

1 Q. How did he do that?

2 A. Took it out of his desk and put it on the top of the table.

3 Q. How much cash did he display?

4 A. Twenty-five hundred.

5 Q. Then Mr. Walters continued in that paragraph and says:

6 "In addition to that, from now on the first of every
7 month, from now until the day he starts playing ball,
8 hopefully starts playing ball, I will make sure there's a
9 telegram out there in Iowa or wherever he is that each
10 first of the month he'll go there and they'll be \$250
11 waiting for him."

12 When Mr. Walters said that what did you understand
13 him to mean?

14 A. That he would send me \$250 a month.

15 Q. Let me ask you now to turn to Page 16. Approximately a
16 quarter of the way down the page, your father says:

17 "A rule is a rule. It's just like that."

18 Mr. Walters says: "Yeah."

19 Your father says:

20 "The same thing like the police".

21 Mr. Walters says:

22 "Yeah that's..."

23 Your father says:

24 "They got rules. They got laws."

25 Mr. Walters says".

1 "It's just like the income tax. Dig it. It's just
2 like the income tax."

3 What did you understand him to mean?

4 MR. WEBB: Your Honor, he's testifying to the state
5 of mind of other people.

6 THE COURT: I will sustain, Mr. Webb.

7 MR. PEARL: Your Honor, I'm asking the scope.

8 THE COURT: I understand that. But you're asking him
9 to testify as to what it meant to somebody else other than
10 himself.

11 MR. PEARL: I'm sorry. Let me rephrase that.

12 BY MR. PEARL:

13 Q. What did you understand that to mean?

14 MR. WEBB: Judge, he's still --

15 THE COURT: That's the same objection and it will be
16 sustained.

17 BY MR. PEARL:

18 Q. On Page 17, Mr. Walters says:

19 "You're gonna play the game. You all gonna do a
20 razzle dazzle that the Government is going to have to try
21 to find out what it is you're doing. And you know what.
22 They don't. Unless you are one of them incredible insane
23 guys who just flaunt it so terribly."

24 What did you understand him to be saying to you?

25 MR. WEBB: Same objection.

1 MR. GOLD: Judge, same objection.

2 THE COURT: No, it is not, really. I can let him
3 answer that one. The difference, if I'm to draw the
4 distinction, the last question asked what his father's words
5 maybe meant to his father. This is what Walters' words meant
6 to him. And I draw that distinction, and I'll allow him to
7 answer.

8 BY THE WITNESS:

9 A. Well, he knew if we kept it a secret, no one would find
10 out, unless you would show them. Like you would show them
11 things and, like he said, you know, flaunt.

12 BY MR. PEARL:

13 Q. And further down the page when Mr. Walters says: " We ain't
14 gonna tell," what did you understand him to mean?

15 A. We weren't going to tell the University of Iowa that we
16 signed early.

17 Q. And then at Page 20, Mr. Walters, in the middle of the page
18 says:

19 "You want to know something. I'm gonna give you a
20 good situation. First of all, let's put it this way. If
21 we sign a piece of paper and if we do a piece of business,
22 I mean, there's four of us here and then there's momma,
23 that's the end of that."

24 What did you understand Mr. Walters to mean?

25 A. Only the four of us in the office, Lloyd Bloom, my father

1 and myself and Norby Walters would know about me signing early,
2 and my mother.

3 Q. Let me ask you please to turn to Page 26. Approximately
4 ten lines down, Mr. Walters says: "We can't sign and make it
5 legitimate."

6 What did you understand him to mean?

7 A. I guess he meant that you can sign early and make it
8 legitimate, but if you postdated it to January, it would make
9 it seem like it was legitimate.

10 Q. Further down the page Mr. Walters says:

11 "Well, the point is this [inaudible]. We don't tell
12 them."

13 What did you understand him to mean?

14 A. Well, I guess he meant University of Iowa and the NFL PA.

15 Q. What was your understanding of how it was that you would
16 conceal that?

17 MR. WEBB: Judge, I object to that.

18 THE COURT: I will sustain.

19 BY MR. PEARL:

20 Q. Let me ask you please then to focus on Page 28. In the
21 last paragraph, Mr. Walters says:

22 "Okay. So I'm not gonna do anything to jeopardize
23 that. If we make a deal here with the family and he signs
24 and I sign, that's the end of that. That piece of paper
25 goes in your vault, that piece of paper goes in my vault.

1 He's got a few thousand dollars to do with as you wish.
2 And at the first of the month he's got a few hundred
3 dollars every month to run his life."

4 What did you understand him to mean?

5 A. That I would sign and he wouldn't say anything about it and
6 I wouldn't saying anything about it to the University of Iowa
7 and that he would send me \$250 a month.

8 Q. Let me ask you to please to turn to Page 30. About four
9 paragraphs up from the bottom, your father says:

10 "Yeah. And we're all taking the gamble. We have to
11 worry about being caught."

12 Mr. Walters says:

13 "Well, wait a second. The being caught -- excuse me.
14 We take a piece of paper. It's signed okay."

15 Your father says: "Yeah."

16 Walters says:

17 "I ya know that line of conversation is is this. A
18 piece of paper goes in your vault at home and it goes into
19 my vault. That's done. That's the end of that. We're not
20 walking like chumps or like jerks."

21 What did you understand Mr. Walters to mean?

22 A. That he wouldn't tell anyone that. After we signed in
23 March that it would be the end of that and no one would know.
24 The University of Iowa or no one.

25 Q. Then Mr. Walters on 31 continued on:

1 "Now the being caught means the -- there's no way.
2 And there's two pieces of paper. You got a copy and I got
3 a copy. And we're -- we have agreed to do business and I
4 go to my vault. Come January 2, it comes out of the vault
5 and we send it in to the NFL PA."

6 Mr. Bloom then says:

7 "That's not dated today anyways."

8 And Mr. Walters says:

9 "That's right. We're gonna date it January 2."

10 What did you understand them to mean?

11 A. That they was going to postdate it January 2. Were not
12 going to date it that day in March.

13 Q. What did you understand the reference to: "Come January 2,
14 it comes out of the vault and we send it to the NFL PA" to
15 mean?

16 A. That when January 2 came, we send it in to the NFL PA and
17 get it certified, saying they were my agents, legally.

18 Q. Is the NFL PA the National Football Players Association?

19 A. Yes.

20 Q. That's a union they have; is that right?

21 A. Yes.

22 Q. And there's a procedure whereby during the spring of the
23 student's senior year he is eligible for the draft, he sends to
24 the NFL PA his contract advisor or agent's agreement?

25 A. Yes.

1 Q. What was the significance of -- what was your understanding
2 of why Mr. Walters was saying it would be dated January 2?

3 MR. WEBB: Objection to that, your Honor.

4 MR. GOLD: Objection.

5 THE COURT: Restate the question.

6 BY MR. PEARL:

7 Q. What was your understanding of the purpose of dating the
8 contract January 2?

9 THE COURT: And you object to that?

10 MR. WEBB: He testified to what happened. For the
11 purpose of -- talking about his purpose or someone else's
12 purpose?

13 THE COURT: Maybe you can rephrase it.

14 BY MR. PEARL:

15 Q. Okay. What was your understanding of the agreement with
16 respect to dating it January 2?

17 A. So no one would find out. So it would be kept a secret and
18 it would be okay when January 2 came that he would be my
19 agent.

20 MR. PEARL: I think we are done with the transcript.

21 THE COURT: You may put the transcript aside.

22 BY MR. PEARL:

23 Q. After the tape ran out, approximately how long did you
24 remain in the office with Mr. Walters, Mr. Bloom and your
25 father?

1 A. About I would say 15 minutes.

2 Q. To the best of your recollection, what happened during that
3 15 minutes or so?

4 A. I think it was just a summary of what had happened
5 already. Just really the conclusion of the whole meeting.

6 Q. After that conversation, did you meet alone with your
7 father?

8 A. Yes.

9 Q. Where did that meeting take place?

10 A. Norby Walters' office.

11 Q. What happened to Mr. Walters and Mr. Bloom?

12 A. They left me and my father in there alone.

13 Q. When Mr. Walters and Mr. Bloom left you alone with your
14 father, where was the cash?

15 A. Still on the table.

16 Q. How much cash was that?

17 A. Twenty-five hundred.

18 Q. Did you talk to your father while you were alone with him?

19 A. Yes.

20 Q. What did your father say?

21 MR. WEBB: I object on the grounds of hearsay as to
22 what his father said.

23 THE COURT: Seems to be hearsay to me, unless you can
24 show some exception.

25 BY MR. PEARL:

1 Q. At the end of the meeting with your father, what did you
2 decide to do?

3 A. I decided to sign.

4 Q. You have before you what's been marked as Government
5 Exhibit Harmon-6. Would you please identify that document.

6 A. It's a contract agreement.

7 Q. Is that the one that was presented to you that day?

8 A. Yes.

9 MR. PEARL: Your Honor, the Government moves the
10 admission of Government Exhibit Harmon-6.

11 MR. WEBB: No objection.

12 MR. GOLD: I have no objection.

13 THE COURT: It will be received.

14 (Government Exhibit Harmon-6 received in evidence.)

15 MR. PEARL: Your Honor, may the jury turn to that
16 then? That's between Tabs B and C. There's an exhibit sticker
17 in the right-hand corner that says "Government Exhibit 6
18 Harmon."

19 BY MR. PEARL:

20 Q. Mr. Harmon, what's the title on that document?

21 A. "World Sports & Entertainment, Inc., NFL Contract Advisor
22 Agreement."

23 Q. On the handwritten portion that appears at the top, what
24 does it say for the date?

25 A. "2nd day of January."

- 1 Q. What year?
- 2 A. 1986.
- 3 Q. Was that filled out in your presence?
- 4 A. Yes, it was.
- 5 Q. Who wrote that out?
- 6 A. Norby Walters.
- 7 Q. And did he tell you why it was that he was dating it
- 8 January 2nd?
- 9 A. So no one would know that I signed in March.
- 10 Q. Let me ask you please to turn to the end of that contract,
- 11 Page 6. Whose signatures appear on there?
- 12 A. Norby Walters and Lloyd Bloom and my signature.
- 13 Q. Those were all signed in your presence?
- 14 A. Yes.
- 15 Q. And underneath, it says: " Parent or guardian of players
- 16 under 21 years of age," is that right?
- 17 A. Yes.
- 18 Q. That line is left blank?
- 19 A. Yes.
- 20 Q. How old were you at the time you signed that?
- 21 A. I think I was 20.
- 22 Q. Did they ask your father to sign the agreement?
- 23 A. No.
- 24 Q. Let me ask you if you would to turn to Government Exhibit
- 25 Harmon-5, which is one that immediately precedes it.

1 What is that agreement?

2 A. Agent agreement. Representation agreement. World Sports &
3 Entertainment, Inc.

4 MR. PEARL: Your Honor, the Government moves the
5 admission of Government Exhibit Harmon-5.

6 MR. WEBB: No objection.

7 THE COURT: It will be received.

8 (Government Exhibit Harmon-5 received in evidence.)

9 MR. PEARL: That immediately precedes this one. Does
10 everyone have that?

11 BY MR. PEARL:

12 Q. What -- could you read the first line?

13 A. "This agreement is made this 2nd day of January 1986 by and
14 between Ronnie Harmon, residing at 130-22 218th Street,
15 Laurelton Queens.

16 Q. Whose handwriting is that?

17 A. Norby Walters.

18 Q. Let me ask you, if you would, to turn to Page 6 of the
19 agreement. Whose signature appears on the first line?

20 A. Norby Walters.

21 Q. Did he sign that in your presence?

22 A. Yes.

23 Q. Whose signature appears on the second line?

24 A. Lloyd Bloom.

25 Q. Did he sign that in your presence?

- 1 A. Yes.
- 2 Q. And whose signature appears on the third line?
- 3 A. My own.
- 4 Q. Did Mr. Walters or Mr. Bloom ask your father to sign this
5 agreement?
- 6 A. No.
- 7 Q. Did Mr. Walters tell you why this agreement was dated
8 January 2, 1986?
- 9 A. Yes.
- 10 Q. What did he say?
- 11 A. So no one would find out I signed early in March.
- 12 Q. Mr. Harmon, prior to signing these contracts, had you ever
13 signed or had you ever negotiated or reviewed a contract like
14 this before?
- 15 A. No.
- 16 Q. Did Mr. Bloom or Mr. Walters ask you if you wanted a chance
17 to have a lawyer review these for you?
- 18 A. No.
- 19 Q. Did Mr. Bloom or Mr. Walters ever tell you whether they had
20 a lawyer review these?
- 21 A. No.
- 22 Q. Did you know at the time that you signed these agreements
23 with Mr. Walters and Mr. Bloom and took money from them that
24 doing so would make you ineligible to compete on the University
25 of Iowa football team and to receive your athletic scholarship?

1 A. Yes.

2 Q. How did you know that?

3 A. Because it was stated in the rules, and we had -- we had a
4 team meeting on it that we're not supposed to sign early and
5 it's illegal, or we lose our scholarship.

6 Q. At the time you signed these agreements with Mr. Bloom and
7 Mr. Walters, did you know that you were going to have to lie to
8 the University of Iowa in order to be able to play again and
9 obtain your athletic scholarship for your senior year?

10 A. Yes.

11 Q. How did you know that?

12 A. Because I knew it was illegal to sign early. They already
13 told me. It's already been stated in the rule book.

14 Q. How did you know that when you went back in the fall that
15 you were going to have to lie to the university to be able to
16 play again and to receive your senior year athletic
17 scholarship?

18 A. Because I signed early in March. I knew it was wrong. And
19 I knew to conceal -- we had to conceal it because that's what
20 we agreed on.

21 Q. And did you know what you were going to have to do when you
22 went back to the university in August?

23 A. Yes.

24 Q. What was that?

25 A. To lie again.

1 Q. If Mr. Walters and Mr. Bloom at that time had not agreed
2 with you to conceal the agreements that you signed, would you
3 you have signed those agreements?

4 A. No.

5 Q. Why not?

6 A. Because then it would jeopardize not only myself but my
7 team, because they would have been put on academic probation.
8 Not academic probation, but probation for me signing early and
9 accepting money.

10 Q. What would have happened to you?

11 A. I would have lost my scholarship and been kicked off the
12 team.

13 Q. Let me ask you please to turn to Government Exhibit
14 Harmon-7. Is that a letter to you from Mr. Walters and Mr.
15 Bloom?

16 A. Yes.

17 MR. PEARL: Your Honor, the Government moves the
18 admission of Government Exhibit Harmon-7.

19 MR. GOLD: No objection.

20 MR. WEBB: No objection.

21 THE COURT: It will be received.

22 (Government Exhibit Harmon-7 received in evidence.)

23 BY MR. PEARL:

24 Q. Whose writing appears in the portions that are filled in in
25 the body of the letter?

1 A. Norby Walters.

2 Q. Who signed the letter?

3 A. Norby Walters and Lloyd Bloom.

4 Q. Was that signed and filled out in your presence?

5 A. Yes.

6 Q. And the bottom left-hand corner where it says, "Accepted
7 and Agreed To," whose signature is that?

8 A. My own.

9 Q. What is the date on that?

10 A. 3/10/85.

11 Q. That's the date you actually signed that; is that correct?

12 A. Yes.

13 Q. It's also the date you also signed the agreements that were
14 dated January 2, 1986; is that correct?

15 A. Yes.

16 Q. Let me ask you if you would to turn to Government Exhibit
17 Harmon-8. Is that a promissory note that you signed?

18 A. Yes.

19 MR. PEARL: Your Honor, the Government moves the
20 admission of Government Exhibit Harmon-8.

21 MR. GOLD: No objection.

22 MR. WEBB: I have no objection.

23 THE COURT: It will be received.

24 (Government Exhibit Harmon-8 received in evidence.)

25 BY MR. PEARL:

1 Q. Whose handwriting appears on the portions that were filled
2 in the body of the document?

3 A. Norby Walters.

4 Q. And that's dated 3/10/85?

5 A. Yes.

6 Q. That's actually the date it was sign; is that correct?

7 A. Yes.

8 Q. Whose signature appears at the bottom?

9 A. My own.

10 Q. After you received -- I'm sorry -- signed the two
11 agreements you just identified and the letter and the
12 promissory note, did you receive anything from Mr. Walters and
13 Mr. Bloom?

14 A. Excuse me?

15 Q. After you signed the documents that we've just looked at,
16 what did you receive that day from Mr. Walters and Mr. Bloom?

17 A. \$2500.

18 Q. After that meeting, did you begin receiving payments from
19 Mr. Walters and Mr. Bloom?

20 A. Yes.

21 Q. Were some of those payments in the form of a wire
22 transfers?

23 A. Yes.

24 Q. At the time, did you have a bank account?

25 A. Yes.

1 Q. Where did you have a bank account?

2 A. In Iowa City.

3 Q. Did any of the money that you received from Mr. Walters or
4 from Mr. Bloom during the time that you were at the University
5 of Iowa and still playing football, did any of that money go
6 directly into your bank account at Iowa?

7 A. No.

8 Q. Where did you pick up the wire transfers?

9 A. Picked up half of them at a bus depot in Iowa city and the
10 other half outside Iowa city.

11 Q. Was there a point at which you switched the location where
12 you were picking the wire transfers up?

13 A. Yeah.

14 Q. Why did you switch them?

15 A. Because I didn't want no one to find out I was getting
16 money. I figured if I changed, then it would -- wouldn't come
17 to the light. So I switched.

18 Q. You have before you what's been marked as Government Group
19 Exhibit Harmon-10. Is that correct? 10-B.

20 Are those those the wire transfers, copies of the
21 wire transfers that you received from World Sports &
22 Entertainment during 1985 while you were still eligible or
23 while you were still holding yourself out as eligible to play
24 football and receive your athletic scholarship?

25 A. Yes.

1 MR. PEARL: Your Honor, the Government moves the
2 admission of Government Exhibit Group 10-B Harmon.

3 MR. GOLD: No objection.

4 MR. WEBB: No objection.

5 THE COURT: It will be received.

6 (Government Exhibit Group 10-B Harmon received in
7 evidence.)

8 BY MR. PEARL:

9 Q. During 1985, did World Sports & Entertainment also pay for
10 various airline tickets for you?

11 A. Yes.

12 MR. PEARL: Your Honor, we are done with the exhibits
13 at this point.

14 THE COURT: All right. You may set the book down.

15 BY MR. PEARL:

16 Q. Mr. Harmon, during June of 1985, did you have a
17 conversation with Lloyd Bloom about an individual by the name
18 of Devon Mitchell?

19 A. Yes.

20 Q. Who is Devon Mitchell?

21 A. He is a co-player on the University of Iowa football team.

22 Q. Did that conversation with Mr. Bloom take place in person
23 or on the telephone?

24 A. On the telephone.

25 Q. Did you call Mr. Bloom or did he call you?

1 A. He called me.

2 Q. Where were you when Mr. Bloom reached you?

3 A. In my apartment.

4 Q. To the best of your recollection, what did Mr. Bloom say to
5 you about Devon Mitchell?

6 A. He said he wanted to be his agent. He wanted to represent
7 him. So he wanted me to help him get Devon Mitchell.

8 Q. What did you say -- did he offer you anything?

9 A. Yes. He offered to pay me \$1500 if I helped him get Devon
10 Mitchell to sign up.

11 Q. What did you tell Mr. Bloom?

12 A. I didn't want to do it. I said I wouldn't -- "If you
13 called my apartment and he was there, I'll let you talk to
14 him." But I wouldn't go no further than that.

15 Q. You actually arranged so that Devon Mitchell would be there
16 when Lloyd Bloom called; is that right?

17 A. Yeah.

18 Q. And did that take place, that Devon Mitchell came to your
19 apartment and Lloyd Bloom called?

20 A. Yes.

21 Q. Did you receive anything from World Sports & Entertainment,
22 from Mr. Bloom and Mr. Walters, for having arranged for Devon
23 Mitchell to be at your home and speak to Lloyd Bloom?

24 A. Well, if he signed, they would pay me \$1500.

25 Q. Did you actually receive any money from them for that?

- 1 A. Yeah.
- 2 Q. How much do you recall receiving?
- 3 A. A thousand.
- 4 Q. Let me ask you, in what form did you receive that payment?
- 5 A. \$500 in one wire transfer and another \$500 in another wire
6 transfer.
- 7 Q. Are those the wire transfers of June 24 and June 25 which
8 are part of the exhibit you just identified?
- 9 A. Yes.
- 10 Q. Do you think that you may have also received an additional
11 \$500?
- 12 A. I might have, but I'm not sure.
- 13 Q. Were there any other players that either Mr. Bloom or Mr.
14 Walters asked you to help them recruit?
- 15 A. Yes. Another player on my team named Larry Station.
- 16 Q. Is that S-t-a-t-i-o-n?
- 17 A. Yes.
- 18 Q. Was Mr. Station also a member of the University of Iowa
19 football team at the time?
- 20 A. Yes.
- 21 Q. Who asked you to help in recruiting him?
- 22 A. Lloyd Bloom.
- 23 Q. Was that again on the telephone?
- 24 A. Yes.
- 25 Q. Did you call Mr. Bloom or did he call you?

1 A. He called me.

2 Q. Where were you when you spoke to him?

3 A. My apartment.

4 Q. To the best of your recollection, what did Mr. Bloom say
5 about Larry Station?

6 A. He said he wanted to represent him. He wanted to have him
7 on the team, I guess, so to speak. And that if I help him get
8 Larry Station, he would pay me \$2,000.

9 Q. What did you tell Mr. Bloom?

10 A. I told him no, I wouldn't do it.

11 Q. In August of 1985, did you return to the University of Iowa
12 -- I'm sorry.

13 Let me ask you one thing about that. You mentioned
14 some phone calls from Mr. Bloom. Did Mr. Walters ever come to
15 the University of Iowa campus, to your knowledge?

16 A. No.

17 Q. Did Mr. Bloom ever come to the University of Iowa campus to
18 your knowledge?

19 A. Yes.

20 Q. On how many occasions?

21 A. One.

22 Q. Where were you when you saw Mr. Bloom during that one
23 visit?

24 A. In the locker room.

25 Q. When Mr. Bloom came to the locker room, did he tell you --

1 did you talk to him?

2 A. No.

3 Q. Did you talk to him afterward?

4 A. Outside, yeah.

5 Q. Did he tell you how it was he gained access that day to the
6 locker room?

7 A. Yes.

8 Q. What did he tell you?

9 A. He said he made up that he was making up an all-American
10 team and he came to look at some players to be on his
11 all-American team.

12 Q. Did he show you anything?

13 A. Showed me a letter.

14 Q. That said what?

15 A. The heading on it was "All-American team," with some New
16 York hospital on it.

17 Q. To your knowledge, did Mr. Bloom tell anyone when he
18 visited the locker room that day that he was your agent?

19 A. Excuse me?

20 Q. Did Mr. Bloom tell anyone at the University of Iowa that
21 day when he visited the locker room that he was your agent?

22 MR. WEBB: I object if it wasn't in his presence. He
23 can't testify to what happened outside his presence. He just
24 testified he didn't see him in the locker room.

25 MR. PEARL: I'm sorry. I can clarify, Judge.

1 BY MR. PEARL:

2 Q. Did you see him in the locker room?

3 A. Yes.

4 Q. And Mr. Bloom talked to you about how he gained access to
5 the locker room; right?

6 A. Outside, he did.

7 Q. To your knowledge, did you -- did Mr. Bloom tell anyone at
8 the University of Iowa that day in the locker room or elsewhere
9 that he was your agent?

10 A. No.

11 MR. WEBB: Never mind.

12 BY MR. PEARL:

13 Q. Now, in August of 1985, when you returned to the University
14 of Iowa for your senior year; is that right?

15 A. Yes.

16 Q. When you return to the university that fall, did you have
17 to complete various forms in order to get your scholarship for
18 your senior year?

19 A. Yes, I did.

20 Q. You have before you what's been marked as Government
21 Exhibit Harmon-1; is that right?

22 A. Yes.

23 Q. What is that document?

24 A. Academic form that we must sign at the beginning of the
25 year.

1 MR. PEARL: Your Honor, the Government offers
2 Government Exhibit Harmon-1.

3 MR. WEBB: No objection.

4 MR. GOLD: I have no objection.

5 THE COURT: It will be received.

6 (Government Exhibit Harmon-1 received in evidence.)

7 MR. PEARL: May the jury turn to that, your Honor?

8 THE COURT: It's the first document under Tab B.

9 BY MR. PEARL:

10 Q. What is the title on that document?

11 A. "National Collegiate Athletic Association Student Athlete
12 Statement, 1985-86 Academic Year."

13 Q. That's your signature toward the bottom of the page?

14 A. Yes.

15 Q. What was the date that you signed that?

16 A. 8/25/85.

17 Q. At the time that you filled this form out, did you have
18 before you the NCAA rules and regulation information sheet
19 that's referred to there?

20 A. Yes.

21 Q. And was this -- where were you when you filled this form
22 out?

23 A. In a team meeting.

24 Q. And this is the team meeting you described before when they
25 went over the rules?

1 A. Yes. Everyone had to sign these.

2 Q. What did you understand yourself to be certifying on these
3 forms?

4 MR. WEBB: Judge, I object to what he understood.
5 The form speaks for itself as to what he is certifying. I
6 object to what his understanding is.

7 THE COURT: I think you can rephrase it and get your
8 same question.

9 BY MR. PEARL:

10 Q. Let me ask you to focus your attention to Paragraph 5.
11 What does it state there?

12 A. "I am not aware of any violations of NCAA regulations
13 involving me and my institution."

14 Q. You certified that that was true; is that correct?

15 A. Yes.

16 Q. Was that statement true?

17 A. No.

18 Q. Why not?

19 A. Because I signed early in March of '85.

20 Q. At the time you signed this statement in August of 1985,
21 did you know that the form was false?

22 A. Yes.

23 Q. Why did you submit this form knowing it was false?

24 A. Because Norby Walters and Lloyd Bloom and myself made an
25 agreement that I wouldn't -- we wouldn't say anything about

1 signing early. So this is what I had to do.

2 Q. Why did you have to do it?

3 A. Because I would have lost my scholarship.

4 Q. Had you ever filled out one of these forms before?

5 A. Yes.

6 Q. When was that?

7 A. In August before every season that I played in.

8 Q. Let me ask you to turn to the next document, Government
9 Exhibit Harmon 2.

10 Is that form entitled " Student Athlete's Affidavit
11 Re: Financial Aid?"

12 A. Yes.

13 Q. Did you fill out that form?

14 A. Yes.

15 MR. PEARL: Your Honor the Government moves the
16 admission of Government Exhibit Harmon-2.

17 MR. GOLD: No objection.

18 MR. WEBB: No objection.

19 THE COURT: It will be received.

20 (Government Exhibit Harmon-2 received in evidence..

21 BY MR. PEARL:

22 Q. Did you fill out the handwritten portions on that form?

23 A. Yes, I did.

24 Q. Where were you when you filled that out?

25 A. In the team meeting.

1 Q. And is that your signature on Page 3?

2 A. Yes.

3 Q. When did you sign that document?

4 A. Same day.

5 Q. August 25, 1985?

6 A. August 25.

7 Q. And you actually signed that in front of a notary public;
8 is that correct.

9 A. Yes.

10 Q. Let me ask you if you would to turn to Question 5 on page
11 2. That question asks: "At the present time, are you receiving
12 or have arrangements been made for you to receive from any
13 source other than anyone upon who you are naturally or legally
14 dependent, any other monies, loans, credits, tangible property
15 or benefits of any kind not covered by the foregoing questions
16 because of your attendance at college or university or your
17 participation in athletics?"

18 Is that what the question asks?

19 A. Yes.

20 Q. And your answer was what?

21 A. "No."

22 Q. Was that answer correct?

23 A. No.

24 Q. Why not?

25 A. Because I had received money and signed a contract with an

1 agent in March.

2 Q. Why did you certify that false form which has been admitted
3 as Government Exhibit Harmon-2?

4 A. Because this is the only way that I would have been able to
5 keep my scholarship, and it was agreed upon that we wouldn't
6 tell anyone that I did sign early.

7 Q. Had you ever filed one of these affidavits before?

8 A. Yes.

9 Q. When was that?

10 A. Before each -- each season.

11 Q. You have before you in the next document which is marked as
12 Government Exhibit Harmon 3-A. Is that your Big Ten Conference
13 Statement of Eligibility?

14 A. Yes.

15 MR. PEARL: Your Honor, the Government moves the
16 admission of Government Exhibit 3-A Harmon.

17 MR. GOLD: No objection.

18 MR. WEBB: I have no objection.

19 THE COURT: It will be received.

20 (Government Exhibit Harmon 3-A received in evidence.)

21 BY MR. PEARL:

22 Q. Most of us are dealing with a Xerox that is not very good,
23 so I'm going to ask you a few additional questions.

24 Under "Name," it says what?

25 A. Where you looking at?

1 Q. I'm sorry. At the top it says, "Name;" is that right?
2 "Big Ten Conference Statement of Eligibility," Government
3 Exhibit 3-A?

4 A. Yes.

5 Q. Okay. What does it say on the portion that says "Name?"

6 A. Ronald K. Harmon.

7 Q. And next "University," it says "Iowa?"

8 A. Yes.

9 Q. And underneath that it says "New York, New York?"

10 A. Yes.

11 Q. Next to that, what is the date portion there?

12 A. 8/25/85.

13 Q. Let me ask you if you would, is that your signature at the
14 bottom?

15 A. Yes.

16 Q. And then it's also signed by Coach Fry and Mr. Mims?

17 A. Yes.

18 Q. Okay. Let me ask you if you would to focus on Question 7.
19 What does that question ask?

20 A. "Have you ever signed a professional athletic contract in
21 your sport or been represented by an agent?"

22 Q. How did you answer that question?

23 A. "No."

24 Q. Was that answer truthful?

25 A. No.

1 Q. Why not?

2 A. Because that's the only way I could keep my scholarship and
3 we agreed that I wouldn't say anything about it.

4 Q. So that's why you put "No;" is that right?

5 A. Yes.

6 Q. Why wasn't the answer correct?

7 A. Because I did sign with an agent.

8 Q. Was this one of the documents you filled out at the same
9 team meeting that you described?

10 A. Yes.

11 Q. Had you ever filled out one of these forms before?

12 A. Yes.

13 Q. Now, let me ask you to turn to the flip side of that
14 document, which is the next page in the exhibit book. That's
15 actually marked Government Exhibit 3-B, right?

16 A. Yes.

17 Q. Okay. That's the Big Ten Conference Statement of Financial
18 Support?

19 A. Yes.

20 Q. What was the purpose of that form?

21 A. To see where you was getting your money from, if you was
22 working or if you had any loans from the school.

23 Q. Under the section that's marked "Loans," what did you
24 write?

25 A. That I didn't receive any.

1 Q. Was that answer correct?

2 A. No.

3 Q. Why not?

4 A. Because I received \$2500 and was given \$250 a month.

5 Q. And then under "Other," they ask for other forms of
6 income. And you didn't list any additional money for payments
7 that you had received from Mr. Bloom or Walters; is that right?

8 A. Yes.

9 Q. Why didn't you report the monies that you had received from
10 Mr. Walters and Mr. Bloom?

11 A. Because then I would have been ineligible to receive
12 scholarship money and probably been kicked off the football
13 team.

14 Q. And focusing now on Paragraph 5 of that document, did you
15 certify upon penalty of ineligibility for intercollegiate
16 athletics and loss of your financial aid that those statements
17 were true and correct?

18 A. Yes.

19 Q. And they weren't, were they?

20 A. No.

21 Q. Had you ever filed one of these Big Ten Conference
22 Statement of Financial Support before?

23 A. Yes.

24 Q. When was that?

25 A. The same team meeting that we signed all the others.

1 Q. Now, with respect to the exhibits that you have identified
2 as Harmon 1, Harmon 2, Harmon 3-A and 3-B, did you know at the
3 time that you filled each of those out that the certifications
4 that you were submitting to the university were false?

5 A. Yes.

6 Q. You knew that?

7 A. Yes.

8 Q. Why did you submit the false certifications to the
9 university?

10 MR. WEBB: I object. Asked and answered three times
11 now. That's my objection. It's repetitive. He just went
12 through the form.

13 THE COURT: I suppose he is giving the same answers
14 as to each document, and I will overrule.

15 You may answer, Mr. Harmon.

16 THE WITNESS: Would you repeat the question?

17 BY MR. PEARL:

18 Q. When you submitted those forms, Harmon 1, 2, 3-A and 3-B,
19 to the university knowing they were false, why did you submit
20 them?

21 A. Because that's the only way I would have been able to play
22 my senior year, to have my scholarship.

23 Q. What was your understanding of what the university would
24 have done had you told them the truth that day?

25 A. I wouldn't have been playing.

1 Q. And what about your athletic scholarship?

2 A. It would have been gone.

3 MR. PEARL: Nothing further, your Honor.

4 THE COURT: Thank you.

5 This seems to be an appropriate time for us to break
6 for lunch recess. I'll ask that you be back here sometime
7 before two o'clock so that we can start as close to two o'clock
8 as possible.

9 (JURY OUT.)

10 THE COURT: Please be seated, ladies and gentlemen.
11 This Court is still in session, and I will remind you of that.
12 Please be seated.

13 MR. WEBB: Your Honor, for the record, just for the
14 record, during the trial, will we have the normal rule in place
15 that at the end of direct that the parties are not to talk to
16 their witnesses after they are on the witness stand?

17 THE COURT: That's right. And I was going to
18 indicate that to Mr. Harmon, which is why I didn't excuse him
19 and why this Court is still in session.

20 MR. VALUKAS: Your Honor, I was just going to say
21 obviously we are not going to talk to him about the case. We
22 can take him if he need --

23 THE COURT: I don't presume that you are going to
24 allow him to starve and that you would give him the necessary
25 sustenance to maintain him through this afternoon.

1 My admonition to you, Mr. Harmon, and to the
2 Government, as well, as you are still on this witness stand,
3 you are not to discuss your testimony with anyone until it is
4 concluded.

5 Do you understand that Mr. Harmon?

6 THE WITNESS: Yes, your Honor.

7 THE COURT: Okay. You enjoy your lunch, too.

8 And I think we may have some business to conclude, as
9 well on our sidebar.

10 (The following proceedings were had in chambers.)

11 THE COURT: I didn't know where we left our previous
12 conversation. But if you wish, we can proceed with what we
13 were discussing, or -- I don't know what we didn't discuss, or
14 we can do it before we get back to the jury. But that's what I
15 want to know.

16 MR. WEBB: I think I understand the Court's
17 guidelines. So, fine with me.

18 MR. VALUKAS: Let me just ask one question, if I
19 may. And this is probably directed to Mr. Gold rather than Mr.
20 Webb.

21 Is there any intention to go into the arbitration
22 proceedings beyond simply the filing of the documents or the
23 lawsuit itself?

24 MR. GOLD: No. I'm going to refer to the arbitration
25 proceeding and have him tell the Court that he won.

1 MR. VALUKAS: Simply that there was a proceeding and
2 that he won? Or are you going to go through the proceeding?

3 MR. GOLD: Certainly not. I will tell you this.

4 MR. VALUKAS: If that's the limitation --

5 MR. GOLD: I want to respond to your question
6 precisely. I'm going to take him through the paper tape
7 transcript. And assuming I get answers which are consistent
8 with answers he gave when he testified under oath before the
9 arbitrators, I would make no reference to the arbitration at
10 that time. If he has a failure of recollection, I will refresh
11 his recollection and provide a copy to Court. And I think the
12 whole matter would take less than five minutes.

13 MR. VALUKAS: No problem.

14 MR. PEARL: Are you going to go through his 1986
15 payment?

16 MR. GOLD: I'm planning to take him through all the
17 payments, yes. I'm planning to take him through his receipt of
18 all payments up through the time he testified.

19 MR. VALUKAS: Our position on that is -- you know, I
20 can see that for purposes of modes of -- if we object, it
21 depends on the nature of the question.

22 THE COURT: Well, I don't want to keep you unduly
23 during your lunch hour. There is some --

24 MR. GOLD: I do want to take up one thing with your
25 Honor.

1 THE COURT: Let's give Mr. Valukas the opportunity to
2 address his concerns, and then I will --

3 MR. GOLD: Sure.

4 THE COURT: I will move on to --

5 MR. VALUKAS: The other matter was the matter
6 relating to the question of money generated by the university
7 off the football program. Our position is that it's totally
8 irrelevant to anything involved in the charges in this case and
9 is a red herring for purposes of trying to divert the jury's
10 view of what is involved here.

11 THE COURT: And I'm going to indicate it's already in
12 there twice that I know of, once by way of opening statement
13 and once in the tape that was just played to the jury.

14 MR. VALUKAS: Again, I understand that. But
15 notwithstanding the fact that there may have been
16 conversations, we're not trying to keep out -- anybody can
17 testify to what the conversations were what between the
18 defendant and any of these witness. I'm not objecting -- I'm
19 not making a point there.

20 The question is the cross examination of the
21 university witnesses concerning whether they do or do not make
22 money off the football program, which has no relevance to the
23 question of whether or not these two defendants participated in
24 a fraud against the university which defrauded them out of
25 these scholarships in connection with the Court's ruling.

1 MR. WEBB: I would take issue with that, and without
2 belaboring it. But your Honor made the point which I made
3 yesterday. That may be the Government's view, but I don't
4 happen to accept the testimony of these witnesses that they
5 would have revoked scholarships. And I intend to at least
6 present to the jury -- it takes two questions. I'm not going
7 to go into the details. I'm simply going to bring out --

8 THE COURT: And you know why I don't think that you
9 will? It's because you really don't have to. I mean, unless
10 this body has been living in a total vacuum. And you've gotten
11 the ball in play a couple of times.

12 I don't see that -- now, I don't have any desire to
13 be tactically involved. I have a notion that some of these
14 things that you are concerned about are going to be addressed
15 by both of you by way of your cross examination and your
16 rehabilitation, and the points that you are making to me here
17 are going to be before that jury, and my only question is
18 whether properly so.

19 As an example, when we were addressing this matter of
20 grades, I accept your offer of proof, and it has to do with the
21 fact that there are other NCAA rules and if they are in
22 violation of others of those, then maybe there isn't the fraud
23 that is complained of.

24 I suppose that under your questioning, matters that
25 you have brought to my attention here, namely, that the

1 university determines eligibility, there is no NCAA rule that
2 says, you know, you can't study shrubs and trees. I have a
3 notion that you're going to say that, and we are spending more
4 of our time here than need be about something that I think is
5 going to be properly lawyered.

6 MR. VALUKAS: The point then is that under 103, Rule
7 103 or 104, that if those issues are being raised, then the
8 purpose of raising those issues, they are not relevant or
9 they're at best tangentially relevant, and what they in fact do
10 is cause confusion in the jury's mind or are an attempt at jury
11 nullification, then the Court is supposed to rule them
12 inadmissible on the grounds of relevance.

13 THE COURT: I understand your argument and I
14 understand the rule, and I don't think it fits.

15 I'm going to allow him to try to show that. He told
16 me he has reason to believe that he can establish it.

17 MR. VALUKAS: That he was ineligible under NCAA?

18 THE COURT: That he very well may be.

19 MR. WEBB: This witness refused to talk to me. But
20 I'll state for the record, and I've got the transcript. As I
21 said this morning, I intend to show through my cross that he
22 was actually ineligible under the rules or that the university
23 went out of their way to avoid that. And the reason -- I'm
24 going to do that because, under are the NCAA rules, if they did
25 that, that tends to prove my theory that they were never going

1 to revoke his scholarship because of an NCAA rule violation if
2 the university itself is covering up potential violations. And
3 that is really a critical part of my cross examination.

4 In Mr. Harmon's case, it appears to me on the face of
5 the transcript that he actually was ineligible. He may tell
6 me he wasn't. Maybe the university witness will say: "We have
7 this secret internal guideline." I have no way of knowing
8 that. All I have is the transcript. But I can certainly cross
9 examine on it and Mr. Valukas can do his redirect.

10 THE COURT: I suppose someone is going to ask him:
11 "If he told you this, would you have revoked the scholarship?"
12 And you're going to get an answer to that; right?

13 MR. VALUKAS: Your Honor, let me respond, because,
14 again what I've heard are two things. And I want to clear up
15 this point because I think this is very important.

16 Mr. Webb is saying that on the face of it he appears
17 to be ineligible, that is to say, he didn't maintain the grade
18 point. If that's the point, I agree with you that that raises
19 one issue.

20 But if what he is saying is not that, and that's what
21 he said in the second part of it, which is -- goes to the
22 question of whether or not he was taking courses, for instance,
23 which were not courses which Mr. Webb right might consider to
24 be significant courses or whether or not he was taking summer
25 school, then those questions go to something entirely

1 different. Then what he's trying to do is not deal with
2 whether or not he was ineligible under any NCAA rules but
3 trying to establish that the program itself was such that he
4 was able to take soft courses so he could play football.
5 That's an entirely different issue. And I suggest that that's
6 exactly where he's going; not the first issue.

7 Because at least as the transcript has been explained
8 to me, and maybe Mr. Webb has knowledge that I don't, and I'll
9 accept his representation, that on the face of the transcript,
10 he was academically eligible to do exactly what he was doing.
11 And the nature of courses he was taking, for instance, is
12 irrelevant. That has nothing to do with it. And I think that
13 if we are talking about whether he maintained a great point
14 which would permit him to play football and they ignored the
15 fact that he didn't, that raises one issue. But if the
16 question is he took soft courses, that's an entirely different
17 issue and that's one of the points I ask the Court to focus
18 on.

19 MR. WEBB: That's my very point. It's actually
20 better for me. I hope he testifies that he actually was
21 eligible but the university helped him avoid the violation of
22 the NCAA rules. Because if I can prove that, that this
23 university actually helped him avoid the NCAA violation, then I
24 will have made my point that they were never going to revoke
25 his scholarship because of the agent situation.

1 That's my whole defense, Judge, which is, these
2 universities were not going to revoke the scholarships as
3 they've said.

4 I recognize the problems I've got with my best
5 defense, and that's where I'm going.

6 MR. VALUKAS: Well, saying it's the only defense
7 doesn't make it -- does not make it relevant and admissible.
8 And I hear that: This is our only defense, or I'll prove it on
9 cross examination. That doesn't make it admissible or relevant
10 testimony.

11 And the point is -- and I would ask for an offer of
12 proof in connection with this at this point.

13 Is he saying because he was given a tutor and they
14 allowed him to take courses, that that made him ineligible,
15 that that was a cover-up? Is that the point up?

16 MR. WEBB: Judge, I get to cross examine. Mr.
17 Valukas is trying to say I can't attack their theory about
18 whether or not the scholarship would have been revoked.

19 MR. VALUKAS: No.

20 MR. WEBB: There is no question --

21 THE COURT: Let's put it to rest. The line that you
22 are pursuing, Mr. Webb, I find to be relevant and I will allow
23 you to pursue it. And certainly the Government has the
24 opportunity on redirect to establish a number of things that
25 they have.

1 I don't know what the evidence is going to be, but
2 I'm going to allow you to pursue it.

3 MR. GOLD: Your Honor, I want to take up one matter,
4 because when I came to your chambers for the first time last
5 week, you made it very clear to me that you were a candid sort
6 of guy, and you certainly convinced me of that in the last five
7 days.

8 Earlier in this discussion, you specifically invited
9 all of our attention to your negative view of evidence relating
10 to players outside this indictment at institutions outside this
11 indictment. And I want to focus your Honor's attention on one
12 matter I do intend to go into. At least I can make record of
13 it now.

14 THE COURT: Let's leave me indicate one thing for the
15 record, that there may be certain things that play one way as
16 far as the mail fraud indictment and there may be things that
17 play different when you are talking about extortion.

18 MR. GOLD: I appreciate that.

19 The Government offered the entire Ronnie Harmon tape,
20 or at least what is represented to be the entire Ronnie Harmon
21 tape. And I listened to it on Sunday afternoon. I take their
22 reputation at face value. I listened to the original.

23 They also made a decision to present it to this jury
24 with a transcript in unredacted form. And I sat with an FBI
25 agent to make sure virtually every word that appeared on the

1 transcript was indeed on the tape.

2 That conversation that they've now brought to the
3 jury's attention involves three Heisman Trophy winners not
4 referred to in this indictment, that played at schools not
5 referred to in this indictment in each and every case.

6 Those players, as the world knows, were signed by
7 agents in violation of NCAA rules, and they specifically
8 invited that fact to the jury's attention by getting into that
9 subject matter. And I --

10 MR. PEARL: The --

11 MR. GOLD: May I just finish?

12 THE COURT: Go ahead. I'll indicate one thing. I
13 always thought that I was included in all the world, and I
14 don't know what the hell you're are talking about.

15 MR. GOLD: There was a reference to Mike Rosier,
16 Hershel Walker and another gentlemen.

17 THE COURT: Archie Griffin.

18 MR. GOLD: Archie Griffin, that's correct. And
19 Hershel Walker, a very highly publicized case. He signed
20 early. And he gave an interview saying that he wanted to be an
21 the FBI agent when his football career was over.

22 THE COURT: As God is my judge, you're telling me
23 something that I don't know.

24 MR. GOLD: I'm certainly going to accept that
25 representation from your Honor.

1 What I was inclined to do, since to your Honor ruled,
2 of course, is to determine whether or not the witness knew.
3 And I'll tell you why I believe it's relevant. When we had a
4 discussion with your Honor --

5 THE COURT: You're talking about Harmon?

6 MR. GOLD: Yes.

7 When we had a discussion with your Honor in the
8 middle of last week on the scope of the relevance of
9 attorney-client matters, I specifically invited you to Ronnie
10 Harmon's pretrial diversion agreement. You remember that. And
11 the scheme that he essentially admitted to is reflected in that
12 agreement. It reflects his own admission of culpability with
13 respect to a crime that had a mental state virtually
14 co-extensive with the mental state charged against both of
15 these defendants with respect to what he had in mind as he
16 agreed to engage in what the Government is now portraying as
17 criminality, which I believe is fair subject matter for me to
18 go into on cross examination.

19 THE COURT: What do you want to do?

20 MR. GOLD: I want to determine before the jury
21 whether he knew that those players had signed early.

22 THE COURT: Why? What difference does it make?

23 MR. GOLD: It shows what his state of mind was when
24 he entered into this criminal venture.

25 THE COURT: You are so far afield on that thing, in

1 my judgment, I don't even know how to respond to you. There's
2 a whole bunch of stuff on that tape that I can see coming in
3 six ways against the middle. And I can see people arguing a
4 whole bunch of things about it, including your, you know,
5 advice-of-counsel defense and whatever.

6 And, you know, this is my conclusion that I'm not
7 going to share with any jury, but that the parties to those
8 proceedings, including Mr. Norby Walters, knowing that all was
9 not kosher here I think is best evidenced by the pitch that
10 he's making. "You think I'm going to blab so that I lose my
11 license?"

12 If it was okay to do that, why was he concerned about
13 losing his license? And he is making the pitch as far as
14 Rosier and Griffin and Hershel in an entirely different
15 context. He is -- he says: You know why I'm valuable to you?
16 I relate to blacks and black people and whatever, and here are
17 black athletes from 1974 to 1983 that have won the Heisman
18 Trophy and don't get one tenth of the pitch that comes through
19 this way because he is white.

20 That's what that thing is all about. And I'm not
21 going to to allow that question. It's just totally irrelevant
22 to me.

23 Anything else? I don't want to be -- you know, this
24 is, again, a matter of style. I don't want to be a yo-yo back
25 and forth on this bench. And maybe if we're going to get -- I

1 think that I have given you some parameters --

2 MR. VALUKAS: You have, your Honor.

3 THE COURT: -- And what I think about it. And I
4 doubt very much if that if things come along that here I'm
5 going to give you a sidebar every time you want one. I might
6 just say "sustained" or "overruled" and let you make your
7 record when we're are done. But I'm not going to be getting
8 back and forth off of that bench. And be prepared as a way of
9 addressing it.

10 I will give you the opportunity to making the
11 record. But I have set the parameters to what I think is
12 relevant. I have a high regard for your ability to understand
13 the English language and where we're coming from. And I don't
14 want to have five thousand sidebars as each question is asked
15 and answered. Okay?

16 (Luncheon recess from 1:00 to 1:45 p.m.)

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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

1			
2			
3	UNITED STATES OF AMERICA,)	
4)	
5	Plaintiff,)	
6)	
7	-vs-)	No. 88 CR 709
8)	
9	NORBY WALTERS and LLOYD BLOOM,)	Chicago, Illinois
10)	March 7, 1989
11	Defendants.)	2:00 p.m.

REPORT OF PROCEEDINGS
BEFORE THE HONORABLE GEORGE M. MAROVICH

11	For the Plaintiff:	MR. ANTON R. VALUKAS
12		MR. HOWARD M. PEARL
13		MS. HELEN B. GREENWALD
14		
15	For the Defendants:	MR. ROBERT GOLD
16		MR. ETHAN LEVIN-EPSTEIN
17		MR. MATTHEW F. KENNELLY
18		MR. DAN K. WEBB
19		MR. STEVEN F. MOLO
20		MR. GEORGE LOMBARDI

23	Official Court Reporter:	Geraldine D. Monahan
24		219 South Dearborn Street
25		Room 1728
		Chicago, Illinois 60604
		(312) 435-6890

1 2

(Proceedings in open court.)

2 THE COURT: Counsel. Can we have Mr. Harmon and the
3 jury, please, if we are ready.

4 Mr. Harmon, if you would kindly resume the stand,
5 sir.

6 (Jury in.)

7 THE COURT: Please be seated. Some of you partake of
8 gourmet dining on 2. I'm counting the survivors.

9 Mr. Webb or Mr. Gold.

10 MR. GOLD: Thank you, your Honor. Mr. Webb is going
11 to lead off, Your Honor.

12 CROSS EXAMINATION

13 BY MR. WEBB:

14 Q. Mr. Harmon, my name is Dan Webb and I represent Lloyd
15 Bloom, who I believe you indicated you know, is that correct?

16 A. Yes, it is.

17 Q. You and I have never met before, have we, sir?

18 A. No.

19 Q. Okay. I just want to ask you a few questions about your
20 testimony, sir.

21 Let me start with -- as I understood your testimony,
22 you signed this contract on March 10th, 1985 to have Lloyd
23 Bloom and Norby Walters be your representative in negotiating
24 eventually your NFL contract, is that correct?

25 A. Yes.

1 Q. Okay. And by the way, if I ask you any questions --
2 sometimes lawyers, we get confused, and if you don't
3 understand one of my questions, you just tell me and I'll
4 rephrase it for you, okay?

5 When you signed that contract on that date, you were
6 aware that under the contract, Mr. Bloom and Mr. Walters would
7 earn a profit by negotiating your professional service
8 contract with an NFL club and get a commission, is that
9 correct?

10 A. Yes.

11 Q. Okay. You were aware that that's in fact what they were
12 in business to do was to represent you, negotiate your
13 contract with the NFL and that's how they'd earn their living
14 by making a commission, is that correct?

15 A. Yes.

16 Q. Okay. Now, at that time, you also became aware on that
17 date, the first day they met you and talked to you, that they
18 were prepared and willing to loan you money as an advance on
19 your future earnings that you would earn as a professional
20 football player, is that correct?

21 A. What monies are you talking about?

22 Q. You signed a note for \$2,500?

23 A. Yes.

24 Q. Okay. And as I recall, and the government introduced
25 the document this morning, you acknowledged that they told

1 you -- in fact it says on the document that you're to pay back
2 the loan out of your earnings as a professional football
3 player, is that correct?

4 A. Yes.

5 Q. Okay. Now, as it -- by the way, you, just so there is
6 no confusion, nobody forced you to enter into this contract
7 with them, am I correct? You did that on your own free will?

8 A. Yes.

9 Q. Okay. And as it turned out for you, Mr. Harmon, that
10 contract that you signed with Walters and Bloom actually
11 turned out to be very lucrative for you, financially, is that
12 correct?

13 A. With which contract?

14 Q. I'm talking -- sorry, not the professional -- the
15 contract you signed on March 10th, 1985 in which you agreed
16 for Bloom and Walters to be your agents; the contract you
17 signed on that day, actually turned out to be very lucrative
18 for you, is that correct?

19 A. Are you talking about the loan? 2,500?

20 Q. Well, let's talk about that. You dealt with Bloom and
21 Walters for 15 months after you signed that contract in which
22 they were your agents under the contract, is that correct?

23 A. Yes.

24 Q. During that 15-month period, you received from them
25 payments of money or advances for airline tickets, or the

1 purchase of a car, a total of \$54,000, is that correct?

2 A. Yes.

3 Q. Okay. And I take it, you consider receiving the \$54,000
4 to be a benefit you received, is that correct?

5 A. On my own free will, yes.

6 Q. You, at that time, I take it, you viewed it as good
7 thing for you to have some money available to you before you
8 were able to sign your professional contract with an NFL club,
9 is that correct?

10 A. No.

11 Q. Okay. You didn't want this \$54,000 that they gave you?

12 A. They offered it.

13 Q. They just offered it to you?

14 A. Yes.

15 Q. You never asked for it?

16 A. Didn't ask for it.

17 Q. Okay. Have you ever testified under oath in an earlier
18 time where you admitted that you often asked for money from
19 them?

20 A. That was after the agreement that they would offer me
21 \$250 a month and 2,500 at sign.

22 Q. But as time went on, just so there is no -- as time went
23 on, you would call them up and ask them for money, is that
24 correct?

25 A. Only asked for what they agreed upon to send me.

6
1 Q. But this \$54,000 that you obtained, the \$54,000 that you
2 obtained during that time period, that money, you recognize,
3 came from -- actually came from Norby Walters, is that
4 correct?

5 A. Yes.

6 Q. Is that your understanding?

7 A. Yes.

8 Q. By the way, whenever you would meet with Bloom and
9 Walters, Mr. Walters was the one that did most of the talking,
10 is that correct?

11 A. I would say half and half.

12 Q. Do you remember -- did you ever tell the FBI that
13 whenever you met with Walters and Bloom that Walters was the
14 guy that primarily did the talking? Do you remember saying
15 that to the FBI?

16 A. It was on certain conversations, but half and half.

17 Q. But you did meet with Lloyd Bloom? During this next 15
18 months, you frequently dealt with Lloyd Bloom, is that
19 correct?

20 A. Yes.

21 Q. You actually had a very good relationship with him and a
22 very cordial relationship, is that correct?

23 A. What do you mean when you say "good"?

24 Q. Well, let me ask you. In your opinion, did you have a
25 nice, cordial relationship with Mr. Lloyd Bloom?

1 A. Person to person?

2 Q. Person to person, yes.

3 A. Yes.

4 Q. Okay. And Lloyd Bloom was actually -- he was the
5 person -- you would often call up Lloyd and tell him that your
6 check was late or you needed some money, is that correct?

7 A. Yes.

8 Q. Now, during that time period, during that 15 months'
9 time period, I believe you actually took money, received money
10 from Norby Walters in connection with their representation of
11 you? You received money every month, did you not?

12 A. Yes.

13 Q. Actually, if you look at the documents, in some months
14 you received cash two or three times a month, is that correct?

15 A. Two or three times? I'm not sure.

16 Q. Do you recall a month where you received money more than
17 once a month?

18 A. Yes.

19 Q. Okay. Now -- and that car that you got, that car
20 actually was purchased, I believe was in the summer of 1986,
21 around June or July, am I correct?

22 A. Yes.

23 Q. That was a brand new Mercedes Benz top of the line, is
24 that correct?

25 A. Yes.

1 Q. I'm not going to get into a lot -- I think Mr. Gold
2 might have more questions about it but here is my question to
3 you: You knew at that time when you were taking that money
4 from Bloom and Walters that they were going to earn their
5 income by getting a commission off of negotiating your
6 professional service contract with an NFL team, is that
7 correct?

8 A. Right.

9 Q. Okay. Now, in fact, that's what -- actually what
10 happened is you were drafted by the Buffalo Bills in the first
11 round of the 1986 draft which would have been in April of '86,
12 am I correct?

13 A. Right.

14 Q. And you were high ground draft choice, is that
15 correct -- Strike that. You were drafted early on in the
16 first round, is that correct?

17 A. No.

18 Q. Well, I forget, was it fourth?

19 A. Sixteenth.

20 Q. I'm sorry, sixteenth in the first round?

21 A. Yes.

22 Q. Okay. At that time, after that, after you saw -- after
23 you were drafted by the Buffalo Bills, under the contract,
24 Lloyd Bloom eventually actually -- Strike that.

25 When the time came to negotiate your professional

1 service contract with the Buffalo Bills, Lloyd Bloom sat down
2 with the Buffalo Bills and negotiated the contract for you as
3 he was supposed to do under your contract, is that correct?

4 A. I'm not sure if he did or not.

5 Q. Well, I won't get into it too far. Let me ask you, on
6 August -- your contract with the Bills in which you received a
7 1.4 million dollars signing package was executed in August of
8 1986, am I correct?

9 A. Yes.

10 Q. Do I have the right amount, 1.4 million?

11 A. No.

12 Q. What was the amount, I'm sorry?

13 A. One point three.

14 Q. One point three million. Okay. On August 9th -- on
15 August 9th of 1986, isn't it a fact that while Lloyd Bloom,
16 after meeting with the Buffalo Bills to negotiate your
17 contract, he called you on the telephone and you talked to him
18 and he told you, "I've got your 1.3 million dollars plus a
19 car? Did he tell you that?

20 A. No.

21 Q. Okay. Did you ever testify under oath in connection
22 with this same matter that Mr. Bloom did call you on August
23 9th, 1986 and told you that he had just negotiated the
24 contract at 1.3 million plus a car with the Buffalo Bills?

25 A. He didn't say one point three. He said that he

1 negotiated a contract for the amount, I'm not sure, and he
2 said he would -- that Bill Polian and him was talking about
3 getting a Rolls Royce and I said no.

4 Q. Here is my question so maybe we can shortcut this. Did
5 you ever testify under oath at an earlier time that on August
6 9th, 1986, when Lloyd Bloom called you, he told you, "I got
7 one point three million plus a car." Did you ever say that
8 under oath, sir?

9 A. Maybe I did. I don't know. I don't remember.

10 Q. Let me see if I can refresh your memory. Do you recall
11 testifying in an earlier proceeding called an Arbitration
12 proceeding in connection with these same matters that you're
13 testifying to before this jury, concerning your relationship
14 with Bloom and Walters?

15 A. Yes.

16 Q. Okay. You were under oath when you testified in that
17 Arbitration proceeding, were you not?

18 A. Yes.

19 Q. Okay. I'm going to ask you if you remember the
20 following questions being asked of you and did you give the
21 following answer:

22 "Question. And Mr. Bloom told you, did he
23 not, that he had had a lengthy session with a
24 gentleman by the name of Polian from the Buffalo
25 Bills on August 7th, 1986?"

1 Your answer was:

2 "Answer. He just told me the offer."

3 "Question. And he told you that the offer was one
4 point three million, correct?"

5 And your answer was:

6 "And a car."

7 And he said -- and the --

8 "Question. And a car?"

9 And you said:

10 "Yes."

11 A. Excuse me, that's the Rolls Royce he was talking about.

12 Q. Well, what I'm asking you is, you did testify that he
13 communicated -- you were at least aware that he had negotiated
14 the 1.3 million dollar figure, were you not?

15 A. I don't know if that was one point three or if he said
16 it was one point three now. I'm not sure of that.

17 Q. But you're certainly aware that Lloyd Bloom was in there
18 trying to get you a contract from the Buffalo Bills and he had
19 the number up around one point three million?

20 A. I'm sure he was in there once. I'm not sure how many
21 other times he went in there.

22 Q. But you knew he had the offer up around one point three,
23 somewhere up there, plus a car?

24 A. No, I'm not sure.

25 Q. But you testified to it earlier, is that correct?

1 A. Right.

2 Q. Was your recollection better back then than it is now?

3 A. I would say yes.

4 Q. That was closer to the event, was it not?

5 A. Yes.

6 Q. So if you testified back at that Arbitration that Bloom
7 told you that he had gotten a offer of one point three
8 million, you would agree, that your recollection was a little
9 bit better than it is today, is that a fair statement?

10 A. Yes, that's fair.

11 Q. Okay. Now, that conversation with Lloyd Bloom, when he
12 is telling you about what he negotiated for you, occurred on a
13 Friday, on August 9, 1986, is that correct, to the best of
14 your recollection?

15 A. I guess so.

16 Q. Okay. Because on Monday morning, the following Monday
17 morning, on August 12th, Lloyd Bloom was trying to reach you
18 to tell you that he got the offer up to one point four
19 million, do you recall that?

20 A. No.

21 Q. Do you recall that you changed your phone number so that
22 Mr. Bloom could not get a hold of you?

23 A. Not my phone. It was not my phone. I was at my
24 parents' home.

25 Q. Did you ever testify under oath that you changed your

1 phone number over that weekend?

2 A. My mother changed it, yes.

3 Q. She changed it?

4 A. Yes.

5 Q. In any event, on August 12th, 1986, you signed a
6 contract with the Buffalo Bills for approximately 1.4 million
7 dollars, am I correct?

8 A. No.

9 Q. Okay. How much was it?

10 A. One point three five.

11 Q. That's all you got. Okay. You only got one point
12 three. So actually -- strike the question.

13 However, on Monday morning, you notified Lloyd Bloom
14 that you had terminated him and you had hired a new agent, is
15 that correct?

16 A. Yes.

17 Q. And that new agent that you hired, he got to earn
18 whatever commissions you chose to pay him for negotiating your
19 contract, is that correct?

20 A. What do you mean when you say "chose, chose to pay him"?

21 Q. I don't know how much you gave him. Did he get some
22 money for representing you?

23 A. Yes.

24 Q. What -- I'm -- the point is, whatever you gave this new
25 agent -- strike the question.

1 What was the new agents name?

2 A. Marty Rock.

3 Q. You actually had hired him over the weekend, is that
4 correct?

5 A. Yes.

6 Q. Prior to that time, during this entire 15 months, during
7 the entire 15 months that you're taking money from Bloom and
8 Mr. Walters to be your agents and they are advancing you this
9 money, had you ever once ever said one word to my client that
10 you were dissatisfied or unhappy with his representation of
11 you as a sports agent?

12 A. No.

13 Q. And -- in fact, you never even had the decency yourself
14 and telling him that he was fired on that Monday morning,
15 August 12th, did you?

16 MR. PEARL: Objection, Your Honor, "decency".

17 THE COURT: You can answer.

18 THE WITNESS: A. I think somebody in his -- in the
19 lawyer field is should have done that, not me.

20 BY MR. WEBB:

21 Q. And so you had a lawyer do it?

22 A. Yes.

23 Q. Your new agent did it, is that correct?

24 A. Lawyer, yes.

25 Q. And at that time, Lloyd Bloom and Norby Walters, who had

1 had negotiated the contract, had represented you for 15
2 months, had given you \$54,000, they got zero commission on
3 your contract with the Buffalo Bills, is that correct?

4 A. No.

5 Q. What did they get in the way of a commission?

6 A. They got paid for the hours that they worked.

7 Q. Okay. Out of the \$54,000 that you took from them, tell
8 the jury how much you've given back to Mr. Walters and Mr.
9 Bloom?

10 A. Well, first of all, I didn't take it, it was offered.
11 Secondly, it was --

12 Q. I'm sorry.

13 A. -- in Arbitration, they decided to pay him for the hours
14 that he worked, which was maybe 2,500 and 3,000 more for the
15 hours.

16 Q. So you gave back, out of \$54,000 that you took or
17 received, you eventually gave back \$5,000 approximately, am I
18 correct?

19 A. Yep.

20 Q. You took, Mr. Harmon, you took the famous Norby Walters
21 to the cleaners, didn't you?

22 A. No. How can I take him to the cleaners?

23 Q. Let me ask you. Out of this transaction in which they
24 are supposed to earn a profit of representing you, you made a
25 profit of \$49,000, am I correct?

1 A. It was an investment for them.

2 Q. And an investment for them for you to take \$49,000 from
3 them?

4 A. Well, he said he was gambling on me. I didn't say I was
5 gambling on him.

6 Q. He was gambling on you that you would be straight with
7 him and that he would be allowed to negotiate your
8 professional service contract, is that a fair statement?

9 A. No. No.

10 Q. Isn't that what his gamble was, is that you wouldn't
11 stiff him at the last minute and hire another agent?

12 A. I don't think I stiffed him. What do you mean when you
13 say "stiffed him"?

14 Q. Did you end up with \$49,000 of his money?

15 A. Of his money, that he invested in me?

16 Q. Yes.

17 A. Yes.

18 Q. Now, you actually had set Walters up by day one by
19 having the tape recording, didn't you?

20 A. Set him up?

21 Q. That's my question.

22 A. No, I didn't set him up.

23 Q. By the way, the government talked to you about this deal
24 that you received where you're supposed to testify and
25 cooperate and no criminal charges will be filed against you,

1 do you recall giving that testimony this morning?

2 A. Yes.

3 Q. Did Mr. Pearl or Mr. Valukas tell you that they would
4 never indict you for having defrauded Bloom and Walters of
5 \$49,000?

6 MR. PEARL: Objection, there is no testimony that he
7 defrauded him of that.

8 THE COURT: Sustained.

9 BY MR. WEBB:

10 Q. By the way, did you ever talk to Lloyd Bloom again after
11 that weekend?

12 A. No.

13 Q. Lloyd Bloom never took out of his frustrations on you by
14 telling you he was going break your legs or anything, did he?

15 A. No.

16 Q. Mr. Harmon, let me change gears for a minute. I want to
17 ask you about the scholarship that upi testified about this
18 morning that supposedly the University of Iowa was cheated out
19 of, your scholarship, your athletic scholarship, you
20 understand what I'm talking about?

21 A. Yes.

22 Q. Let me find out first of all how you came to get that
23 scholarship and what it was -- what you had to do to earn it.

24 A. You mean --

25 Q. Let me ask a question. That's a bad question. First of

1 all, you were offered the scholarship to play football at the
2 University of Iowa by university representatives, am I
3 correct?

4 A. By the coaches.

5 Q. By the coaches. And I'm not going to get into a lot of
6 details but the coaches came out to recruit you to come to the
7 University of Iowa while you were still a senior in high
8 school back in Queens, am I correct?

9 A. Yes.

10 Q. And the coaches came out and visited you at your school
11 or at your home and basically tried to tell you what a great
12 school the University of Iowa was and what a great football
13 team it had?

14 A. Yes.

15 Q. I mean, they kind of made a pitch to you that it would
16 be good to come to Iowa, didn't they?

17 A. Yes.

18 Q. And you actually were a high school football star in
19 Queens and you had a number of other universities coming to
20 ask you to come play football for them, is that correct?

21 A. Yes.

22 Q. And at that time -- actually, in fact the University of
23 Iowa, the representatives, when they came out and talked to
24 you, they actually told you, not only would it be a great
25 school to come and play football, did they tell you you would

1 get a great education or good education there?

2 A. If I wanted it, yes.

3 Q. You eventually decided you didn't want it, though. Let
4 me ask you this.

5 MR. PEARL: Objection to the question. There was no
6 question.

7 THE COURT: Jury will disregard it.

8 BY MR. WEBB:

9 Q. Okay. When you said, "if you wanted it", maybe I
10 should ask you, did you actually want an education or did you
11 go there to play football?

12 A. I wanted an education but the school doesn't give it to
13 you, I think it's totally up to you. If you want the the
14 educa tion, it's up to you.

15 Q. That's fine. Did you, in fact, in order to get the
16 football scholarship that we are talking about from the
17 University of Iowa, you had to sign what was known as a
18 National Letter of Intent, which is an agreement that you
19 entered into with the University of Iowa where you promised
20 that you would play football for them and for no other
21 university, am I correct?

22 A. Yes.

23 Q. Okay. And I've got that here and if I can refresh your
24 memory, the document, that letter of intent is dated, I could
25 show it to you if you you want, that letter of intent is dated

1 on February 10th, 1982. Does that seem about right to you?

2 A. I guess so. Yeah.

3 Q. Okay. Well, let me ask, you are aware that under --
4 what the purpose of this National Letter of Intent is is that
5 you have to sign it, the university has to sign it and then
6 you're bound to play football at Iowa as opposed to any of
7 these other schools?

8 A. Yes.

9 Q. Okay. In return for that, though, on that same day, the
10 University of Iowa as part of their deal was, they gave you a
11 full football scholarship to play football at Iowa, is that
12 correct?

13 A. Yes.

14 Q. And you actually -- those things happened on the same
15 day at the same time, on February 10th, 1982 where they -- you
16 promised to play football at their school and they promised to
17 give you an athletic scholarship?

18 A. Yes.

19 Q. Okay. Now, let me show you, in fact -- well, never
20 mind. In any event, that scholarship that was given to you by
21 the University of Iowa, the football scholarship, pays your
22 room, board, tuition and kind of some miscellaneous fees,
23 books and things like that, is that correct?

24 A. Books, tuition, room and board.

25 Q. Okay. And that's actually the only form of compensation

1 that you're allowed to receive from the university to play
2 football at their school, is that correct?

3 A. Yes.

4 Q. Okay. Now, the scholarship actually runs for one year
5 at a time and it's up to University of Iowa as to whether they
6 want to renew it or not, is that correct, if you remember?

7 A. Yes.

8 Q. Now, for example, if for some reason you went to the
9 University of Iowa and you decided that you a did not want to
10 play football for them, I take it, you would not expect them
11 to renew the scholarship the following year?

12 A. Even if I didn't have a scholarship during the time that
13 I was playing, if I didn't want to play, naturally, they would
14 say fine.

15 Q. But if you decided not to play football, then the next
16 year they would not give you the scholarship again, would
17 they?

18 A. Right.

19 Q. Now, as it turned out, you actually -- you had to work
20 pretty hard to earn that scholarship to play football at Iowa,
21 didn't you?

22 A. Yes.

23 Q. And I'm not going to get into all the details, but just
24 so the jury gets a feel for what we're talking about, maybe I
25 can run through this fairly quickly. If you disagree, you

1 just tell me, as I understand, because you were a football
2 player, you had to report to school a couple of weeks early
3 and go through some type of fall practice session before the
4 other students arrive?

5 A. During the summertime?

6 Q. I'm talking about in late in the summer, in August
7 sometime?

8 A. Right.

9 Q. You come and practice there for a couple of weeks?

10 A. Two weeks.

11 Q. Two weeks. Then when school starts, that's when the
12 football season starts, is that correct?

13 A. Yes.

14 Q. Okay. And during that time period, you got to go to
15 practice, you got to stay in shape, you got to lift weights,
16 you got to attend meetings, look at game films, on any given
17 week, you're probably spending 30 or 40 hours a week dealing
18 with football, is that correct?

19 A. No.

20 Q. How many hours a week did you do it?

21 A. Fifteen.

22 Q. And during that time period -- that's all you ever spent
23 was 15 hours a week?

24 A. Approximately, yes.

25 Q. You're counting the Saturday games?

1 A. Yes.

2 Q. And all the practices?

3 A. Yes.

4 Q. Okay. Now, do you feel like you earned your
5 scholarship?

6 A. I think so, yes.

7 Q. Okay. And you actually brought, by the time -- you had
8 an outstanding career with all modesty, Mr. Harmon, and I
9 don't know think you have to be modest, you're an outstanding
10 football player, you had a very good college performance
11 record in football for Iowa, did you not?

12 A. I would say the team.

13 Q. The team did?

14 A. Yes.

15 Q. But just focusing on you, and I recognize your modesty,
16 I believe in your junior year, at least before you broke your
17 leg, were you Number 2 in rushing in the nation?

18 A. Yes.

19 Q. And at least a lot of people were speculating, you might
20 be on your way to a Heisman trophy?

21 A. Yes.

22 Q. Then unfortunately, you broke your leg the third to the
23 last game in the season, am I correct?

24 A. Yes.

25 Q. But came back strong the next year in your senior year?

1 A. What do you mean when you say "strong"?

2 Q. Well, I'm not a big a football fan. Didn't you have a
3 good year your senior year?

4 A. I finished the year, yes.

5 Q. Okay. And actually, you and your other teammates, you
6 took Iowa to the Rose Bowl.

7 A. No, I didn't take them to the Rose Bowl.

8 Q. Did your team go to the Rose Bowl?

9 A. Yes, we went to the Rose Bowl. Yes.

10 Q. That's what I asked, you and your other teammates went
11 to the Rose Bowl, is that correct?

12 A. Yes.

13 Q. You are aware -- you're aware, are your not, that
14 because of the success of the football team while you were at
15 Iowa, that the university made millions of dollars off of that
16 football program, is that correct?

17 A. I don't know.

18 Q. Did you ever hear or become aware that they were making
19 a profit off the football team at Iowa?

20 MR. PEARL: I object.

21 THE COURT: He answered he doesn't know. Go ahead,
22 move on.

23 BY MR. WEBB:

24 Q. Now, as far as the scholarship is concerned, the
25 contract that Mr. Pearl showed you this morning that you

1 signed with Norby Walters, I believe you indicated you signed
2 it on March 10th, 1985 but the contract was not effective
3 until January 2nd, 1986, am I correct?

4 A. Yes.

5 Q. Okay. That's written right on the face of the contract,
6 that it's effective January 2, 1986, is that correct?

7 MR. PEARL: He can direct his attention to the
8 contract but as Mr. Webb said --

9 MR. WEBB: Do you have the exhibit number?

10 MR. PEARL: Five and six.

11 MR. WEBB: I'm just trying -- I don't have it here in
12 front of me.

13 BY MR. WEBB:

14 Q. Look at Government Exhibit 5 and 6, and tell the jury if
15 they are dated on the face of them January 2, 1986?

16 A. Yes, they are.

17 Q. That's when the contract was to become effective, is
18 that correct?

19 A. Yes.

20 Q. And at that time, that's when World Sports and
21 Entertainment, Walters and Bloom, were to begin acting as
22 your sports agents, is that correct?

23 A. Yes.

24 Q. Now, the other document or one of the other documents
25 you signed on that date -- I don't know if I know the exhibit

1 number -- was this promissory note where you promised that you
2 would pay back the \$2,500 you borrowed from them out of your
3 earnings when you became a professional, do you recall that?

4 What's the exhibit number, Howard?

5 MR. PEARL: Eight.

6 MR. WEBB: Exhibit 8.

7 BY MR. WEBB:

8 Q. I'm sorry, Mr. Harmon, it's Exhibit 8.

9 A. Yes.

10 Q. Now, if I understood your testimony this morning, you
11 indicated that if the university knew that you had signed that
12 contract in March of 1985, that they would terminate your
13 scholarship, is that correct?

14 A. Yes.

15 Q. Did you ever look at the actual agreement that you
16 signed from the University of Iowa to see whether or not right
17 on the face of the agreement in which you got your financial
18 aid, the scholarship, whether it allowed them to terminate
19 your scholarship because you signed with a sports agent?

20 A. That's what we were told.

21 Q. No, I'm asking -- let me ask you, to look at the -- is
22 that marked as an exhibit?

23 MR. WEBB: I will mark it as my exhibit.

24 BY MR. WEBB:

25 Q. Mr. Harmon, I'm going to show you a document that is

1 going -- I will mark it as Harmon --, Defense Harmon Exhibit
2 Number 1 for identification.

3 MR. GOLD: Could we mark that as Bloom 1? I just
4 marked my exhibits. It's just going to clutter up the record.

5 THE COURT: Can you do that, Mr. Webb?

6 MR. WEBB: I can do it, yes. I'm sorry, what was
7 the request?

8 MR. GOLD: If you can call it Bloom 1.

9 MR. WEBB: I will call it Bloom 1. They are
10 identical. They are the same ones.

11 BY MR. WEBB:

12 Q. I'm going to show you the actual document that you
13 signed -- that you received from the university concerning
14 your scholarship. That document, I believe, Mr. Harmon, is
15 called a Tender of Financial Assistance, is that correct?

16 A. Yes.

17 Q. You signed one of these every year, is that correct?

18 A. Yes.

19 Q. And the first one you signed actually was signed while
20 you're still a senior in high school when you got your first
21 scholarship award, is that correct?

22 A. Yes.

23 Q. This one is the one that you signed for the season,
24 1984-1985, is that correct?

25 A. Yes.

1 Q. Okay. And under this agreement, the agreement is signed
2 by the Director of Athletics of Iowa, is that correct, Mr. C.
3 W. Elliot?

4 A. Yes.

5 Q. And it's also signed by someone called a Financial Aids
6 Director?

7 A. Yes.

8 Q. And then you also signed it, is that correct?

9 A. Yes.

10 Q. Okay. And this awarded you your scholarship to play
11 football, is that correct?

12 A. Yes.

13 Q. Okay. Now, when the university entered into this
14 contract with you, and by the way, you clearly understood, you
15 had to play football to get this scholarship, it says it's a
16 football scholarship, is that correct?

17 A. Yes.

18 Q. In the agreement the university made with you, they
19 actually -- I'm going to direct your attention down here, they
20 actually have a paragraph in the agreement that sets forth
21 under what circumstances they are going to cancel your
22 scholarship, do they not? You see where I'm talking about?

23 A. Yes.

24 Q. Okay. It says that they'll cancel your scholarship if
25 you sign first of all -- one way is if you sign a professional

1 sports contract, is that correct?

2 A. Yes.

3 Q. Okay. And we know that you did not sign a professional
4 sports contract until August of 1986, is that correct?

5 A. Yes.

6 Q. So there is -- did you not violate that provision, did
7 you?

8 A. No.

9 Q. And also -- they also say, if you actually accept money
10 for playing in a specific game, like an athletic contest,
11 they'll also terminate your scholarship based on that, is that
12 correct?

13 A. Yes.

14 Q. And you never did that take either, did you?

15 A. No.

16 Q. Okay. You tell me if there is any other ground in that
17 agreement that would allow the university to cancel your
18 scholarship?

19 MR. PEARL: Just under the rule of completeness, I'd
20 ask that he read the entire thing starting with Paragraph A.

21 MR. WEBB: I have no -- that's why I just told him to
22 look at it and read anything he wants to.

23 BY MR. WEBB:

24 Q. My question is, is there any other -- just so -- I could
25 only find that as a provision where they said they would

1 cancel your scholarship on certain conditions, but I'm asking
2 you, if I'm wrong, tell me, Mr. Harmon. Read it as closely as
3 you want.

4 MR. PEARL: Judge under the rule of completeness, I
5 would ask the witness to start at the top -- Paragraph 1.

6 THE COURT: Mr. Pearl, I think the question before
7 the Court is appropriate and when you have an opportunity, you
8 can satisfy the doctrine of completeness.

9 MR. PEARL: Thank you, your Honor.

10 A. I would say "A".

11 BY MR. WEBB:

12 Q. Okay. Let's talk about "A". What does "A" say? You
13 can go ahead and read that off to the jury if you would like.

14 A. "I will forfeit my athletic eligibility if I receive any
15 financial assistance from any source other than as provided
16 for in this award and my family or government agency or in
17 form of award having nothing whatsoever to do with my athletic
18 abilities or interest."

19 Q. Okay. Now, let me ask, that paragraph relates to under
20 what circumstances they can cancel your eligibility, is that
21 correct?

22 A. Yes.

23 Q. That paragraph does not relate to their ability to
24 cancel your scholarship, does it?

25 A. I don't know.

1 Q. Well, you just read it.

2 A. I read it.

3 Q. What does it say? Doesn't it talk about --

4 A. Financial assistance from any source.

5 Q. Doesn't it talk about cancelling your eligibility to
6 play football?

7 A. Yes.

8 Q. It doesn't talk about cancelling your scholarship, does
9 it?

10 A. No.

11 Q. But the paragraph I showed you specifically talks about
12 when they can cancel your scholarship, Paragraph D, is that
13 correct?

14 A. Yes.

15 Q. At the time you testified here this morning, that you
16 always believed that the University of Iowa could cancel your
17 scholarship, you had never looked at this document, were not
18 aware of it, am I correct?

19 A. Yes.

20 Q. Now that you are aware of it, do you see that the
21 University of Iowa had no right to cancel your scholarship
22 unless you signed a sports contract with a professional team
23 or got paid for participating in a football game, you now see
24 that, don't you?

25 MR. PEARL: Objection. May we have a sidebar?

1 THE COURT: Sure.

2 You can stand up if you wish.

3 (At sidebar on the record.)

4 MR. VALUKAS: Your Honor, here is the Acceptance form
5 portion that he's reading from. The tendered -- "This tender
6 is subject to your fulfillment of the admission requirements
7 of this University of Iowa, and its academic requirements for
8 athletic competition and financial aid." Okay, and then you
9 go -- "I will forfeit my athletic eligibility if I receive any
10 financial assistance from any source other than as provided
11 for in this award --", so what they are saying, in essence, if
12 you read those two paragraphs together, as I read this, if you
13 don't maintain your eligibility, you can forfeit it. This
14 Tender indicates what its subject to now.

15 This is a question of legal interpretation but in all
16 fairness, those two things read together as a single document
17 and a separate document -- and what he's suggesting to them,
18 and the way the question was asserted is that that document
19 doesn't reflect what I just said and that's my objection.

20 MR. WEBB: Well, I asked him. Judge, I couldn't have
21 done it more fairly than I did. In fact, that's exactly what
22 I said.

23 THE COURT: Well, I'm sure you will have the
24 opportunity to clarify it without raising this question, and I
25 guess you'll have the opportunity to question him, too.

1 MR. VALUKAS: The only question, when the attorney
2 asserts something to the witness and the circumstance of the
3 document is something dissimilar. I think that's
4 objectionable. That's the point I'm making.

5 MR. WEBB: I read off exactly what this clause said
6 and I couldn't have read --

7 THE COURT: Let me indicate something to you; that
8 lawyers phrase questions in a way that it's going to get the
9 answers that they want to get and when this lawyer gets a
10 chance, he's going to do the same thing and I think it's going
11 to straighten itself out without any further sidebar.

12 (End of discussion at sidebar.)

13 BY MR. WEBB:

14 Q. I believe my question was, this morning, when you told
15 the jury that you believed that the University of Iowa could
16 cancel your scholarship because you signed with the sports
17 agent, my question is, you weren't aware of this agreement
18 that the university had entered into with you when you gave
19 the testimony this morning, am I correct?

20 A. You mean being aware of signing this?

21 Q. Yes.

22 A. Was I aware of this?

23 Q. Yes.

24 A. Yes.

25 Q. I know you're aware of signing it, but when you

1 testified this morning that the university could cancel your
2 scholarship by signing with the sports agent, you did not
3 actually know about that specific clause which limits when
4 they can cancel your scholarship, am I correct?

5 A. Yes.

6 Q. Okay. That's all I wanted. In fact, when you testified
7 this morning that the university would cancel your scholarship
8 because you signed with the sports agent, were you aware of
9 what the Big 10 Conference Rule is concerning that matter?

10 A. I think it was understood to all team plays that you
11 cannot sign on with an agent. Now, they gave these forms out
12 in that team meeting that we had to sign them to play.

13 Q. Well, let me ask you this. The government showed you
14 this morning -- the government showed you this morning this
15 false affidavit that you supposedly filed with the Big 10, do
16 you remember that?

17 A. Yes.

18 Q. In your book, I think it's marked as Government Exhibit
19 3A. Could you turn to that, Mr. Harmon?

20 Were you able to find 3A, sir? That's a document Mr.
21 Pearl showed you this morning which is a statement of
22 eligibility that's filed with the Big 10 Conference, is that
23 correct?

24 A. Yes.

25 Q. You are aware that Iowa, University of Iowa is a member

1 of the Big 10, that's a conference they belong to, is that
2 correct?

3 A. Yes.

4 Q. You were told by the coaches that Iowa has to follow the
5 Big 10 Conference Rules, is that correct?

6 A. Say -- academic advisors.

7 Q. Okay. Someone at Iowa told you that Iowa, the
8 university, follows the Big 10 Rules because they are a member
9 of the Big 10, is that correct?

10 A. Yes.

11 Q. Okay. Are you aware that under the Big 10 Rules,
12 specifically, if a student athlete actually signs an agreement
13 like you did here with an agent that that is this not grounds
14 to cancel the scholarship, are you aware of that?

15 A. No.

16 Q. Has anyone ever told you that that?

17 A. No.

18 MR. WEBB: Let me show you what I'll mark as
19 Defendants Exhibit Bloom 2.

20 (Document marked)

21 MR. VALUKAS: May I see it?

22 MR. WEBB: Yes.

23 (Discussion had off the record between counsel)

24 BY MR. WEBB:

25 Q. As I understand it, you testified this morning in

1 response to Mr. Pearl's questions that these coaches explained
2 to you in some detail about these rules, is that correct? A.

3 A. Yes.

4 Q. They told you everything that they wanted you to know
5 about sports agents, is that correct?

6 A. Everything? What do you mean?

7 Q. I guess they told you -- Strike that. You told us this
8 morning that they told you about the sports agent rules, is
9 that correct?

10 A. Yes.

11 Q. Actually, you became aware, did you not, while you're at
12 the University of Iowa that coaches don't like sports agents
13 because they are afraid the players may listen to the agent
14 and not to coach, you at least became aware of that issue, did
15 you not?

16 MR. PEARL: Objection, your Honor, relevance.

17 THE COURT: I see no ~~relevance~~ relevance in that
18 question, Mr. Webb.

19 BY MR. WEBB:

20 Q. Let me show you what I have marked as Defendant Bloom
21 Exhibit Number 2, which are the Handbook of the Big 10 Rules
22 dealing with eligibility and did you testify this morning
23 you've actually seen the Big 10 Rules or the coaches told you
24 about them?

25 A. Told us about them.

1 Q. I'm going show the rules to you and I'm going direct
2 your attention specifically to the Big 10 rule which is called
3 Section 6 which appears on Page 50 of the handbook, which
4 talks about withdrawal and modification of awards, referring
5 to scholarships and I want to specifically turn you over to a
6 section over here which I'll mark so you can see where I'm
7 talking about, which provides that -- well, you can read it to
8 the yourself, you see where I marked it? Read that rule to
9 yourself.

10 MR. PEARL: Your Honor, can Mr. Webb specifically tell
11 us what he's having him specifically read.

12 MR. WEBB: Page 51, it's the one called under Number
13 3, starting with, "While a student who agrees". Can you read
14 that to yourself, Mr. Harmon.

15 BY MR. WEBB:

16 Q. See what it says?

17 A. Yes.

18 Q. What that stays is that even though a student actually
19 signs with an agent, the university on the face of the rule is
20 allowed to continue the scholarship until the termination of
21 the award, which in that case, would be the end of your senior
22 year, is that correct?

23 MR. PEARL: I object, your Honor, he read only half of
24 it.

25 MR. WEBB: I'm going to finish the rule. I'm starting

1 with one at a time, Judge. I intend to go through the whole
2 rule.

3 MR. PEARL: I ask he read the whole rule rather than
4 ...

5 THE COURT: I will see you in sidebar for one minute
6 just so we can resolve this once and for all.

7 (At sidebar on the record.)

8 THE COURT: Just a minute ago, I told you about
9 lawyers asking the questions and the way that they did it, and
10 I don't have any problem with that, but I will be damned if
11 I'm going to help you mislead someone along the line with
12 these questions. If your point is, and I presume in reading
13 this document that it's NCAA rule that is being violated and
14 not a Big 10 or a university rule, then go ahead and make that
15 point.

16 MR. WEBB: That's the point, the Big 10 is charged in
17 the indictment. It's not NCAA.

18 THE COURT: Make that point, not that there is no
19 violation of eligibility by doing whatever it is that he says
20 he did.

21 MR. WEBB: That's my whole point, even if eligibility
22 is violated, they still continue the scholarship.

23 MR. PEARL: There are two problems, two terminations
24 Mr. Webb left out.

25 THE COURT: So then read it all.

1 MR. WEBB: I intend to go through the whole thing.

2 (End of discussion at sidebar.)

3 BY MR. WEBB:

4 Q. Getting back to this rule, do you see where I'm reading
5 where it says that the award -- that if someone, a student
6 athlete -- that's someone like yourself, is that correct?

7 A. Yes.

8 Q. If you sign with an agent, you still are allowed to
9 continue the termination of your scholarship unless the
10 student received compensation from or through the agent, do
11 you see that?

12 A. Yes.

13 Q. Okay. First of all, there is no question that on the
14 face of the rule, on the face of the rule, you're allowed to
15 sign with an agent and not have your scholarship terminated
16 under some circumstances, is that correct? That's what it
17 says, anyway, does it not?

18 A. Yes.

19 Q. It says, though, if you have actually gotten
20 compensation from the agent, that's not the case, that it
21 can't be continued, you see that?

22 A. Yes.

23 Q. Okay. Now, the reason I call that to your attention is
24 because as I understand -- strike the question. You were
25 aware when Lloyd Bloom and Norby Walters gave you money and

1 you signed the promissory note, that was a loan, was it not?

2 A. Yes.

3 Q. You at least are aware -- you didn't perform any
4 services for Lloyd Bloom to get the money, did you?

5 A. No.

6 Q. Okay. You weren't compensated like if you go to a job
7 and you get compensated for services rendered, this was a loan
8 and not compensation, am I correct?

9 A. Yes.

10 Q. Thank you. Now, that -- you've seen the Big 10 Rule,
11 does it now April to you -- strike the question. When you
12 testified this morning that the university would terminate
13 you're scholarship because you signed with an agent, were you
14 aware of that specific provision of the Big 10 Rule dealing
15 with this subject matter?

16 A. No.

17 Q. Okay. Thank you. Now, Mr. Pearl showed you this
18 morning the document that I just called your attention to,
19 which is called the -- I will find the Exhibit Number -- it's
20 Exhibit 3A and 3B, which is this Big 10 Conference statement
21 of eligibility and statement of financial support. Maybe you
22 could find those Exhibits.

23 Do you have those, sir?

24 A. Yes.

25 Q. Now, I believe you told us this morning that you

1 believed that when you signed this that you made a false
2 statement, is that correct?

3 A. Yes.

4 Q. All right. And by the way, Lloyd Bloom -- Lloyd Bloom
5 never told you to fill out one of these forms and lie, did he?

6 A. No.

7 Q. Okay. In fact, whenever you met with Lloyd Bloom, did
8 you and Lloyd Bloom ever discuss these forms you were filling
9 out?

10 A. No.

11 Q. Okay. Now, refresh my memory, which parts of this form
12 marked as Exhibit 3A and 3B, which parts of it -- where is it
13 that you think you made a false statement to the Big 10?
14 Just so -- which answer did you give that's false?

15 A. Number 7.

16 Q. Number 7. Now, that rule, I'll read off. The question
17 was, "Have you ever signed a professional athletic -- athletic
18 contract in your sport or been represented by an agent?" Is
19 that the question?

20 A. Yes.

21 Q. Now, let me ask you about that. First of all, as far as
22 the first part of the question, you had never signed a
23 professional athletic contract in football, your sport, when
24 you signed this statement, had you?

25 A. No.

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Q. Okay. And at that time -- the date you signed this statement is on August -- I believe you told us August 25th, 1985, is that correct?

A. Yes.

Q. On that date, August 25th, 1985, your contract with Lloyd Bloom and Norby Walters wasn't effective yet according to your testimony a little bit ago, is that correct?

A. Yes.

Q. So we know that on August 25th, 1985, you were not yet under that contract, were you?

A. Yes.

Q. And, therefore, that's also -- it's not a false statement on that date, is it?

A. On that date, no.

Q. Okay. That's the date that you signed it. So this morning when you said that that was a false answer, you were incorrect when you told us that this morning?

A. This goes into the senior. I don't know if I was incorrect by saying no.

Q. Okay. Maybe I should -- I thought this morning when Mr. Pearl asked you, you said that question three was a lie, your answer to question three, you told us this morning was a lie on your part, didn't you?

A. Repeat the question, please.

Q. I'm sorry. This morning when Mr. Pearl was asking you

1 where you made your false statement on that form, I believe
2 you told him -- in fact, you just told me that it was question
3 number three, is that correct?

4 THE COURT: Seven.

5 BY MR. WEBB:

6 Q. Seven. I apologize. But now when you looked at it, you
7 realized when you signed that form, you had not made a false
8 statement, had you?

9 A. No.

10 Q. Okay. Are there any other false statements on 3A or 3B
11 that you made?

12 Q. 3B is the next Exhibit after you a look at 3A.

13 A. No.

14 Q. Okay. Turn to 3B. Has 3B got any false statements?
15 Were you answering no to everything?

16 A. What do you mean?

17 Q. I'm sorry. I was just trying to ask you whether -- you
18 told us about question 7, I was just asking you whether there
19 any other false statements that you made on those forms marked
20 as 3A and 3B?

21 A. Yeah, I received the money. Yes.

22 Q. Okay. Where did -- where is that a false statement at?

23 A. Where it says "loans."

24 Q. Okay. That's on 3B -- I'm sorry, is that that Exhibit
25 3B?

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A. Yes.

Q. Okay. And where you put down loans, you put down n/a, is that correct?

A. Yes.

Q. I want to call your attention to the top of that form. I don't know if you read that or not. The top of the form actually tells you about some types of financial aid that you're allowed to receive, you see where I'm talking up there at the top. Okay. One of the types of financial aids the form says, that your entitled to receive is what is called bona fide loan, you see that?

A. Yes.

Q. Bona fide means legitimate, is that your understanding?

A. Bona fide?

Q. I'm sorry, bona fide. Does that mean legitimate or proper?

A. Yes.

Q. Okay. The loan that you got from Norby Walters and Lloyd Bloom in which you signed the promissory note to pay it back, that was a legal loan that you were obligated to pay back, weren't you?

A. Yes.

Q. Okay. Now, when you signed your representation agreement with Mr. Bloom and Mr. Walters in March of 1985, at that time, in the office, was it your plan at that time or

1 intention to cheat the university out of your scholarship?

2 A. What do you mean when you say "cheat"?

3 Q. Defraud, was it your plan to defraud?

4 A. Defraud?

5 Q. Was that your plan at that time?

6 A. It wasn't a plan. I wasn't going up there to sign but I
7 eventually did.

8 Q. Okay. But I'm just asking, at that time, when you did
9 it, was it your plan or intention to cheat the university out
10 of scholarship money?

11 A. When I signed?

12 Q. Yes.

13 A. My intentions were to sign. I wasn't thinking about the
14 university.

15 Q. Okay. By the way, after you signed that contract with
16 Mr. Walters and Mr. Bloom, you went on to play football at
17 Iowa in your fourth year and played very good football, is
18 that correct?

19 A. What do you mean when you say "played" --

20 Q. You played every game, is that correct?

21 A. Yes.

22 Q. We have established you and all your other teammates
23 together were fortunate enough to have a great season and go
24 to the Rose Bowl?

25 A. Yes.

1 Q. And you played your heart out every Saturday afternoon
2 to get to the Rose Bowl, you personally, didn't you

3 A. Played my heart out?

4 Q. Didn't you play hard?

5 A. Everybody played hard.

6 Q. Okay. What is it that the university lost? What is it
7 that they lost because you signed this agreement with Norby
8 Walters?

9 MR. PEARL: Objection, Judge.

10 THE COURT: What's your basis?

11 MR. PEARL: He's asking his knowledge of what the
12 university lost, his opinion, his understanding?

13 THE COURT: I don't know, maybe you ought to rephrase
14 the question.

15 BY MR. WEBB:

16 Q. Do you understand what I'm asking? What is it -- what
17 is your understanding what did the university lose because you
18 signed with Norby Walters and Lloyd Bloom?

19 A. I don't know what they lost.

20 Q. Let me move on to another subject matter, Mr. Harmon.

21 Let me return to just for a couple minutes to something we
22 touched upon earlier. We mentioned your education that talk
23 received at Iowa.

24 In reviewing your transcript -- strike the question.
25 You did not -- you attended four years and played football for

1 four years, is that correct?

2 A. Yes.

3 Q. And in your fourth year when the football season ended,

4 you kind of dropped out of school at that time, is that

5 correct?

6 A. I call it withdrew, yes.

7 Q. You withdrew from school at that time?

8 A. Yes.

9 Q. And you did not graduate, is that correct?

10 A. No.

11 Q. Okay. In fact, as I look at your transcript, it would

12 be fair to say, and I know that it was your decision, but you

13 actually never actually worked toward getting a degree, did

14 you?

15 A. That's not true.

16 Q. Okay. Did you work toward getting a degree?

17 A. Yes.

18 Q. When did you work towards getting a degree?

19 A. When I first got to the university of Iowa.

20 Q. For the first year or so?

21 A. First year or so.

22 Q. I'm asking, during what period of time were you trying

23 to work towards your degree?

24 A. From the period you get there to when you get out.

25 Q. Okay. You had an academic advisor, did you not?

1 A. Yes.

2 Q. Do you recall having meetings with the academic advisor
3 that was provided to you by the university?

4 A. Occasionally, yes.

5 Q. Wasn't it supposed to be the academic advisor's
6 responsibility to meet with you periodically and to go through
7 your progress that you were making at the school?

8 A. Yes.

9 Q. That person was assigned to you by the Athletic
10 Department, am I correct?

11 A. Assigned to me personally or the team as a whole?

12 Q. You tell me how it works. I don't --?

13 A. I don't understand your question.

14 Q. Okay. Was there an academic advisor that was assigned
15 to meet with you periodically?

16 A. Yes.

17 Q. Was that person assigned by the Athletic Department to
18 meet with you periodically?

19 A. Yes.

20 Q. And that -- and when -- what was the name of that
21 person?

22 A. Or persons?

23 Q. Or persons, whatever?

24 A. I don't know all the persons' names.

25 Q. Just give me the names of the ones that you remember

1 that you met with during the time that you were there?

2 A. Fred Mimms and Sue Flood.

3 Q. Anyone else?

4 A. No.

5 Q. Do you recall meeting with those academic advisors and
6 having discussions about the fact that be you were not even
7 working towards a degree?

8 A. I was working towards a degree.

9 Q. I'm asking, do you remember discussions with them?

10 A. Yes.

11 Q. Where they told you that you were not even working
12 towards a degree?

13 A. They never told me that.

14 Q. Let me see if I can refresh your memory. Do you recall
15 right about the time that you began your fourth year, and I'm
16 talking specifically -- see if I can refresh your memory --
17 in September of 1985, having a meeting with your academic
18 advisor at Iowa, in which you and the advisor discussed the
19 fact that you were not -- still were not working towards a
20 degree and that you had dropped your 100 level courses?

21 A. What year is that? Excuse me, what year?

22 Q. This is in 1985.

23 A. After the season or before the season?

24 Q. This is the season getting going, in September of 1985.

25 A. Yes. Right. You don't have to declare a major until

1 your junior year so what's your question? What are you trying
2 to say?

3 Q. I'm asking you if you recall in September of 1985,
4 that's your senior year as you're playing football? In
5 September, you played football in September?

6 A. Right.

7 Q. Okay. In September of 1985, do you recall having a
8 meeting with your academic advisor in which you discussed that
9 you were still not working towards your degree because you had
10 dropped and were not taking 100 level courses? Do you
11 remember that?

12 A. Maybe I have. I don't remember.

13 Q. Well, let me show you what I will mark - see if I can
14 refresh your memory, I'll mark this takes Harmon Exhibit --
15 or Bloom Exhibit -- Cross Exhibit 3 and ask you if you would
16 just for a moment read what I'm showing you. I think you'll
17 see, are Athletic Academic Advising Office Reports and I want
18 to direct -- your name Ronnie Harmon is on there, is that
19 correct?

20 A. Yes.

21 (Document marked)

22 Q. I want you to direct your attention, specifically, to
23 September 20th, 1985, where it says, you're still not ..

24 MR. PEARL: Objection to him reading a document that's
25 not in evidence.

1 THE COURT: Mr. Webb, any response?

2 MR. WEBB: I'm just trying to refresh his memory.

3 THE COURT: Well, it's my recollection of the rules
4 of evidence are that you can refresh his recollection from
5 anything, things that are or are not in evidence so therefore
6 you may use it for that purpose.

7 MR. PEARL: Without reading it out loud.

8 THE COURT: If you're going to use it for that
9 purpose, however, allow him to read it and see if it refreshes
10 his recollection rather than reading it to the jury.

11 MR. WEBB: Thank you.

12 BY MR. WEBB:

13 Q. Do you now remember having the meeting with your
14 academic counselor where you in fact -- you were still not
15 working towards your degree, where you had the discussion?

16 A. Well, you don't have to meet -- someone to write their
17 own evaluation of what they feel.

18 THE COURT: The question, Mr. Harmon, and you can
19 answer it yes or no, does that refresh your recollection about
20 the subject?

21 THE WITNESS: A. Might have. I guess so.

22 BY MR. WEBB:

23 Q. Okay. Let me ask you, the idea that you did not have
24 any 100 level courses, what is 100 level courses? What were
25 those?

1 A. Courses where -- towards a degree, I guess.

2 Q. Just so the jury understands, when you're in college --
3 first of all, you are aware that the NCAA Rules on their face
4 require that for you to be eligible to play college football,
5 that you have to be seeking a degree and you have to be making
6 satisfactory progress towards that degree. You were aware of
7 that, is that correct?

8 A. Yes.

9 Q. And the athletic -- Strike that. If you're not seeking
10 a degree or making satisfactory progress towards the degree,
11 your football team is supposed to notify the Big 10 that
12 you're not eligible and they are not supposed to play you on
13 Saturday afternoons, is that correct?

14 A. That's true.

15 Q. Okay. In order to be moving towards getting a degree,
16 the school requires something called GER, it's General
17 Education Requirements, do you remember hearing that term
18 while you were at Iowa?

19 A. No.

20 Q. Okay. Did you at least become aware, did some of the
21 people in the university or Athletic Department tell you or
22 were you aware that in order to be working towards a degree
23 that you have to be taking certain types of courses?

24 A. Right.

25 Q. Okay. You just can't take all real soft easy courses

1 and expect to get a degree, can you?

2 A. Depends what you call you "soft and easy".

3 Q. There are courses that are called more difficult or 100
4 level courses that you're required to take before you can get
5 a degree, is that correct?

6 A. I don't think they are any more difficult than any other
7 classes.

8 Q. Okay. But apparently -- were -- what major did you
9 declare, sir?

10 A. Communications.

11 Q. Okay. When did you declare that?

12 A. Into my sophomore year.

13 Q. And how close did you come to getting your degree in
14 communications?

15 A. I would say not close.

16 Q. By the way, this Athletic Department form concerning
17 you're not working towards your degree, that form is dated --
18 you're in your senior year playing football at that time, is
19 that correct?

20 A. Yes.

21 Q. And that's the year you took -- you and all your other
22 teammates took -- were fortunate enough to have a good season
23 and go to the Rose Bowl, am I correct?

24 A. Yes.

25 Q. You by the way, were, were you not, without knowing the

1 amounts, that when you go to the Rose Bowl, the university
2 earns a profit, gets money for the team going to the Rose
3 Bowl, is that correct?

4 MR. PEARL: Objection.

5 THE COURT: That's been already asked and answered
6 Mr. Webb amongst other things.

7 BY MR. WEBB:

8 Q. The NCAA rules state on their face that besides you
9 having to seek a degree and and working towards a degree, the
10 rules also state, do they not, that you must at all times be
11 in what's called "good academic standing", is that correct?

12 A. Yes.

13 Q. If your not in good academic standing, the rules say
14 that you're supposed to be ineligible to play football, is
15 that correct?

16 A. Yes.

17 Q. Now, I've got your transcript here, sir, if you need me
18 to show it to you. The transcript of your courses. Have you
19 seen that recently, did you just recently see that in the
20 government's office?

21 A. Yes.

22 Q. It actually might make it easier to refresh your memory.
23 Do you have a copy that I could mark?

24 I'm going to show you what I'll mark as Bloom Exhibit
25 4 and I'm going to -- Mr. Harmon, show you your transcripts.

1 I'm going to ask you a few questions. You can look at it if
2 you need to to refresh your recollection.

3 You see your name, Ronnie Harmon?

4 (Document marked)

5 A. Yes.

6 Q. Is that the transcript that you recently reviewed or one
7 like it?

8 A. Yes.

9 Q. Okay.

10 THE COURT: This is an academic transcript, Mr. Webb?

11 MR. WEBB: I'm sorry, it's called the academic
12 transcript. Yes, your Honor.

13 BY MR. WEBB:

14 Q. Now, Mr. Harmon, I noticed at the end of your first year
15 at Iowa, which would be after two semesters, that at that
16 time, your second semester, you got a grade point average of
17 1.62, you see that?

18 A. Yes.

19 Q. Okay. Now, that first year that you a were at Iowa, you
20 were allowed to take a number of courses such as billiards,
21 coaching football, bowling, soccer, coaching basketball,
22 officiating football, basketball and baseball and teaching of
23 gym. Those courses are courses which don't appear to be
24 moving you towards your communications major, do they?

25 A. You do you have to take P.E.s.

1 Q. That many?

2 A. Yes, you do.

3 Q. Okay. Just so I understand, is billiards part of P.E.
4 curriculum?

5 A. Yes, it is.

6 Q. And coaching football?

7 A. Yes, it is.

8 Q. And bowling?

9 A. Yes.

10 Q. And soccer?

11 A. Yes.

12 Q. And coaching basketball?

13 A. Yes.

14 Q. And officiating football, basketball and baseball?

15 A. Yes.

16 Q. And teaching of gym?

17 A. You got it.

18 Q. And are all of those -- were part of the physical
19 education requirement?

20 A. Yes, they were.

21 Q. I'm looking for some communication courses. Did you
22 have any of those in that first year?

23 A. No, because I wanted to take all the P.E.s and get them
24 out of the way before working towards communication.

25 Q. But in spite of all that, at the end of the year, you

1 were starting to get into some kind of academic problems, is
2 that correct?

3 A. You like the reason or do you want me to say yes or no?

4 Q. It looks to me like in second semester, you got a 1.62,
5 which is not very good, is it?

6 A. From the standards?

7 Q. Yes, did you consider that very good?

8 A. No. It's okay for me.

9 Q. As I understand it, the university, if you -- in order
10 to be in good academic standing, you're supposed to maintain a
11 2.0 average, am I correct?

12 A. Yes.

13 Q. You're under a 2.0 at that time for that semester, is
14 that correct?

15 A. Yes.

16 Q. But fortunately, for you, you were allowed to go to
17 summer school and you took a course for four hours called the
18 Fundamentals of Military Organization?

19 A. Yes.

20 Q. Now, was that related to getting your communications
21 degree?

22 A. Something to help me get my grade point average up.

23 Q. Okay. And was that arranged for you by the athletic
24 officials at the University of Iowa?

25 A. It wasn't arranged, I think it more or less was an idea

1 from them to me, saying, if you want to get your grade point
2 up.

3 Q. So that you could continue to play football, is that
4 correct?

5 A. And work towards a degree.

6 Q. By the way, there were other football players that were
7 taking that course that summer, is that correct?

8 A. I suppose.

9 Q. Well, do you remember, I'm asking?

10 A. I don't know. I don't know.

11 Q. Okay. Did they create the course just so you and some
12 football players could take it that summer?

13 A. You would have to ask the University of Iowa, I don't
14 know.

15 Q. Did you see anybody in there that was not a football
16 player in that course that summer?

17 A. Yes.

18 Q. Who? Do you remember?

19 A. I don't remember their names, no.

20 Q. Okay. But, Devon Mitchell, your teammate and friend, he
21 played on the Iowa football team?

22 A. Yes.

23 Q. Do you remember him being with you when you took that
24 course?

25 A. No.

1 Q. Are you saying he wasn't there or you just don't
2 remember?

3 A. I don't remember.

4 Q. Okay. Anyway, fortunately, you were able -- that's four
5 credit hours, is that correct?

6 A. Yes.

7 Q. And you were fortunate enough to get a B in that course,
8 is that correct?

9 A. Fortunate enough, yes.

10 Q. Now, then you returned to school your second year and in
11 both semesters of your second year, you took courses called
12 INT. What does INT mean? It says INT Athletic Football, do
13 you know what that means?

14 A. No.

15 Q. You took the course? You see a course you took
16 called --

17 A. I took it but that was what, four years ago? How am I
18 supposed --

19 Q. I'm asking, I don't know what that means. It must be
20 something to do with football?

21 A. I can read that, yes.

22 Q. And did the coaches of the football team teach that
23 course?

24 A. I don't remember.

25 Q. Well, let me ask you, I notice that throughout your

1 career you take a number of football courses. Generally
2 weren't the football coaches that were teaching the football
3 courses, if you remember?

4 A. Could you point out the courses?

5 Q. Well, I actually -- I mean, if you look at that
6 semester, which is in your second year, you take a course
7 called INT Athletic Football and you get an A, then the next
8 semester, you take a course called SPEC Conditioned Football
9 and you get an A, and then if you move into your third year,
10 second semester, you take a course, again the same course,
11 called Special Conditioning Football and you get another A,
12 and then, again in your fourth year, you take another course
13 called Coaching -- oh, I'm sorry, that's baseball. When you
14 took those football courses, do you remember, was it the
15 coaches teaching the courses?

16 A. that was a conditioning program.

17 Q. Okay.

18 A. Which we had to do every year so it added up to a P.E.
19 skill, so instead of taking another P.E., they gave us that
20 course instead.

21 Q. My question, is it the coaches giving you the grade?

22 A. Coaches? I don't know.

23 Q. Did someone connected to the football coaching team give
24 you the grade?

25 A. I would suppose, yes.

1 Q. And you were fortunate to get A's in all these courses,
2 were you not?

3 A. Is that a good mark?

4 Q. Do you consider "A" a good mark?

5 A. I guess.

6 Q. At the end of your second year, it looks to me like --
7 I'm looking at the top of the next page, second semester of
8 your second year, your grade point was one 1.86, you see that?

9 A. Yes.

10 Q. Moving on to your third year, that would be your junior
11 year, is that correct?

12 A. Yes.

13 Q. By the way, up until this point, as we start your junior
14 year, have you taken any courses yet in your major, in the
15 communications field?

16 A. I didn't need to.

17 Q. Okay. Was it prohibited, you couldn't start take --

18 A. No, I didn't have to. It wasn't -- just didn't have to
19 at that time. I didn't decide until after my sophomore year
20 that I was going to take communications.

21 Q. Okay. Now, in your third year, your first semester of
22 your third year, you don't take any communication courses yet,
23 is that correct?

24 A. History of Broadcasting.

25 Q. That's in your second semester, isn't it? I'm looking

1 at the first semester of your junior year, '84'85, when you
2 get a grade point of 1.80, you don't have any communication
3 courses yet, do you?

4 A. No.

5 Q. Now, we move on to your second semester of your junior
6 year, you do --

7 A. Excuse me, yes, I did. American Film.

8 Q. Is American Film -- that is in your major?

9 A. Yes.

10 Q. You got an "F" in that course?

11 A. Yes.

12 Q. Moving on to your second semester of your junior year, I
13 see you take football again. You get an "A" but you also take
14 some communication courses, is that correct?

15 A. Yes.

16 Q. Although you're getting, I guess you get -- well, you
17 get some D's and C's but unfortunately, your grade point
18 average at that time goes down to 1.69, is that correct?

19 A. Yes.

20 Q. And at that point in time, in May of 1985, the school
21 put you -- you were no longer in good standing, they put you
22 on academic probation, is that correct?

23 A. Yes.

24 Q. Now, under the NCAA Rules, when you are no longer in
25 good academic standing, you're no longer eligible to play

1 football, is that correct?

2 A. Whose standing? You need to clarify that.

3 Q. Does the NCAA -- did the coaches tell you that the NCAA
4 says that you must be in good academic standing using the same
5 standards applied to the student body?

6 A. Yes.

7 Q. Okay. You weren't in good academic standing at this
8 time, in May of 1985, at Iowa, were you?

9 A. I think you need to know that all students --

10 Q. Can I just ask you a question? Can you answer?

11 A. Can I answer it?

12 Q. In May of 1985, you were put on academic probation, is
13 that correct?

14 A. Yes.

15 Q. That summer, in 1985, you were allowed to stay on campus
16 and take a three hour course -- well, actually, you're allowed
17 the take two courses, you're allowed to take a course in Water
18 Color Painting for 3 hours, and an Elementary Spanish course
19 for four hours, is that correct?

20 A. Is that at the end of my junior year?

21 Q. Yes.

22 A. Okay. Yes.

23 Q. Okay. Now, you withdrew from the Spanish course,
24 according to the transcript, is that correct?

25 A. Yes.

1 Q. But you were fortunate enough to finish Water Color
2 Painting with a D for three credit hours?

3 A. Yes.

4 Q. But because you got a D, it did not take you off of
5 academic probation and so in August of 1985, you were still on
6 academic probation?

7 A. Right.

8 Q. And in September of 1985, you played football for Iowa
9 through your senior year, is that correct?

10 A. Yes.

11 Q. And you played every game, is that correct?

12 A. Yes.

13 Q. And are you aware that the university officials from
14 Iowa certified to the Big 10 that you were eligible to play
15 football?

16 A. I don't know.

17 Q. Well, you know they played you anyway, right?

18 A. That's all I know.

19 Q. Are you supposed to play when you're ineligible?

20 A. No. Are you saying that I was ineligible?

21 Q. My question to you was, does your transcript reflect
22 that August of 1985 you were put on academic probation after
23 you took Water Color Painting and Elementary Spanish, is that
24 what it says?

25 A. Yes.

1 Q. At the end of your third year, you have completed one
2 course in your major now. You completed a course called
3 Persuasion In Society, you got a C, is that correct? Is that
4 a communications course?

5 A. Yes, it is.

6 Q. Okay. I'm sorry, you also completed Historical
7 Broadcasting. Is that a communication course?

8 A. Yes.

9 Q. You got a D in that, is that correct?

10 A. Yes.

11 Q. Now, we just saw that in September of 1985, the Athletic
12 Department academic advisor, it says here that you dropped all
13 of your 100 level courses. Do you know what they are talking
14 about?

15 A. Yes.

16 Q. What did you drop?

17 A. What did I drop?

18 Q. What courses are you dropping?

19 A. It was '85. I don't know. 9/20/85, you want me to read
20 it off of here?

21 Q. I don't think it says. It says you dropped them. Do
22 you remember what you dropped? If you don't, I understand.

23 A. No.

24 Q. Okay. That's fine. I just -- it says here that --
25 well -- I'm sorry. It says here as you're playing football

1 that year that you a dropped your courses in mass media
2 because you never attended any classes. Does that ring any
3 bell with you?

4 A. No.

5 Q. You don't recall dropping mass media because you weren't
6 going to class?

7 A. I may have dropped it, but I don't know if that's the
8 reason. I think that's her reason.

9 Q. But you did drop the course?

10 A. Yes, I did.

11 Q. That was in your communications major?

12 A. Yes.

13 Q. In fact it says here that that semester was a disaster
14 for you. Do you agree?

15 A. That's someone else's opinion.

16 Q. Okay. The someone else is the Athletic Department at
17 the University of Iowa that's supposed to be certifying you to
18 be eligible, is that correct?

19 A. Yes.

20 Q. That's their form, isn't it?

21 A. Yes.

22 Q. So you drop out, you dropped out of the courses that
23 related to your major, is that correct?

24 A. Yes.

25 Q. All right. And then you complete your football career

1 in January of 1986 after the Rose Bowl game?

2 A. Yes.

3 Q. And that was the end of Iowa and their educational
4 requirements for you, wasn't it?

5 A. Yes.

6 Q. And you actually register for courses but then you
7 withdrew from all of them?

8 A. Yes.

9 Q. And you didn't attend class, did you?

10 A. You mean when I withdrew?

11 Q. Well, did you withdraw from all your courses?

12 A. Yes.

13 Q. Even though you withdrew, they actually went ahead and
14 gave you a grade in one of them, didn't they?

15 A. Does it say I withdrew from that one?

16 Q. Maybe you didn't. I thought you said -- Strike that.

17 As I understood it, am I correct based on -- you actually
18 stopped living on campus and were living back in New York, am
19 I correct?

20 A. No.

21 Q. Okay. Were you back and forth between New York and the
22 campus during that last semester?

23 A. I guess you could say that, yes.

24 Q. And did you actually attend -- do you remember now
25 attending any classes that last semester? Can you remember

1 attending any?

2 A. Yes.

3 Q. What did you attend?

4 A. Social Work and Racism.

5 Q. You got a grade in that course, is that correct?

6 A. Yes.

7 Q. But --

8 A. I think one of the major problems was that I was being
9 interviewed by professional teams so that took me out of town
10 a lot, whether it be in New York or wherever.

11 Q. And as far as your working towards satisfactory progress
12 to get your degree, to stay eligible to play football, how
13 many credit hours did you get in your major communications
14 while in the four years that you were at Iowa?

15 A. I don't remember.

16 Q. Now, sir, let me just move on to another topic.

17 MR. WEBB: Your Honor, I'm almost actually -- you
18 want to take an afternoon break? I could try to get my
19 thoughts together and make it shorter. I will do whatever you
20 want, Judge.

21 THE COURT: Well, I will reserve my comments to
22 myself.

23 MR. WEBB: Fine.

24 THE COURT: I'd just as soon as that you get finished
25 and we will take a break when Mr. Gold or who else

1 cross-examines.

2 MR. WEBB: That's fine. I just have a couple of more
3 points, your Honor, and I'll be finished.

4 BY MR. WEBB:

5 Q. After you left Iowa and signed your professional
6 contract with the Buffalo Bills and after you were already
7 playing for the Buffalo Bills, I'm now moving up into March of
8 1987, are you with me? You already completed your first year
9 playing for the Buffalo Bills, is that correct?

10 A. Yes.

11 Q. I'm trying to make sure that you're with me in time. In
12 March of 1987, there were a number of lawsuits filed by Mr.
13 Bloom and Mr. Walters against professional football players
14 who were walking away from their contracts and that led to a
15 big story in the Atlantic Constitution.

16 MR. PEARL: Objection. I can't see where this is
17 going that would produce ...

18 MR. WEBB: I'm --

19 THE COURT: Why don't you tell me at sidebar what
20 relevance you think this has.

21 MR. WEBB: I'm not going to ask him about the article
22 at all. I'm trying -- I will strike the question.

23 THE COURT: That's better.

24 BY MR. WEBB:

25 Q. In March of 1987, did you become aware at that time what

1 that that University of Iowa began an investigation to see
2 what the relationship was between you and the people from
3 World Sports, Mr. Bloom and Mr. Walters?

4 A. I've heard of it, yes.

5 Q. Did anyone from the University of Iowa contact you
6 during that time that they were doing the investigation in
7 March and April of 1987?

8 A. No.

9 Q. Okay. Did anybody from the University of Iowa in March
10 or April or May or any time around there, in '87, ever call
11 you up or contact you and tell you that you had cheated them
12 out of your scholarship?

13 A. No.

14 Q. When is it for the first time that you ever learned that
15 the University of Iowa believed or thought that it had been
16 cheated and defrauded by you in connection with your
17 scholarship? When did they first --.

18 MR. PEARL: Objection, relevance.

19 THE COURT: I will sustain.

20 BY MR. WEBB:

21 Q. Did there ever come -- has there -- did there ever come
22 a time when the University of Iowa told you that they had been
23 the victim of a crime, that they had lost the scholarship
24 money?

25 MR. PEARL: Objection, Judge, the same question.

1 MR. WEBB: Judge, he's the one --

2 THE COURT: You've already asked whether or not they
3 asked him if he had been defrauded and the answer was no.

4 MR. WEBB: Okay.

5 BY MR. WEBB:

6 Q. Let me ask you about -- sir, this morning, you testified
7 that you entered into an agreement with the government where
8 you would have no charges filed against you if you testified
9 and cooperated in this proceeding, is that correct?

10 A. Yes.

11 Q. Now, at one point in time, Mr. Pearl and/or other
12 representatives of the government were telling you directly or
13 through your lawyer that they were considering filing criminal
14 charges against you, is that correct?

15 A. Yes.

16 Q. And I take it, you did not want to be indicted on
17 criminal charges, is that correct?

18 A. Yes.

19 Q. And that would have hurt had your professional football
20 career greatly, is that correct?

21 A. I don't know.

22 Q. And your position at that time, was that had you hadn't
23 cheated the university, isn't that what your position was?

24 A. My position?

25 Q. Yes.

1 A. I don't know.

2 Q. Well, I'm asking you, when the government was telling
3 you that they were going to charge you criminally with
4 defrauding the University of Iowa, didn't you believe that you
5 a were innocent of that charge?

6 A. Did I believe I was innocent?

7 Q. Yes.

8 A. No.

9 Q. You thought you were guilty of defrauding the University
10 of Iowa?

11 A. Not defrauding.

12 Q. Not defrauding?

13 A. Accepting money.

14 Q. But you didn't believe that you defrauded the University
15 of Iowa, did you?

16 A. I don't understand.

17 Q. You weren't willing to plead guilty to defrauding the
18 University of Iowa on a criminal case, were you?

19 MR. PEARL: Objection, Judge.

20 THE COURT: What's your basis?

21 MR. PEARL: Can I have one minute?

22 Mr. Webb initially objected to his understanding of
23 the agreement. He's going in it and I don't have any problem
24 with that, but I don't understand the relevance of the
25 question that's pending.

1 MR. WEBB: Judge --

2 THE COURT: Well, let us get the question asked one
3 last time.

4 MR. WEBB: I will and I'm done.

5 BY MR. WEBB:

6 Q. Because of your belief that you didn't defraud them, you
7 were not willing to plead guilty to the criminal charge of
8 defrauding the university, were you?

9 A. No.

10 MR. WEBB: Thank you. I have no more questions.

11 THE COURT: Let us take a break but let us take a
12 reasonably short one. Ten minutes give you enough time,
13 people?

14 (Recess. Jury out.)

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1 THE COURT: You anticipate that you will complete the
2 examination of Mr. Harmon, all cross and redirect before the
3 end of today?

4 MR. VALUKAS: No.

5 MR. GOLD: Your Honor, I'm going to go at least 30
6 minutes. I'm going to try to keep it to 30 minutes, but I
7 can't talk --

8 THE COURT: We're talking lawyer's time or real time?

9 MR. GOLD: I'm talking your time, Judge.

10 THE COURT: That means an hour and a half. We will
11 go as far as it is convenient to.

12 MR. PEARL: I don't think we will finish.

13 THE COURT: Okay.

14 (Jury in.)

15 THE COURT: Please be seated. Mr. Gold, do you have
16 any questions for Mr. Harmon?

17 MR. GOLD: I do, your Honor. Thank you.

18 CROSS EXAMINATION

19 BY MR. GOLD:

20 Q. Mr. Harmon, I am Robert Gold and I represent the
21 defendant, Norby Walters.

22 You and I have never met before, have we?

23 A. No.

24 Q. Do you know the name of this gentleman sitting right here
25 (indicating)?

1 A. Which one?

2 Q. This gentleman, right to my left, the gentleman to whom
3 I'm pointing right now (indicating)?

4 A. No.

5 Q. Have you ever met him before you came to Court today?

6 A. No.

7 Q. And how about the gentleman to his immediate left, right
8 here (indicating)?

9 A. Yes.

10 Q. Before you came to Court today, sir, how many times have
11 you met him?

12 MR. VALUKAS: Let me correct the record. We have at
13 least met in passing in the U.S. Attorney's office. I don't
14 know whether I have had any conversations with him.

15 MR. GOLD: I will accept that.

16 MR. VALUKAS: Thank you.

17 BY MR. GOLD:

18 Q. And how many times have you met the gentleman that I just
19 pointed to, second gentleman right here (indicating)?

20 A. Three or four times.

21 Q. And how many times in the last three days have you had a
22 conversation with that gentleman?

23 A. Talked about what's going on now.

24 Q. Today is Tuesday, right?

25 A. Yes.

1 Q. Did you talk with him before you came to Court today?

2 A. Yes.

3 Q. And yesterday was Monday, did you speak with that
4 gentleman yesterday?

5 A. Yes.

6 Q. And you were in the U.S. Attorney's office on Sunday,
7 were you not?

8 A. No.

9 Q. You didn't listen to a tape in the U.S. Attorney's office
10 on Sunday?

11 A. Yes, I did. Yes.

12 Q. And did you see that gentleman when you were in the U.S.
13 Attorney's office listening to a tape on Sunday?

14 A. Which one?

15 Q. This gentleman right here (indicating)?

16 A. Yes.

17 Q. What is his name?

18 A. Howard Pearl.

19 Q. And do you know this gentleman right here (indicating)?

20 A. Yes.

21 Q. What's his name?

22 A. George.

23 Q. Who does he work for?

24 A. FBI.

25 Q. Did you see him when you were in the U.S. Attorney's

1 office on Sunday listening to a tape?

2 A. Yes.

3 Q. And prior to starting your testimony here with Mr. Pearl,
4 was there ever an occasion where you discussed your testimony
5 with Mr. Pearl?

6 Can you answer that yes or no?

7 A. Not really. I guess, yes.

8 Q. How many times?

9 A. I don't know.

10 Q. More than five?

11 A. I don't know.

12 Q. More than 10?

13 A. I don't know.

14 Q. And during those meetings which may be as many as five or
15 10 or more, was there ever a time when Mr. Pearl asked you
16 questions and you gave him answers?

17 A. I never said I met with him five or 10 or even more.

18 Q. I thought you told me you don't remember how many times
19 you met with him?

20 A. That's correct, I said I don't know.

21 Q. Could it have been more than five?

22 A. I don't know.

23 Q. On the times that you did meet with him, irrespective of
24 the actual number of times, on any of those occasions, did he
25 ask you questions and did you give him answers?

1 A. Yes.

2 Q. And would he comment to you about the answers that you
3 gave him?

4 A. Comment? What do you mean?

5 Q. Did he tell you whether you were giving answers that he
6 approved of?

7 A. No.

8 Q. And he never tried to put any words in your mouth; is
9 that right?

10 A. No.

11 Q. On your direct examination, this morning, you told us
12 that there came a time during a week in March, sometime around
13 March 5th, when you received a telephone call from a gentleman
14 by the name of Lloyd Bloom.

15 Do you remember giving that testimony this morning?

16 A. Yes.

17 Q. Mr. Bloom called you in your dormitory, didn't he?

18 A. Yes.

19 Q. And when you got that telephone call, did you have a
20 conversation with Mr. Bloom?

21 A. Yes, he spoke and I listened.

22 Q. And did he identify himself as an agent, yes or no?

23 A. Yes.

24 Q. Did he tell you what kind of an agent he was?

25 A. No.

1 Q. You didn't know whether he was a real estate agent, an
2 insurance agent or some other kind of agent?

3 A. I didn't say that. I don't think he would be calling me
4 if he's a real estate agent.

5 Q. I'm asking you what you remember him telling you in that
6 telephone conversation.

7 A. He said he was representing big stars, Luther VanDrose,
8 Patty LaBelle, Commodores.

9 Q. Well, you're not a musical performer, are you?

10 A. No.

11 Q. Did you come to understand in that telephone conversation
12 that he wanted to meet with you in connection with your
13 athletic ability?

14 Yes or no?

15 A. Yes.

16 Q. And in the course of that telephone call, he told you he
17 would be sending you a plane ticket, is that correct?

18 A. Yes.

19 Q. And did there come a time, several days later, when a
20 plane ticket arrived in Iowa, sent to you by Federal Express?

21 Yes or no?

22 A. Yes.

23 Q. And you made a decision that you would use that ticket to
24 travel to New York, am I right?

25 A. Yes.

1 Q. And there came a time when you took that ticket and you
2 went to the airport to board a flight for LaGuardia airport in
3 New York, am I right?

4 A. Yes.

5 Q. And before you went to the airport that day, sir, did you
6 have a telephone conversation with your brother, Derrick
7 Harmon?

8 Yes or no?

9 A. I don't remember.

10 Q. When you went to the airport, did you take a suitcase?

11 Yes or no?

12 A. Suitcase?

13 Q. Yes, suitcase.

14 A. No.

15 Q. You were going to New York to spend the weekend and you
16 took no suitcase, is that your testimony?

17 A. Yes.

18 Q. But you took a tape recorder, correct?

19 A. Tape recorder wasn't with me in Iowa. Are you trying to
20 say where was it --

21 Q. I'm simply asking you a question.

22 A. I'm trying to understand your question.

23 Q. When you boarded that flight for LaGuardia Airport, did
24 you have a tape recorder with you at that time?

25 A. No.

1 Q. You deny that someone at Iowa gave you a tape recorder to
2 take with you to New York, is that your testimony?

3 A. Yes.

4 Q. And you arrived at LaGuardia Airport and there was a
5 limousine waiting for you, correct?

6 A. Yes.

7 Q. You were upset, weren't you?

8 A. I was upset?

9 Q. Yes.

10 A. I have no reason to be upset.

11 Q. I would think not.

12 Were you surprised to see the limousine there or were
13 you expecting it?

14 A. That's what he told me, yes.

15 Q. So you were expecting a limousine?

16 A. Expecting everything that he told me.

17 Q. You arrived at LaGuardia Airport and the limousine took
18 you to an office in New York City, correct?

19 A. Yes.

20 Q. And when you were there, who greeted you?

21 A. Lloyd Bloom.

22 Q. Lloyd Bloom alone?

23 A. That I -- when I met with Norby Walters, yes, he
24 introduced me.

25 Q. Let's do this slowly.

1 The limousine arrived at the airport, took you to an
2 office in New York City, you road up in the elevator, and Mr.
3 Bloom was there to greet you; is that right?

4 A. Yes.

5 Q. And did there come a time when you met Mr. Walters that
6 afternoon?

7 A. Yes.

8 Q. Did you have a conversation with Mr. Walters?

9 A. Yes.

10 Q. Did the conversation at any time touch the subject of
11 football?

12 Yes or no?

13 A. I don't remember.

14 Q. Did Mr. Walters show you through his offices at that
15 time?

16 A. Yes.

17 Q. Tell the Ladies and Gentlemen of the jury what you saw on
18 the walls as Mr. Walters showed you through his office?

19 A. Pictures of records.

20 Q. What kind of records?

21 A. Records.

22 Q. What color were the records?

23 A. Some were Gold, some were Platinum.

24 Q. You know the difference between a Gold and Platinum
25 record?

1 A. No. You tell me.

2 Q. I'm simply asking whether or not you know.

3 A. No.

4 Q. Does the difference in color reflect the number of
5 records that have been sold on the marketplace?

6 A. I don't know.

7 Q. Does the fact that records are hanging on the wall --
8 strike the question.

9 As you looked at the records that afternoon, did you
10 understand that the records hanging on the wall reflected a
11 very substantial sales of those records?

12 A. No.

13 Q. Did you notice pictures of any musical stars hanging on
14 the wall?

15 A. Yes.

16 Q. Do you know the names of any that you remember today?

17 A. Luther VanDrose, Whitney Houston.

18 Q. Any others?

19 A. No.

20 Q. Did Mr. Walters invite you to come back the next day, a
21 Saturday morning?

22 A. Yes.

23 Q. Did he tell you to come back with your father?

24 A. Yes.

25 Q. And you did that, correct?

1 A. Yes.

2 Q. Do you have your exhibit book before you, sir?

3 A. Yes.

4 Q. Would you be good enough to look at Exhibit 1.

5 Do you have that before you, Mr. Harmon?

6 A. Yes.

7 Q. That exhibit reads:

8 "I Ronald Harmon, certify the following: Paragraph

9 1. This statement has been administered to me

10 by my institution's director of athletics."

11 Do you see that?

12 Paragraph one, do you see that?

13 A. Yes.

14 Q. And then Paragraph 2 goes on to provide:

15 "I reviewed in detail the NCAA Rules and Regulations'

16 information sheet which I understand is a summary

17 of NCAA constitution."

18 And it goes on with some numbers, does it not?

19 A. Yes.

20 Q. And then it provides: "And bylaws" followed by some
21 numbers, correct?

22 A. Yes.

23 Q. As you sit here today, sir, can you tell us whether at
24 any time in your four years at Iowa you did in fact review any
25 of the provisions of the NCAA constitution or its bylaws?

1 Can you answer that yes or no?

2 MR. PEARL: I object. It's mischaracterizing. It
3 says, "review the summary sheet, NCAA summary sheet."

4 THE COURT: That's what it says.

5 MR. GOLD: I will amend the question.

6 BY MR. GOLD:

7 Q. Did you ever see a summary sheet containing the NCAA
8 constitution and bylaws' provisions set forth in Paragraph 2
9 of Exhibit 1?

10 A. I don't remember.

11 Q. Would you turn to Paragraph 3. It says, also:

12 "I was given the opportunity by my director of
13 athletics to ask any questions with regard to these
14 regulations and to review the actual regulations and
15 the official interpretations thereof in the NCAA
16 manual."

17 Do you see that?

18 A. Yes.

19 Q. Have you ever seen a NCAA manual?

20 A. Yes.

21 Q. How big is it?

22 A. About --

23 Q. How many pages thick is it about?

24 A. I don't know how many pages.

25 Q. Many hundreds?

1 A. Yes.

2 Q. Have you ever read through it yourself, sir?

3 A. No.

4 Q. At any of the team meetings you told us about this
5 morning, was there a copy of the NCAA manual in the room that
6 you could read?

7 A. No.

8 Q. Do you have Exhibit 4? Do you have it, sir?

9 A. Yes.

10 Q. You told us this morning that at your team meetings, your
11 athletic coaches made you generally familiar with those rules,
12 am I right?

13 A. Yes.

14 Q. And you were generally familiar with those rules during
15 the week of March 10th, 1985, is that true?

16 A. Yes.

17 Q. So when you got on an airplane enroute from Iowa to New
18 York with a plane ticket paid for by someone you had never
19 met, you knew right then and there you were in violation of
20 the rules reflected on Government Exhibit 4, is that true?

21 A. Yes.

22 Q. Before you ever met Mr. Walters or Mr. Bloom, is that
23 true?

24 A. Yes.

25 Q. When you look at Exhibit 4, can you point us to any

1 provision in Exhibit 4, which tells you and any other player
2 on the Iowa football team that if you break any rule or
3 regulation set forth in that Exhibit, you can be prosecuted
4 and sent to jail?

5 MR. PEARL: Objection, Judge.

6 THE COURT: What is your basis, Mr. Pearl?

7 MR. PEARL: What is the possible relevance of that?

8 THE COURT: I don't know and if relevancy is your
9 objection, I'll sustain.

10 MR. PEARL: He's asking for his legal opinion?

11 THE COURT: I just sustained. That means you just
12 won, didn't it?

13 BY MR. GOLD:

14 Q. On Saturday, March 10th, you and your father traveled to
15 Mr. Walters' office by public transportation; is that right?

16 A. Yes.

17 Q. When did you decide for the first time, sir, to tape
18 record that conversation?

19 A. When I got in the office.

20 Q. How did the tape recorder get into Mr. Walters' office?

21 A. It was in my bag.

22 Q. You took the tape recorder from your home that morning,
23 from your parents' home?

24 A. Yes.

25 Q. You put the tape recorder in a bag when you left your

1 parents' home and you had not yet decided at that point
2 whether you were going to tape record the conversation, is
3 that your testimony?

4 A. Yes.

5 Q. And you arrived in Mr. Walters' office?

6 A. Yes.

7 Q. And I believe you told us on your direct examination this
8 morning there was some preliminary conversation, do you recall
9 that?

10 A. Yes.

11 Q. And there came a time when you decided to turn the tape
12 recorder on?

13 A. Yes.

14 Q. Correct?

15 A. Right.

16 Q. Was Mr. Bloom in the room or not in the room when you
17 made that decision?

18 A. He wasn't in the room.

19 Q. Can you describe for the Court and the Ladies and
20 Gentlemen of the jury how you and your father were sitting in
21 Mr. Walters' office that Saturday morning, who was sitting
22 where?

23 A. Excuse me?

24 Q. Who was sitting where?

25 A. Walters was sitting on the side, me and my father were

1 sitting right here and Lloyd Bloom was sitting on the side
2 (indicating).

3 Q. Let me try to clarify so everybody is clear.

4 A. Okay.

5 Q. Do you recall if Mr. Walters was sitting behind a desk?

6 A. Yes.

7 Q. And you and your dad were sitting in front of Mr. Walters
8 as he sat at his desk facing you, correct?

9 A. Yes.

10 Q. And as you sat facing Mr. Walters, Mr. Bloom was to your
11 right, am I right?

12 A. Yes.

13 Q. So when you and your dad looked at Mr. Walters, you could
14 see past Mr. Walters through the windows all the way down
15 Broadway; is that right?

16 A. I don't know.

17 Q. Do you remember that?

18 A. No.

19 Q. You don't remember making a comment about that?

20 A. No.

21 Q. You turned the tape recorder on when Mr. Walters and Mr.
22 Bloom were out of the room, is that fair to say?

23 A. No.

24 Q. Tell us how you did it. How did you do it?

25 A. Just turned it on.

1 Q. You reached into your briefcase right in front of him and
2 just turned it on?

3 A. That's right.

4 Q. Do you have the transcript which was presented to you
5 this morning marked as Government Exhibit 11A, do you have
6 that?

7 A. Yes.

8 Q. Would you be good enough to turn to Page 2 of that
9 transcript. Do you have that?

10 A. Yes.

11 Q. Somewhere near the middle of the page, Mr. Walters is
12 quoted as saying:

13 "As you can see by Golden/Platinum in some of
14 the posters, I mean, I represent the cream of
15 America. There is nobody larger than I am,
16 Mr. Harmon." Do you see that?

17 A. Yes.

18 Q. When he said that to you you had already been through the
19 office and seen those Golden/Platinum records on the wall, did
20 you not?

21 A. Excuse me, he was -- he was talking to my father, he
22 wasn't talking to me.

23 Q. Were you in the room?

24 A. Yes, I was.

25 Q. You heard him say that and you had been through the

1 offices?

2 A. Yes.

3 Q. And so when he made that statement to you in your
4 father's presence or to your father in your presence, you knew
5 by reason of the records you had seen on the wall that Mr.
6 Walters indeed represented people who are successful in the
7 musical entertainment business, is that so?

8 A. Yes.

9 Q. And a few seconds later Mr. Bloom walked into the room
10 and Mr. Walters commented:

11 "Here is Lloyd."

12 You see that down at the bottom of Page 2?

13 Turning to Page 3, the conversation focused on Mr.
14 Walters' early life in New York City and he said to you and
15 your father that he had grown up in relatively humble
16 beginnings.

17 Do you remember that?

18 A. Yes.

19 Q. And he told you where he had grown up and you knew
20 because you are a New Yorker, that, indeed, that was a
21 neighborhood where people who are not wealthy?

22 A. Which neighborhood?

23 Q. Do you remember him mentioning a neighborhood?

24 A. Which neighborhood?

25 Q. Do you remember him mentioning any neighborhood?

1 A. Yes, I do. I'm trying to distinguish which one.

2 Q. He said to you, in substance, on Page 3, and I don't want
3 to quibble with it, he said, "I come from the neighborhood"
4 and by that, you and your dad understood him to mean that he
5 came from relatively humble beginnings? Did you understand
6 that?

7 A. A neighborhood could be New York City.

8 THE COURT: I'm sure that this has got a relevant
9 point, but I really wish you would get there a little quicker.

10 BY MR. GOLD:

11 Q. And Mr. Walters mentioned to you the names of certain
12 musical performers that were his clients.

13 Do you remember that?

14 A. Yes.

15 Q. And when he mentioned to you particularly the Commadores
16 and Cool and The Gang, you knew who they were, did you not?

17 A. Yes.

18 Q. And you were impressed that he would represent such
19 prominent entertainers, is that fair to say?

20 A. No.

21 Q. Did you think that a man who could represent the
22 Commadores and Cool and the Gang might be successful in
23 representing you?

24 A. Could be, yes.

25 Q. And then he told you that Lloyd Bloom was a football

1 fanatic, you remember that?

2 A. Yes.

3 Q. And that he was, he, Mr. Walters, was not a football
4 fanatic, he was a salesman. Do you remember that?

5 A. Yes.

6 Q. And he told you, I'm directing your attention to Page 7,
7 and he told you that when you combine the knowledge of
8 football and the tremendous capability to sell -- I'm
9 directing your attention to the middle of Page 7 -- that would
10 be a formidable force that could be put to work for you;
11 do you remember that?

12 A. Yes.

13 Q. Would you turn to Page 9. There was a discussion about
14 some Heisman Trophy winners by the namea of Archie Griffin,
15 Mike Rossier and Doug Flutie.

16 Do you remember that?

17 A. Yes.

18 Q. During that part of the discussion, Mr. Harmon, was Mr.
19 Walters reading from anything?

20 A. What he was --

21 Q. I want the jury to be very clear, that portion of the
22 transcript from the bottom of Page 9 up to the top of the next
23 page, those are not Mr. Walters' words, that transcript
24 reflects Mr. Walters' reading from the sporting news, is that
25 so?

1 A. Yes.

2 Q. Going over to Page 12, Mr. Walters told you that at that
3 time in March of 1985, he was hoping to sign a handful of
4 superstars like yourself; do you remember that?

5 A. Yes.

6 Q. Did you ask him at that time how many ball players like
7 yourself he had already signed in March of 1985?

8 A. No.

9 Q. In fact, we're now on page 13 of the transcript. As far
10 as you recall, had you said anything at all during this
11 meeting?

12 A. No.

13 Q. Would you look at the bottom of 13 and the top of 14.

14 You told us on your direct examination this morning
15 that in your third to the last game with the University of
16 Wisconsin, you had suffered a terrible injury; you remember
17 that?

18 A. Yes.

19 Q. You broke your leg in two places, I believe?

20 A. Yes.

21 Q. And I assume you received medical attention to treat that
22 injury, correct?

23 A. Yes.

24 Q. To say the very least, your leg was placed in a cast?

25 A. Yes.

1 Q. Was your leg still in a cast as you appeared in Mr.
2 Walter's office on that Saturday morning in March?

3 A. No.

4 Q. For how many days had the cast been off, do you remember,
5 sir?

6 A. Excuse me. I didn't understand.

7 Q. Okay. You're in Mr. Walters' office on Saturday, March
8 10th?

9 A. Yes.

10 Q. For how long, if you remember, had your cast been off
11 your leg?

12 A. Would be a guess. I don't remember. I don't know how
13 long it was off.

14 Q. A relatively long time or a relatively short time?

15 A. Short time.

16 Q. Had you begun workouts again?

17 A. No.

18 Q. Had you been lifting any weights with your leg?

19 A. No.

20 Q. Is it fair to say to that on Saturday, March 10th, you
21 didn't know exactly how far or to what extent your leg was
22 going to heal?

23 A. No.

24 Q. That's not a fair statement on my part?

25 A. No, I mean, you're right, yes.

1 Q. Is it fair to say that on Saturday, March 10th, you were
2 concerned about when if ever you would be able to return to
3 the form that you had displayed on the football field the
4 preceding season?

5 A. No.

6 Q. You were confident you'd be able to do that?

7 A. Yes.

8 Q. Even though your leg had not healed fully and you had not
9 begun your workouts?

10 A. Yes.

11 Q. And Mr. Walters said to you on the bottom of 13 -- you
12 see the very last two lines?

13 A. Yes.

14 Q. He said to you, "Is he a hit, or did he get hit?" When
15 he said that to you, did you understand that he was unsure as
16 to whether or not your leg was going to heal at all?

17 Did you understand that?

18 A. No.

19 Q. Would you turn quickly to Page 15.

20 In the middle of Page 15, the transcript reflects
21 that Mr. Walters said to you, in substance, "I say, I'm
22 willing to make the bet."

23 Remember that?

24 A. Yes.

25 (Reading)

1 Q. "I'm willing to come up with a few \$1,000 cash, a
2 merit, so that Ronnie -- excuse me -- for Ronnie, so
3 that he has it to do with it as he pleases, to give
4 it to the family, to take care of some mortgage
5 payments, to live his life, that depends, I'm not
6 counseling that part."

7 Do you remember that?

8 A. Yes.

9 Q. And during the conversation, he suggested to you that if
10 you and he could reach an agreement, he would be willing to
11 send to you the sum of \$250 a month from the time you signed
12 until the time you started playing pro football.

13 Do you remember that?

14 A. Yes.

15 Q. And in March of 1985, you understood that you would not
16 be playing pro football until the summer of 1986, is that
17 true?

18 A. I didn't know if I was going to play or not.

19 Q. Let me put it this way. In March of 1985, you knew that
20 you would not be playing any sooner than the summer of 1986,
21 is that fair to say?

22 A. Yes.

23 Q. So when he told you that you could expect \$250 a month in
24 the event that the two of you reached an agreement, you were
25 looking at something like \$6,000 between March and the summer

1 of 1986, is that fair?

2 A. Yes.

3 Q. And in fact, sir, between March 10th, the date you did
4 sign an agreement and a promissory note, and the summer of
5 1986, you received substantially more than \$6,000, is that
6 fair to say?

7 A. Yes.

8 Q. On your direct examination this morning, Mr. Pearl asked
9 you whether there ever came a time when you received any
10 airline tickets.

11 Do you remember that?

12 A. Yes.

13 Q. And you told us that that in fact did happen?

14 A. Yes.

15 Q. Can you tell us how many times that happened?

16 A. Six or seven, maybe 10.

17 Q. If I suggested 15, that sound right?

18 A. I don't know.

19 MR. GOLD: Your Honor, may I approach the witness and
20 show the document to the witness to refresh his recollection?

21 THE COURT: If you think it's an important point, go
22 ahead.

23 MR. GOLD: Mr. Harmon, I placed a document before
24 you.

25 Would you just look that over to yourself and I'll

1 ask you a question.

2 MR. PEARL: Could I see a copy of that, your Honor?

3 MR. GOLD: Sure, I will get you a copy of it.

4 BY MR. GOLD:

5 Q. Does that refresh your recollection, sir, about the
6 number of times that you received air fare from Mr. Walters?

7 A. Yes.

8 Q. Is 15 a little closer to it?

9 A. Sounds good.

10 Q. During your time at Iowa, did you know a woman by the
11 name of Parker?

12 A. Yes.

13 Q. She your girlfriend?

14 A. Yes.

15 Q. She lived in California?

16 A. Yes.

17 Q. And you had no personal means of enabling her to come to
18 see you play at the university, did you?

19 A. No.

20 Q. And on occasion, Mr. Walters provided you with air
21 tickets so she could come and watch you play, correct?

22 A. Yes.

23 Q. And on occasion, he provided you with tickets so you
24 could go visit her in California?

25 A. Yes.

1 Q. As far as you knew that was all in violation of the NCAA
2 rules, correct?

3 A. Yes.

4 Q. Now, on Page 15, sir, you told us this morning that the
5 tape ran out.

6 Do you remember what kind of a cassette you were
7 using to tape record this conversation?

8 A. Small cassette, very small.

9 Q. A G.E. micro, 20 minutes on each side? Does that sound
10 right?

11 A. Yes.

12 Q. And when the tape cut off as the transcript reflects on
13 Page 15, how did you go about turning the tape to the other
14 side to record the rest of the conversation?

15 A. Just turned it over.

16 Q. Right in Mr. Walters presence, you reached into your bag
17 and turned it over?

18 A. It wasn't even in my bag.

19 Q. Let's get this absolutely clear. While you were making
20 this tape recording, where was the tape recording?

21 A. Sitting on my lap.

22 Q. In plain view of everybody in the room?

23 A. It was there, yes.

24 Q. Were you holding it between your legs or was it sitting
25 on top of your thigh?

1 A. Sitting on top of my lap.

2 Q. So that everybody in the room could see it?

3 A. I don't know if they seen it or not.

4 Q. Did your father see it?

5 A. Yes, my father seen it.

6 Q. And how long did it take you to change the sides of the
7 tape, do you remember?

8 A. I don't know how long it takes to turn over a tape, a
9 second, I guess.

10 Q. Seconds, seconds?

11 A. Yes. Okay, seconds.

12 Q. So the conversation that is reflected at the bottom of
13 the transcript on Page 15 was interrupted for only seconds
14 before the portion that we can see on the top of Page 16, is
15 that your testimony?

16 A. Yes.

17 Q. Would you turn to Page 19 -- excuse me, Page 20, sorry.

18 THE COURT: Just as a point of reference, Mr. Gold,
19 the half hour that you indicated has come and gone.

20 MR. GOLD: I guess that makes you more reliable than
21 I am when it comes to picking time, your Honor.

22 THE COURT: That indicates I was probably right in
23 what I told you in the first place but let's go.

24 BY MR. GOLD:

25 Q. On the top of Page 20, Mr. Walters told you, "I'm putting

1 my business on the line."

2 You see that?

3 A. Yes.

4 Q. And and he went on to say: "If we sign a piece of paper,
5 there is four of us here, and that's the end of that."

6 Do you see that?

7 A. Yes.

8 Q. And you did not say anything about the certifications you
9 had already signed for your university, correct?

10 A. Yes.

11 Q. I'd like you to turn to the back of the transcript,
12 specifically Page 31.

13 On 31, you see a reference in the middle of the page
14 to something that you said, you see that?

15 A. Yes.

16 Q. And that, sir, is the very first thing you said in the
17 course of that meeting, is that true?

18 A. Yes.

19 Q. And you said: "How long is this contract?" Right?

20 A. Yes.

21 Q. And on the next page, up near the top, on top of 32, the
22 only question you asked is, "What's the percentage?"

23 You see that?

24 A. Yes.

25 Q. And Mr. Walters explained to you the various percentages

1 depending on the deal that was struck, is that right?

2 A. Yes.

3 Q. And down on the bottom of 36, you see the tape suddenly
4 runs out, correct?

5 A. Yes.

6 Q. And when the tape ran out, had you signed a single
7 agreement that day?

8 Yes or no.

9 A. No.

10 Q. But you decided not to make a tape recording of the rest
11 of the meeting; is that right?

12 A. I had no more tapes.

13 Q. You didn't realize the meeting would last that long, is
14 that right?

15 A. Yes.

16 Q. At that time, you signed exhibits before you Harmon 5 and
17 Harmon 6, correct?

18 A. Yes.

19 Q. And they were both dated January 2nd, am I right?

20 You see that?

21 A. Yes.

22 Q. And in the course of the same meeting, at the very same
23 time, you signed two other documents and they are in evidence
24 now as Government Exhibits 7 and 8, correct?

25 You see those, that's the promissory note for \$2,500

1 and the letter to you from World Sports.

2 Do you see that?

3 A. Yes.

4 Q. But that is not dated January 2nd, is it?

5 A. No.

6 Q. That's dated on March 10th, the very day when you signed
7 Exhibits 5 and 6 and received \$2,500, am I right?

8 A. Yes.

9 Q. Did Mr. Walters tell you why that promissory note and the
10 accompanying letter were being signed on the date those
11 transactions occurred?

12 A. It was a loan, promissory note, promise to pay back,
13 \$2,500.

14 Q. That's all you remember?

15 A. That was my understanding of it.

16 Q. You were drafted in the first round of the National
17 Football League draft by the Buffalo Bills, correct?

18 A. Yes.

19 Q. And by the time you were drafted, is it fair to say, to
20 save time, that you had received from Mr. Walters
21 substantially more than \$250 a month?

22 A. Yes.

23 Q. Between March of 1985 and April of 1986?

24 A. Yes.

25 Q. And there came a time in the early summer of 1986 when

1 you went to a dealer, car dealer in Iowa, and picked out a
2 car.

3 Do you remember that?

4 A. Yes.

5 Q. Do you remember what kind of a car you picked out?

6 A. I'm driving it, yes.

7 Q. I'm sorry?

8 A. Yes.

9 Q. Can you tell the Ladies and Gentlemen exactly what kind
10 of car it is?

11 A. Mercedes Benz 560 SEC.

12 Q. And if someone were to go to a dealer and buy that, how
13 much would that car cost?

14 A. I don't know.

15 Q. You don't know 'cause you never had to do it, right?

16 A. No, because prices go up.

17 Q. Well, in the summer of 1986, remember the value of that
18 car?

19 A. Yes.

20 Q. How much?

21 A. 64.

22 Q. And how much of that did Mr. Walters put down for you?

23 A. I don't know.

24 Q. Do you remember?

25 A. No.

1 Q. You don't remember?

2 A. No.

3 Q. If I suggest to you that he put down about \$30,000, does
4 that sound right?

5 A. I don't remember.

6 Q. Do you own that car outright now or are you leasing it?

7 A. Leasing.

8 Q. And are the monthly payments calculated on \$64,000 or
9 \$30,000, do you know?

10 A. 30,000.

11 Q. Does that suggest to you that someone put down \$30,000
12 for you?

13 A. Yes.

14 Q. And do you know who that person was?

15 A. Norby Walters.

16 Q. And shortly thereafter, in August of 1986, do you
17 remember telling Mr. Webb that there came a time when an
18 agreement was reached on your behalf with the owner of the
19 Buffalo Bills?

20 Do you remember that?

21 A. It wasn't agreed, no.

22 Q. Did there come a time when you entered into a contract
23 with the Buffalo Bills?

24 A. Yes.

25 Q. And you told us that was \$1,350,000?

1 A. Yes.

2 Q. And approximately how long after that contract was
3 reached did you make arrangements for your new lawyer to fire
4 Mr. Walters, do you remember that?

5 A. How long?

6 Q. Yes, how long?

7 A. From the time that I released him.

8 Q. Sir, how many days past from the time you entered your
9 contract with the Buffalo Bills until the time when you fired
10 Mr. Walters?

11 MR. PEARL: Objection, Judge. I think he testified
12 he fired him before the contract.

13 THE COURT: All I know, I don't remember what he
14 testified to but I know he did testify.

15 BY MR. GOLD:

16 Q. Can you tell us?

17 A. I released him before, not during the contract, and I got
18 to the contract with Buffalo Bills.

19 Q. Who is Marty Route?

20 A. Lawyer.

21 Q. Is he your brother's lawyer, Derrick Harmon?

22 A. No.

23 Q. I'm going to show you a document marked Walters 1.

24 Can you identify that, sir?

25 A. Yes.

1 MR. PEARL: May we see a copy?

2 MR. GOLD: I'm going to hand it to you.

3 MR. PEARL: I think it's appropriate, Judge, before
4 he shows it to the witness, he shows it to Counsel.

5 THE COURT: The only way you're going to object to it
6 is before the damage is done.

7 BY MR. GOLD:

8 Q. Directing your attention to Page 2 of Walters Exhibit 1,
9 can you tell us what that is, Mr. Harmon?

10 A. Affidavit.

11 Q. Is that an Affidavit signed by you, sir?

12 A. Yes.

13 Q. And is that an Affidavit putting Mr. Walters on notice
14 that you're firing him?

15 A. Yes.

16 MR. GOLD: I offer Walters 1, your Honor.

17 THE COURT: Any objection?

18 MR. PEARL: May we have a moment, your Honor?

19 THE COURT: Pardon me?

20 MR. VALUKAS: Sure. No problem, your Honor.

21 THE COURT: It will be admitted.

22 (Walters Exhibit 1 received in evidence.)

23 BY MR. GOLD:

24 Q. And about a month later, Mr. Harmon, do you recall in the
25 middle of September, 1986, Mr. Walters' lawyers served you

1 with legal proceedings?

2 Do you remember that?

3 A. No, they never served me.

4 Q. You never got a document by certified mail prepared by
5 Mr. Walters' lawyer?

6 A. In New York City or Iowa?

7 Q. Mr. Walters' lawyers in New York City, do you remember
8 that?

9 A. No.

10 Q. Would you take a look at what's marked as Walters'
11 Exhibit 2 for identification.

12 Can you identify that?

13 A. Yes.

14 Q. What is it?

15 A. A grievance.

16 Q. Which you received?

17 A. Yes.

18 Q. In connection with giving testimony in this case, Mr.
19 Harmon, you entered into what Mr. Pearl described this morning
20 as a Pretrial Diversion Agreement, is that correct?

21 A. Yes.

22 Q. And one of the provisions in that agreement was that you
23 repay the University of Iowa certain scholarship monies, is
24 that correct?

25 A. Yes.

1 Q. And prior to taking the witness stand in this case, did
2 you make arrangements to complete that obligation?

3 A. Yes.

4 Q. And did you pay the money back to the University of Iowa?

5 A. Yes.

6 Q. You did?

7 A. Did I?

8 Q. Yes?

9 A. Yes.

10 Q. Could you tell us how you did that?

11 A. I wrote out a check to my brother and from there, my
12 brother wrote a check out to the University of Iowa.

13 Q. So the check at the University of Iowa received was a
14 check from your brother, is that correct?

15 A. Probably so, yes.

16 Q. Probably so or definitely so?

17 A. Definitely so.

18 MR. GOLD: Give me a minute, your Honor.

19 MR. GOLD: I have nothing else.

20 THE COURT: Thank you, Mr. Gold. I am sure that
21 you're going to want to redirect, or I presume you're going to
22 want to redirect.

23 MR. PEARL: Yes, your Honor.

24 THE COURT: Under those circumstances, I will excuse
25 the jury for the evening with my usual admonition that you're

1 not to discuss the case with anyone, not even amongst
2 yourselves until this matter is concluded.

3 If anyone attempts to discuss it in your presence,
4 you're to notify me immediately. Avoid any media accounts.

5 I remind you that this case is being tried here in
6 this courtroom.

7 You have a good evening and I'll see you at 10:00
8 o'clock in the morning.

9 THE COURT: Counsel, if I could just see you for
10 logistical reasons.

11 (Adjournment at 4:30 p.m. until 10:00 a.m. on March 8, 1989.)

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IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

CLERK
U.S. DISTRICT COURT

UNITED STATES OF AMERICA,
Plaintiff,

-vs-

NORBY WALTERS and LLOYD BLOOM,
Defendants.

89-23523
89-2353

) No. 88 CR 709
)
) Chicago, Illinois
) March 8, 1989
) 10:00 a.m.

REPORT OF PROCEEDINGS
BEFORE THE HONORABLE GEORGE M. MAROVICH

RECEIVED

For the Plaintiff:

MR. ANTON R. VALUKAS

MR. HOWARD M. PEARL

MS. HELEN B. GREENWALD

For the Defendants:

MR. ROBERT GOLD

MR. ETHAN LEVIN-EPSTEIN

MR. MATTHEW KENNELLY

MR. DAN K. WEBB

MR. STEVEN F. MOLO

MR. GEORGE LOMBARDI

U.S.C.A. - 7th Circuit
FILED

AUG 9 1989

THOMAS F. STRUBBE
CLERK

U.S.C.A. - 7th Circuit
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THE CLERK: Case on trial.

THE COURT: Good morning.

MR. VALUKAS: Good morning, your Honor.

THE COURT: Mr. Harmon is ready?

MR. VALUKAS: Yes. He's just outside.

THE COURT: Then you can have the jury, Mr. Marshal.

Mr. Harmon, if you would again take the witness stand, please.

THE COURT: Please be seated.

(JURY IN.)

Mr. Pearl, do you have some questions on redirect for Mr. Harmon?

MR. PEARL: I do, your Honor.

THE COURT: Then, Mr. Harmon, I will remind you, sir, that you are still under oath. Do you understand that?

THE WITNESS: Yes.

THE COURT: Good.

You may inquire, sir.

REDIRECT EXAMINATION

BY MR. PEARL:

Q. Mr. Harmon, I'm going to ask you to turn to a document in front of you which has previously been admitted in evidence as Government Exhibit University of Iowa 4, which can be found in the jury book between Tabs A and B.

In the upper right-hand corner of that Government

1 Exhibit 4, University of Iowa, between Tabs A and B.

2 THE COURT: As a matter of fact, it's the last one in
3 A, people. If you went all the way to B and flipped two pages
4 forward, you got it.

5 BY MR. PEARL:

6 Q. Mr. Harmon, that's a document entitled "NCAA Rules
7 Concerning Agents & Professional Representation?" Is that
8 correct?

9 A. Yes.

10 Q. And you testified previously that that's a document that
11 they go over you with you each year and is contained in your
12 play book?

13 A. Yes.

14 Q. Let me ask you again to focus your attention on Rule 1, and
15 read it if you would.

16 MR. WEBB: Judge, this was read to the jury yesterday
17 during direct examination. I didn't think the purpose was to
18 repeat the direct. I object to that.

19 THE COURT: Overruled.

20 BY THE WITNESS:

21 A. "NCAA rules forbid an athlete to agree, either orally or in
22 writing, to be represented by an agent or organization in
23 marketing his or her athletic ability or reputation until after
24 completion of the last intercollegiate contest, including
25 post-season games. This includes entering an agreement that is

1 not effective until after the last game."

2 BY MR. PEARL:

3 Q. I ask you, if you would, to just read the first sentence of
4 Rule 4.

5 A. "An athlete -- NCAA rules forbid an athlete to accept
6 expenses or gifts of any kind, including meals and
7 transportation, from an agent or anyone else who wishes to
8 provide certain services to the athlete."

9 Q. When you were in Mr. Walters' office in March of 1985, you
10 knew and understood those rules; is that correct?

11 A. Yes.

12 Q. Let me ask you to turn to the transcript, which is marked
13 as Government Exhibit 11-A, Page 26.

14 Which is found in the jury book between Tabs B and
15 C.

16 Page 26, do you have that before you?

17 A. Yes.

18 Q. And Mr. Walters told you during that conversation, he
19 said: "Okay, now. The only thing the NCAA say, we can't sign
20 and make it legitimate." Is that correct?

21 A. Yes.

22 Q. And he says, a line or two down, "I can't say I'm your
23 agent." Right?

24 A. Yes.

25 Q. Did Mr. Walters during that meeting show you anything,

1 parts of any rules, as Mr. Webb did yesterday, to suggest that
2 taking money from and signing an agreement with an agent do not
3 violate the NCAA rules adopted by your school?

4 A. No.

5 Q. Further down the page on Page 26, Mr. Walters says to you
6 and your father: "Well, the point is this. We don't tell
7 them."

8 Was that your agreement with Mr. Walters and Mr.
9 Bloom?

10 A. Yes.

11 Q. And when you went back to school in August of 1982 -- I'm
12 sorry, 1985, did you in fact conceal the representation
13 agreement and the payments from the university?

14 MR. WEBB: I object, Judge. This is an absolute
15 repetition of the exact questions asked on direct, and it's
16 redirect examination. I object to repeating the direct on
17 redirect.

18 THE COURT: I understand your objection, Mr. Webb,
19 and I'll tell you the only reason I'm allowing it. That was
20 yesterday and today is today, and it may be some help to get
21 people's trains of thought as to where we're going here. And I
22 don't abuse the privilege, but that's what I'm doing.

23 MR. PEARL: Thank you, your Honor. I understand.

24 THE WITNESS: Would you repeat the question.

25 BY MR. PEARL:

1 Q. When you went back to school in August of 1985, did you in
2 fact conceal from the university the fact that you had signed
3 an agreement with and received money from these agents, Mr.
4 Bloom and Mr. Walters?

5 A. Yes.

6 Q. Now, I want to focus your attention on Exhibit Harmon 1,
7 which is your NCAA eligibility form, Government Exhibit 1
8 Harmon, which is right at the beginning of the tab.

9 THE COURT: First document, Tab B.

10 BY MR. PEARL:

11 Q. In Question 5 or Paragraph 5, you stated: "I'm not aware of
12 any violations of NCAA regulations involving me and my
13 institution."

14 That statement was false; wasn't it?

15 A. Yes.

16 Q. Now, on Harmon 2, the next document that follows it, that's
17 your financial aid affidavit; correct?

18 A. Yes, it is.

19 Q. And on there, they ask you about the source and amount of
20 monies that you received other than from the university; is
21 that right?

22 A. Yes, it is.

23 Q. And you certified on there that that was complete and
24 accurate and swore to that even though you didn't disclose the
25 monies you received from these gentlemen; is that correct?

1 A. Yes.

2 Q. And then on form 3-A, which is the Statement of
3 Eligibility, --

4 Let me focus your attention for a moment on Question
5 5 which you talked about yesterday. That statement says: "At
6 the present time, are you receiving or have you arranged, or
7 have arrangements been made for you to receive from any source
8 other than anyone upon whom you are naturally or legally
9 dependent any other money, loans, credits, tangible property or
10 benefits of any kind not covered by the foregoing questions
11 because of your attendance at your college or university or
12 your participation in athletics?" Is that right?

13 A. Yes.

14 Q. And you understood, as Mr. Gold pointed out to you
15 yesterday, that these agents were interested in you because of
16 your athletic skill; is that right?

17 A. Yes.

18 Q. And the reason they were contacting you and signing you and
19 giving you money was because you were, in their mind, a top
20 college athlete with good prospects for the pros?

21 MR. WEBB: Judge, I object to to him leading his
22 witness.

23 THE COURT: Sustained. And, again, you know --

24 BY MR. PEARL:

25 Q. What was your understanding of why they contacted you and

1 paid you?

2 MR. WEBB: Judge, this is an absolute -- I object.

3 THE COURT: Mr. Webb, I am inclined to agree with
4 you. This is a sports case, but we don't have instant replay
5 here.

6 MR. PEARL: I understand.

7 THE COURT: So let's move on.

8 BY MR. PEARL:

9 Q. Okay. Let me ask you, on Government Exhibit 3-A, you were
10 asked the question: "Have you ever used, directly or
11 indirectly, your skill in your sport for financial gain?" And
12 you answered "No."

13 Was that answer correct?

14 A. No, it's not.

15 Q. Why is that?

16 A. Because I used it to sign with an agent early.

17 Q. Mr. Webb asked you about the next form, which is the Big
18 Ten Conference Statement of Financial Support, which is
19 admitted as Government Exhibit 3-B. And he asked you about
20 bona fide loans.

21 You didn't disclose -- did you disclose on here the
22 \$2500 loan you had received from Mr. Bloom and Mr. Walters?

23 A. No.

24 Q. And there were additional monies that you received from Mr.
25 Bloom and Mr. Walters; is that right?

1 A. Yes.

2 Q. Were those loans?

3 A. No.

4 Q. And you didn't disclose those on here; did you?

5 A. No.

6 Q. So, in your mind, this form was also false; is that
7 correct?

8 A. Yes.

9 Q. Mr. Webb also talked to you about the circumstances under
10 which the university could revoke your scholarship. Do you
11 recall that?

12 A. Yes.

13 Q. And on form 3-B, which is before you, you certified that
14 the statements on there were complete and accurate; is that
15 right?

16 A. Yes.

17 Q. And they weren't; isn't that right?

18 A. Correct.

19 Q. And they state right on the form, do they not, what the
20 penalty is for filing this form if you don't tell them the
21 complete and accurate truth is; is that correct?

22 A. Yes.

23 Q. What does it say the penalty is?

24 A. Ineligibility.

25 Q. Keep going.

1 A. For intercollegiate athletics, and loss of athletic
2 financial aid.

3 Q. On the documents you've just identified, Harmon Exhibits 1,
4 2, and 3, did you intentionally conceal from the university the
5 fact that you had signed with and taken money from these
6 individuals?

7 MR. WEBB: Judge, same objection. It's a repeat.
8 Same objection.

9 MR. PEARL: Your Honor, it's the forms that he went
10 through with them, and I think Mr. Webb intended to convey the
11 impression that he had not.

12 THE COURT: I'll allow the question.

13 THE WITNESS: Repeat the question.

14 BY MR. PEARL:

15 Q. Sure. On forms that have been marked Harmon Exhibits 1, 2
16 and 3, did you intentionally conceal from the university the
17 fact that you had received money from and signed an agreement
18 with these agents?

19 A. Yes.

20 Q. Prior to the time that you did that, had you agreed with
21 anyone that you would conceal those facts from the university?

22 A. Yes.

23 Q. With whom had you entered into that agreement?

24 A. Walters and Bloom.

25 Q. And Mr. Webb and Mr. Gold talked to you at great length

1 about the monies you had received from Mr. Bloom and Mr.
2 Walters during the 15 month-period that they represented you as
3 your agent. Do you recall that?

4 A. Yes.

5 Q. How much of that money was loan money for which you had
6 signed a promissory note?

7 A. Twenty-five hundred.

8 Q. They also talked to you about an arbitration proceeding; is
9 that right?

10 A. Yes.

11 Q. One of the issues in that arbitration proceeding was how
12 much money -- how much of the payments that they had given to
13 you they were entitled to receive back; is that right?

14 A. Yes.

15 Q. And at the arbitration proceeding, Mr. Bloom and Mr.
16 Walters were represented by lawyers; is that right?

17 A. Yes.

18 Q. And their lawyers presented their case to the arbitrator?

19 A. Yes.

20 Q. You were represented by a lawyer?

21 A. Yes.

22 Q. He represented your case to the arbitrator?

23 A. Yes.

24 Q. And what did the arbitrator rule these gentlemen were
25 entitled to with respect to the other payments?

1 MR. WEBB: Judge, I object. Hearsay.

2 MR. GOLD: Your Honor, I object to that.

3 MR. PEARL: Judge, I think you've already ruled on
4 that.

5 THE COURT: I don't recall.

6 MR. PEARL: If they brought up these payments in the
7 arbitration.

8 THE COURT: That doesn't have anything to do with the
9 hearsay elements of it, though. But leave me hear you at
10 sidebar. I'm not sure I understand the problem.

11 (Sidebar conference.)

12 THE COURT: Are you indicating to me that if they
13 want to get this arbitration thing in that they can't? Isn't
14 it in a public record?

15 MR. WEBB: My objection is I don't doubt that they
16 can prove up what the arbitrator did, but through this witness
17 it's hearsay. He is reciting out-of-court statements offered
18 for the truth of the matter asserted. If the arbitrator is
19 going to take the stand, we can cross examine him.

20 THE COURT: Let me give you my understanding of the
21 Federal Rules of Evidence as opposed to the state. I think
22 they have an exception that says if it's good hearsay, it comes
23 in. This is good hearsay, because you can support it with a
24 public record. And let's get it in through this witness rather
25 than the arbitrator.

1 MR. WEBB: And so my objection --

2 THE COURT: It's overruled.

3 (End of sidebar conference.)

4 THE COURT: You may ask the question and it may be
5 answered, Mr. Pearl.

6 Maybe you should restate the question.

7 BY MR. PEARL:

8 Q. Mr. Harmon, after each side and their attorneys presented
9 to the arbitrator their case, what did the arbitrator decide
10 Mr. Bloom and Mr. Walters were entitled to with respect to the
11 monies they had advanced to you for which you hadn't signed a
12 promissory note?

13 A. They said that they were entitled to the twenty-five
14 hundred that was promised, that I had promised back to pay, to
15 pay them for the hours that they worked.

16 Q. Now, with respect to the first part of that, did you pay
17 them the amounts -- the amount that arbitrator told you to pay?

18 A. Yes.

19 Q. The other issue you referred to is, there was an issue in
20 that arbitration with respect to what monies they were entitled
21 to for work they did on your behalf with the Buffalo Bills; is
22 that right?

23 A. Yes.

24 Q. And, again, that was an issue that was presented to the
25 arbitrator by their attorneys and your attorney?

1 A. Yes.

2 Q. And what did the arbitrator decide was the value of the
3 services that they had provided to you with respect to the
4 Buffalo Bills?

5 A. You mean how much should I pay them back?

6 Q. Right.

7 A. About \$3,000.

8 Q. And did you pay Mr. Bloom and Mr. Walters the full amount
9 that the arbitrator decided was the value of their services?

10 A. Yes.

11 Q. Let me move on to my last area that I want to cover with
12 you. Yesterday, Mr. Webb spent some time with you making light
13 of your transcript and academic performance.

14 MR. WEBB: Well, I'm going to object to that.

15 THE COURT: Don't characterize the evidence. Just
16 ask your questions, please.

17 BY MR. PEARL:

18 Q. Mr. Webb spoke to you about your transcript and academic
19 performance at the University of Iowa. Do you recall that?

20 A. Yes.

21 Q. Do you think that your education at the University of Iowa
22 was a joke?

23 A. No.

24 Q. Did you take courses that were available to all students in
25 the university?

1 A. Yes.

2 Q. Did the university make up courses for you to take?

3 A. No.

4 Q. Mr. Webb focused on several of your physical education
5 courses. While you were at the University of Iowa, was every
6 student in the liberal arts college required to take physical
7 education?

8 A. Yes, they were.

9 Q. So that would include pre-meds?

10 A. Yes.

11 Q. Engineers?

12 A. Yes.

13 Q. Teachers?

14 A. Yes.

15 Q. While you were at the University of Iowa, what kind of
16 academic support services were available to you?

17 A. Anything we needed. Tutors. Anything we needed for help
18 we had at our hands.

19 Q. Were there study hall requirements?

20 A. Yes.

21 Q. What were they?

22 A. Had to go to study hall twice a week for two hours.

23 Q. And did you also have academic counselors that Mr. Webb had
24 referred to?

25 A. Yes.

1 Q. What happened when you missed a class?

2 A. You couldn't miss too many classes, because they -- they
3 were were ready for that. Iowa was serious on going to class,
4 and you had to do extra things if you missed a class. And it
5 wasn't easy missing a class in Iowa.

6 Q. After you played in the Rose Bowl on January 1, 1986, you
7 had completed four years of eligibility on the varsity football
8 team; is that right?

9 A. Yes.

10 Q. And under the rules, you could never play again for the
11 University of Iowa; is that right?

12 A. Yes.

13 Q. When school started again in January of 1986, you were late
14 coming back; is that right?

15 A. Yes.

16 Q. Were you ill?

17 A. Well, I went -- I went to Japan, and I got ill after that.

18 Q. And so you didn't get back for the first week of classes
19 because you the flu, was it?

20 A. Yes.

21 Q. What did the University of Iowa do after the Rose Bowl,
22 after your eligibility had expired and you didn't show up for
23 class in January of 1986?

24 A. They called my parents.

25 Q. To find out where you were?

1 A. Yes.

2 Q. And when you got back to school, did you meet with an
3 academic counselor?

4 A. Yes.

5 Q. And what advice did they give you when you said that you
6 were going to be dropping most of your courses?

7 MR. WEBB: Objection. Hearsay.

8 MR. PEARL: Mr. Webb asked him all about that.

9 THE COURT: I understand that, but it still isn't any
10 less hearsay, is it?

11 MR. PEARL: And we didn't object when he brought it
12 in. I think we should be able to complete it.

13 THE COURT: Just because it was okay with you when he
14 did it doesn't mean it's got to be okay with him when you do
15 it.

16 MR. PEARL: Judge, the other thing is it's not
17 offered for the truth. It's offered for his state of mind and
18 and for the institution.

19 THE COURT: No. It's hearsay. Move on.

20 MR. PEARL: May I have a moment, your Honor?

21 THE COURT: Sure.

22 MR. PEARL: Nothing further, your Honor.

23 THE COURT: Mr. Webb, if you wish to recross, sir.

24 MR. WEBB: Just a few questions, your Honor.

25

RECROSS EXAMINATION

1
2 BY MR. WEBB:

3 Q. Mr. Harmon, remember yesterday, Mr. Pearl in the morning
4 took you through all these forms, then I took you through all
5 these forms again in the afternoon?

6 A. Yes.

7 Q. Do you remember that?

8 A. Yes.

9 Q. Now Mr. Pearl has taken you through all these forms again
10 this morning?

11 A. Yes.

12 Q. Yesterday, I ended my examination by asking you a question
13 about -- strike the question.

14 Is it now your testimony as you sit here now before
15 this jury that you now are telling us that in fact you did
16 actually intend to cheat and defraud the University of Iowa out
17 of the scholarship?

18 MR. PEARL: Objection, your Honor.

19 THE COURT: What's your basis?

20 MR. PEARL: We didn't go into that aspect of it on
21 redirect.

22 MR. WEBB: The whole concealment just went into it.

23 THE COURT: I think it's an appropriate question.

24 BY THE WITNESS:

25 A. I think that -- I don't think so.

1 BY MR. WEBB:

2 Q. Okay. And I thought -- because that's what you told me
3 yesterday. You did not intend to cheat the University of Iowa
4 out of your scholarship; did you?

5 A. What do you mean when you say "cheat?"

6 Q. Defraud, steal.

7 A. Steal?

8 Q. Steal.

9 A. From the University of Iowa?

10 Q. Yes.

11 A. Me steal from the University of Iowa? No.

12 Q. You didn't intend to do that.

13 You understand, don't you, that that's what the
14 Government says that you did, that you stole the scholarship
15 from them.

16 A. I don't understand that.

17 Q. Well, do you remember yesterday you told us that the
18 Government at one time was threatening to prosecute you for a
19 crime; is that correct?

20 A. Yes.

21 Q. Okay. And they were threatening to prosecute you for
22 improperly stealing that scholarship through fraud. You at
23 least understand that's what they were trying to say; right?

24 A. Yes.

25 Q. And you said you wouldn't plead guilt to any fraud; didn't

1 you?

2 A. Yes.

3 Q. So the Government finally said: "Okay. You don't have to
4 plead guilty to anything. We're going to give you an agreement
5 that will promise you that you will never have any criminal
6 charges filed against you." Is that right?

7 A. Yes.

8 Q. And the only thing you had to do was come in here and
9 testify in this courtroom.

10 A. Yes.

11 Q. Okay. But when you signed the agreement, the Government
12 made you -- when you signed the agreement, they made you admit
13 that you cheated the university; didn't they?

14 A. They didn't make me.

15 Q. Well, did you? I mean, in the agreement that you signed
16 with the Government to get your deal here, you actually set
17 forth that you did cheat and defraud your university; didn't
18 you?

19 A. I guess that's -- I guess you could say that, yes.

20 Q. But my question is, you just told the jury under oath that
21 you never intended to cheat the university. Why did you sign
22 the deal saying that you did? Was it just to get the deal?

23 A. I didn't want to be --

24 Q. You didn't want to be indicted; did you?

25 A. Right.

1 Q. You didn't want to have charges filed against you, and so
2 you would say what the Government wanted you to say. Is that a
3 fair statement?

4 A. No.

5 Q. Well, you signed the --

6 A. I think it's my option to choose.

7 Q. I understand that, but -- it's your option to choose, but
8 either you lied to this jury when you said you didn't intend to
9 cheat them or you lied when you filed this form.

10 MR. PEARL: Objection, your Honor.

11 THE COURT: Mr. Webb, without Mr. Pearl's objection,
12 I don't know that that is a characterization for you to make,
13 particularly since whether he cheated or not is his opinion,
14 and it is going to be their decision based on the law as I
15 instruct them to see whether this was a fact.

16 So I'm not satisfied in my mind that you are
17 mischaracterizing what the impact of this statement is, sir,
18 and I'll ask you to take that into account and move on to your
19 next question.

20 BY MR. WEBB:

21 Q. You do -- when you signed your agreement to get your deal
22 here, you set forth and you signed a document in which you said
23 you would testify here that you cheated the university out of
24 your scholarship; didn't you?

25 MR. PEARL: Objection, your Honor.

1 THE COURT: I'm going to try again. Whether he did
2 or not is an opinion. He is a witness, and I would like you to
3 elicit facts. I will instruct this jury as to the law and they
4 will come to a conclusion. Is there anything uncertain about
5 that, Mr. Webb?

6 MR. WEBB: Judge, I don't want to argue in -- I would
7 like at the appropriate time to have a sidebar.

8 THE COURT: I will give you all the record that you
9 want, but I am indicating something to you that we all know.
10 Witnesses are supposed to be called upon to testify to facts
11 and not give opinions or to state the law. I will state the
12 law, and the jury will decide the disputed issues of fact. If
13 you have some facts to elicit from him, do that.

14 MR. WEBB: Judge, the facts relate to his intent.
15 I'll go on, Judge.

16 THE COURT: That would be fine.

17 BY MR. WEBB:

18 Q. Now, did I understand your testimony just a few minutes ago
19 from Mr. Pearl that it's your testimony that of the \$54,000
20 advanced to you by Norby Walters during the time that he was
21 acting as your agent, that only \$2,500 was actually a loan?

22 A. Yes.

23 Q. Okay. And so it's your testimony that the other fifty-one
24 thousand five hundred or whatever, that fifty-one thousand five
25 hundred was in fact -- was it a gift to you?

1 A. Yes.

2 Q. Mr. Walters just gave you the \$51,500 just because he
3 wanted to make a gift to you? Is that your understanding?

4 A. I didn't sign anything that said I was going to pay it
5 back.

6 Q. But Mr. Walters told you that he would advance money to you
7 when you needed it against your future earnings, but you knew
8 when you signed your contract with the Bills that you were
9 going to have to pay him back; didn't you?

10 A. I didn't sign anything saying that.

11 Q. I know you didn't sign it. I'm talking about just honesty
12 between human beings.

13 MR. PEARL: Judge, I object. The arbitrator decided
14 this. We are not here to try the civil case.

15 MR. WEBB: He just testified -- the loan issue is --
16 I'm talking about what Mr. Walters told him, Judge. I'm asking
17 him a fact about what he was told.

18 THE COURT: Will you repeat your question, Mr. Webb.
19 He have lost it in your argument.

20 BY MR. WEBB:

21 Q. Mr. Walters told you when he was advancing the money, he
22 told you, didn't he, that he would advance you these monies
23 when you wanted it, which included loans, airline tickets for
24 your girlfriend, airline tickets for you, a brand new car that
25 he put \$30,000 on, he told you that that money, he would

1 advance it to you because he believed that when you got your
2 professional contract with the NFL team that you would pay him
3 back. Didn't he tell you that?

4 A. Yes.

5 Q. Okay. But because you didn't -- strike that.

6 On the day that you signed your contract with the
7 Buffalo Bills for \$1.3 million and fired Walters and fired
8 Bloom so that they earned zero commission after representing
9 you for 15 months and giving you \$54,000, you thought you found
10 a loophole because the document you signed only applied to the
11 first twenty-five hundred.

12 MR. PEARL: Objection, Judge. He thought you found a
13 loophole?

14 THE COURT: I don't know where the question is coming
15 from on the basis of the redirect.

16 MR. WEBB: He said all of it was loans, Judge, and
17 I'm trying to bring out that it wasn't a loan. He just
18 acknowledged that he had been told it wasn't a loan -- that it
19 wasn't a gift but it was an advance --

20 THE COURT: You've asked those questions, I think,
21 haven't you, Mr. Webb?

22 MR. WEBB: All right.

23 BY MR. WEBB:

24 Q. Now, Mr. Pearl began his direct examination by referring
25 you to Exhibit 4, University of Iowa Exhibit 4, which is the

1 list of rules out of the play book?

2 A. Yes.

3 Q. Do you remember yesterday when I actually spent some time
4 taking you through the actual rule book itself?

5 A. Yes.

6 Q. And asked you some questions? Do you remember that?

7 Just so it's clear, the Exhibit No. 4 that Mr. Pearl
8 showed you, that's what the University of Iowa coaches were
9 telling you that the rules provided; am I correct?

10 A. Yes.

11 Q. You didn't actually go and look and see if they were
12 telling you the truth. You didn't actually go look at the
13 rules; did you?

14 A. No.

15 Q. Okay. Now, I believe you indicated in response to Mr.
16 Pearl's question that the university actually provided you with
17 a lot of academic services; is that correct?

18 A. Yes.

19 Q. And was it people connected to the athletic department that
20 were providing you with these academic services?

21 A. Yes.

22 Q. Okay. And am I correct, they would provide you with
23 tutors? Is that correct?

24 A. Yes.

25 Q. And academic advisors; is that correct?

1 A. Yes.

2 Q. What else?

3 A. Like I said, anything we needed.

4 Q. Anything you needed?

5 A. Yes.

6 Q. Can you give me some examples?

7 A. If we needed extra help outside study hall, we would get
8 it.

9 Q. Like what?

10 A. Like tutoring.

11 Q. Tutoring, okay. I was trying -- I understand tutoring.

12 A. Tutoring. And study hall is different from tutoring,
13 outside study hall. Because you can get a student to do that.
14 They can hire a student outside study hall.

15 Q. So, actually, because you were a football -- because you
16 were part of the athletic department, you actually got better
17 academics services than, say, the rest of the student body?

18 A. No.

19 Q. Okay. You're saying they got the same services?

20 A. Got services, yes, just like regular students got
21 services.

22 Q. Okay.

23 A. They could hire a tutor.

24 Q. Did you hire tutors?

25 A. No.

1 Q. Who paid for them?

2 A. Scholarship.

3 Q. So that was included in your scholarship?

4 A. Yes.

5 Q. I thought you told me yesterday the scholarship included
6 tuition, room and board.

7 A. And books.

8 Q. And books. Just so I -- is tutors included in there
9 somewhere?

10 A. I think so, yes. It's part of the academics.

11 Q. One thing you do know is you did it not pay for the tutors;
12 is that correct?

13 A. Yes.

14 Q. You're aware that under the NCAA rules that if you are
15 given any service that is not generally provided to the student
16 body that you're ineligible to play football; is that correct?

17 A. Yes.

18 Q. Did you get any services from the University of Iowa
19 Athletic Department in the way of academic help that was not
20 generally available to the student body?

21 A. No.

22 Q. So you think all these other students were able to get free
23 tutors?

24 A. Free tutors?

25 Q. Yes.

1 A. I think it was in the scholarship.

2 Q. Your tutor was free to you; am I correct?

3 A. Free? I don't think so.

4 Q. Did you pay for the tutor?

5 A. My scholarship did.

6 Q. Did you pay for the tutor out of your own pocket?

7 MR. PEARL: I object.

8 THE COURT: Mr. Webb, maybe I'm confused, and correct
9 me if I am wrong, I thought that he said he didn't use a tutor,
10 period.

11 Is that your testimony?

12 MR. WEBB: I thought he just told me he did use one.

13 THE WITNESS: No.

14 THE COURT: I don't know. I said that's a question.

15 MR. WEBB: I apologize if -- I'll ask it if you want,
16 or you can, Judge.

17 THE COURT: I am confused about the question, so
18 maybe somebody else is.

19 BY MR. WEBB:

20 Q. I'm sorry. I was -- I must have misunderstood. I thought
21 you had used tutoring services I thought you told me. Am I
22 wrong?

23 A. In study hall. You asked me outside study hall.

24 Q. Okay. I'm sorry. I'm confused. You can explain your
25 answer. Did you use tutors?

1 A. In study hall, yes.

2 Q. Okay.

3 A. If you need it, there was one provided. If you didn't need
4 the help, you didn't have to use it.

5 Q. I'm asking did you need it and use it?

6 A. Yes.

7 Q. And the question was, when you asked for it and received
8 it, you didn't pay for it yourself out of your own pocket.

9 A. Scholarship did, yes.

10 Q. Do you understand what I mean by paid out of your own --
11 you didn't have to write a check or pay cash for it?

12 A. No.

13 Q. Do you know if the rest of the student body, when they have
14 to get a tutor, do they have have to pay for it?

15 A. I don't know that.

16 Q. You have kind of suspect they probably do?

17 A. I don't know that.

18 MR. PEARL: Objection.

19 THE COURT: He said he didn't know. Move on to the
20 next question, please.

21 BY MR. WEBB:

22 Q. Mr. Pearl made a statement on his direct examination that I
23 -- whether I made light of your academic career, and I want to
24 ask you a question.

25 Yesterday when I took you through your transcript,

1 did you at least understand I was trying to find out whether
2 you actually were academically eligible to play football?

3 A. Is that my understanding?

4 Q. Yes.

5 MR. PEARL: Objection as to his understanding of Mr.
6 Webb's question.

7 MR. WEBB: I'll strike the question.

8 THE COURT: Fine.

9 BY MR. WEBB:

10 Q. You're aware that if the university, not through any fault
11 of your own, but if the university certified you to be --

12 MR. PEARL: Objection, Judge.

13 THE COURT: How do you know what the question is
14 yet?

15 MR. PEARL: I can't see a line in which he is going
16 to go that will produce admissibles.

17 MR. WEBB: He went into this.

18 MR. PEARL: I'll wait. I'm sorry.

19 BY MR. WEBB:

20 Q. When I asked about the academic standards and the courses
21 you took and whether you were moving towards a degree and all
22 those questions yesterday, you are aware, are you not, that if
23 in fact you were academically ineligible before you ever met
24 Walters and Bloom that you already would have been ineligible
25 to play on the team even before you met them. Do you

1 understand that?

2 MR. PEARL: Objection. Relevance. His opinion.

3 THE COURT: Sustained. It's not an opinion. It's
4 what he knows.

5 MR. WEBB: I have no more questions, your Honor.

6 Could I just have one second? I apologize.

7 I'm sorry.

8 THE COURT: Mr. Gold?

9 MR. GOLD: I have no question.

10 THE COURT: Any other questions?

11 MR. PEARL: Nothing, your Honor.

12 THE COURT: Thank you, Mr. Harmon. You may be
13 excused.

14 Are you ready with your next witness.

15 MR. PEARL: Yes, your Honor.

16 THE COURT: Call your next witness.

17 MR. PEARL: Judge, I think for the time being we will
18 be done with the exhibit books.

19 THE COURT: Okay.

20 If you will place them under the chairs.

21 WILLIE FRED MIMS, GOVERNMENT'S WITNESS DULY SWORN.

22 DIRECT EXAMINATION

23 BY MR. PEARL:

24 Q. Please state your full name and spell your last name.

25 A. Willie Fred Mims, M-i-m-s.