

EXCERPT

5

18:00

1

Q You don't know?

2

A No, sir.

3

4

Q Let me be clear. Was there such discussion or
you just don't know?

5

6

A I don't remember discussion in my presence about
that.

7

MR. OGAN: That's all, your Honor.

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THE COURT: Mr. Yanowitch, do you have
additional questions of Mr. Hobbs?

10

MR. YANOWITCH: No, sir.

11

12

THE COURT: Mr. Hobbs, you may step down.

13

Who is the government's next witness?

14

MR. STOKES: Gordon Brown, your Honor.

18:00

15

GORDON BROWN
DIRECT EXAMINATION

16

BY MR. STOKES

17

Q Would you please state your name, sir.

18

A Gordon Brown.

19

Q Where do you presently reside?

20

A Bedford, Texas.

21

Q And what is your occupation?

22

A Mainly nonprofit organizations.

23

24

Q In your past, can you tell us about that
background?

25

A Pastored churches for twenty-four years, and

18:00

1

Q You did receive some compensation?

2

A Yes, sir.

3

Q How would you describe that?

4

A This was my basic source of income at that time

5

and Mr. Leitner knowing that would help us.

6

Q And how often were you paid?

7

A Different amounts at different times over a

8

period of a year. Maybe more. I really am not sure.

9

Within that time frame.

10

Q Over \$100,000?

11

A Yes, sir.

12

Q Now, let's talk about a meeting with a man named

13

Jim Rumpf where you were present. How many meetings were

14

you present?

18:00

15

A Three.

16

Q Tell us about the first one.

17

A I remember I had heard his name. The time line,

18

I really don't know. But I do remember we went to lunch,

19

come back up to the board room. Mr. Rumpf had taken this

20

paper and very roughly slid it over to Mr. Leitner and

21

said that's the agreement and was pointing out something

22

in the agreement for Mr. Leitner, and in the conversation

23

I had learned that what was happening is that--

24

Q Well, let me ask you --

25

A Yes, sir, I'm sorry.

18:00

1

Q Who was present at the meeting, first?

2

A Myself, Mr. Rumpf, Larry Franks, Stan and I

3

believe Greg Harris.

4

Q Who's Larry Franks if you know?

5

A Larry Franks was a man I got to know during this

6

time. Official capacity, I really don't know.

7

Q He sort of came with Jim Rumpf?

8

A Yes.

9

Q And what was the purpose of the meeting?

10

A The purpose of the meeting in my assumption --

11

Well, it was what I had learned. The purpose of the

12

meeting was at this particular time Stan felt that it was

13

time for him not to have to go through Mr. Rumpf anymore,

14

and Mr. Rumpf didn't agree with that analysis. Mr. Rumpf

18:00

15

was pretty aggressive in his belief of that, and so that's

16

what that meeting involved.

17

Q And what was your understanding of Mr. Rumpf's

18

role at that point?

19

A At that point I learned that Mr. Rumpf was the

20

man -- I saw at that point. I had actually known that,

21

but this was my first meeting with him. That Mr. Rumpf

22

was the man that was actually controlling the monies as

23

far as the program.

24

Q Did you hear Mr. Leitner after that meeting

25

talking to investors and trying to sell the program to

18:00

1

A No, sir, I do not.

2

Q In relation to some events we're going to talk

3

about in just a few minutes, for example, the arrival of

4

Ms. Vivian Aichele.

5

A Ms. Aichele, yes.

6

Q She was a lawyer that came in the office before

7

or after he was trying to get his money back?

8

A I am going to say after. I may be incorrect.

9

Q Let's talk about Ms. Aichele. Who is she?

10

A Ms. Aichele was an attorney I had met while

11

working with another company in humanitarian work. Ms.

12

Aichele had represented some hospitals, and she was an

13

international tax attorney. Very familiar with SEC law.

14

And we had come at Megafund -- I believe at this time we

18:00

15

had received an SEC inquiry maybe, and Stan said we need

16

to make sure this is all copasetic and I suggested that I

17

knew this real sharp attorney in Indianapolis that I had

18

met and for us to give her a call and Stan asked me to

19

call her, and I did, and she came down.

20

Q So you called her and she called Stan?

21

A And arranged for her to come down.

22

Q And she came down?

23

A I actually went to the airport and picked her

24

up.

25

Q She looked at the books?

18:00 1

A Right. But I don't believe in my knowledge or presence there was never any other investor monies raised.

3

Q Not that you were aware of?

4

A Yes.

5

Q And again, you had no financial access or access to the records?

7

A No, sir.

8

Q I want to direct your attention to June of 2005.

9

Was there a time when Mr. Leitner came to you and asked you to use your Oasis Foundation bank?

10

11

A Yes, sir, there was a time when in my

12

recollection either at that time the funds or the accounts had been locked or there was no monies to operate.

13

14

Whatever it was, he needed a commercial account to get

18:00 15

some monies in to keep people paid and to keep things going, and so the Oasis account was used for that.

16

17

Q Let me show you what's in evidence as

18

Government's Exhibit 353. I'm sorry. It's not in evidence.

19

20

I have placed before you Government's Exhibit

21

353, and I'll ask you if you can identify the document.

22

A Yes, sir.

23

Q What is that?

24

A A bank account statement from Chase to the Oasis

25

Foundation.

18:00 1 Television. Again, it was keeping them going.

2 Q Let me direct your attention again to Page 37.

3 A Yes, Scott Baker was the attorney that
4 Mr. Leitner, myself and Greg Harris went to visit when we
5 found that not only were we not in compliance through Ms.
6 Aichele, but there came a time when the SEC was going
7 to -- I guess the term would be take action. So Stan
8 wanted to get an attorney that was familiar with SEC
9 action, and that's where Mr. Baker comes in.

10 Q And speaking of attorneys, you referred Stan
11 Leitner to Vivian Aichele. Was there another?

12 A Yes, Kenneth Humphries. He is domiciled out of
13 Kentucky and which we were in Kentucky and been a personal
14 friend for many years.

18:00 15 Q What occurred?

16 A What happened is Megafund was needing a only
17 general counsel, and also we needed an attorney's letter
18 to validate the insurance policy.

19 Q You say we needed, you mean you and Mr. Leitner?

20 A I'm just using the term inclusively. I'm the
21 one that suggested Ken, and I had Ken contact Mr. Leitner,
22 and they had gotten together.

23 Q What did Mr. Leitner tell you that prompted you
24 to recommend Ken Humphries? What did he say he needed?

25 A Just that we needed an attorney's letter to