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

UNITED STATES OF AMERICA, ) Docket No. 05 CR 691  
)  
Plaintiff,) )  
)  
vs. )  
)  
ANTOIN REZKO, ) Chicago, Illinois  
) April 15, 2008  
Defendant.) 1:40 o'clock p.m.

EXCERPT TRANSCRIPT OF TRIAL PROCEEDINGS  
BEFORE THE HONORABLE AMY J. ST. EVE, AND A JURY

APPEARANCES:

For the Plaintiff: HON. PATRICK J. FITZGERALD  
BY: MR. CHRISTOPHER NIEWOEHNER  
MR. REID J. SCHAR  
MS. CARRIE E. HAMILTON  
219 S. Dearborn St., Suite 500  
Chicago, Illinois 60604

For the Defendant: STETLER & DUFFY, LTD.  
BY: MR. JOSEPH J. DUFFY  
MR. WILLIAM P. ZIEGELMUELLER  
MS. MARIAH E. MORAN  
11 S. LaSalle St., Suite 1200  
Chicago, Illinois 60603

Also Present: S/A DANIEL CAIN, FBI  
S/A VIKAS ARORA, IRS

Court Reporter: MS. NANCY C. LaBELLA  
Official Court Reporter  
219 S. Dearborn St., Suite 1222  
Chicago, Illinois 60604  
(312) 435-6890

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PROCEEDINGS RECORDED BY  
MECHANICAL STENOGRAPHY  
TRANSCRIPT PRODUCED BY COMPUTER

1 THE CLERK: USA vs. Rezko, 05 CR 691.

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3 (Proceedings heard in open court:)

4 (Jury in.)

5 THE COURT: Mr. Cari, please stand for a moment.

6 Ladies and gentlemen, you are about to hear the  
7 testimony of Mr. Cari. I anticipate that Mr. Cari is going to  
8 testify that he has pled guilty in this case. When you begin  
9 your deliberations, you may give his testimony the weight that  
10 you feel it deserves, but keep in mind that it must be  
11 considered with caution and great care.

12 Please raise your right hand, sir.

13 (Witness sworn.)

14 MR. SCHAR: Judge, may I approach?

15 THE COURT: Yes, you may.

16 (Brief pause.)

17 JOSEPH CARI, PLAINTIFF'S WITNESS, SWORN

18 DIRECT EXAMINATION

19 BY MR. SCHAR:

20 Q. Sir, would you please state your name and spell your last  
21 name for us.

22 A. Joseph Cari, C-a-r-i.

23 Q. How old are you, Mr. Cari?

24 A. 55.

25 Q. What do you do for a living?

1 A. Presently I'm a consultant to a merchant bank.

2 Q. About how long have you been a consultant to a merchant  
3 bank?

4 A. For about two years.

5 Q. Are you a lawyer by trade?

6 A. I am.

7 Q. What was the last law firm of which you were a member?

8 A. Ungaretti & Harris.

9 Q. What was your position at Ungaretti & Harris?

10 A. I was a partner and a member of the firm's executive  
11 committee.

12 Q. What type of law did you practice at Ungaretti & Harris?

13 A. Corporate regulatory and legislative law.

14 Q. Can you explain for the jury what that means?

15 A. Yes. I would advise different companies on transactions  
16 in how regulatory law impacted it or legislative law impacted  
17 the different mergers or acquisition activities or strategic  
18 activities that they wanted to be involved with.

19 Q. Mr. Cari, I'd like to direct your attention to the spring  
20 of 2004. During that time period, did you participate in an  
21 attempt to extort money from a company called JER?

22 A. Yes.

23 Q. Based on your involvement in the extortion or attempted  
24 extortion, were you indicted for attempted extortion of JER?

25 A. Yes.

1 Q. Direct your attention to September 2005. Did you plead  
2 guilty in federal court to the attempted extortion of JER?

3 A. Yes.

4 Q. And more specifically, did you plead guilty to assisting  
5 Stuart Levine to use his official position with TRS to  
6 threaten economic harm to JER so that JER would pay money?

7 A. Yes.

8 Q. Did you enter into a plea agreement with the government  
9 prior to pleading guilty?

10 A. Yes.

11 Q. In that plea agreement, did you, sir, make certain  
12 promises?

13 A. Yes.

14 Q. What, Mr. Cari, did you promise to do?

15 A. Tell the truth.

16 Q. Have you been sentenced yet?

17 A. No.

18 Q. What is your understanding, Mr. Cari, of the sentence you  
19 are facing had you not cooperated with the government?

20 A. Six years.

21 Q. In return for your cooperation, what do you understand the  
22 government will do at the time of your sentencing?

23 A. The government will recommend a sentence of two and a half  
24 years to this Court.

25 Q. Is your lawyer free to recommend whatever sentence he or

1 she wants?

2 A. Yes.

3 Q. And what do you have to do in order for the government to  
4 make that recommendation?

5 A. Tell the truth.

6 Q. Who decides whether you will actually receive a reduced  
7 sentence?

8 A. This Court.

9 Q. By this Court, do you mean Judge St. Eve?

10 A. I do.

11 Q. While you were at Ungaretti & Harris, Mr. Cari, were you  
12 also affiliated with a private equity firm?

13 A. Yes, sir.

14 Q. What was the name of the private equity firm?

15 A. HealthPoint Capital.

16 Q. Where was HealthPoint Capital located?

17 A. New York City.

18 Q. What was your position with HealthPoint Capital?

19 A. I was a managing director and a member of the board of  
20 directors.

21 Q. If you could briefly explain for us, what was HealthPoint  
22 Capital's business?

23 A. It was a private equity firm that pooled money from a  
24 variety of different wealthy individuals, institutions and  
25 pension funds and invested that money into the orthopedic

1 device sector of the healthcare industry.

2 Q. In the fall of 2002, did you have any interaction with the  
3 Teachers' Retirement System in Illinois?

4 A. I did.

5 Q. Why were you -- and that's sometimes referred to as TRS?

6 A. Yes, sir.

7 Q. Why were you interested in TRS in the fall of 2002?

8 A. Because HealthPoint at that time was raising capital to  
9 make investments, raising capital for its fund; and we were  
10 interested in TRS investing in HealthPoint.

11 Q. How did you come to have contact with TRS in that time  
12 period?

13 A. Originally through a law partner.

14 Q. Who was that law partner?

15 A. Sam Vinson.

16 Q. What did Mr. Vinson do for you?

17 A. Mr. Vinson introduced me to a Mr. John Glennon, who was a  
18 member of the board of TRS.

19 Q. Did you actually meet with John Glennon?

20 A. I did.

21 Q. Where did that meeting occur?

22 A. At the law firm of Ungaretti & Harris.

23 Q. Who was present?

24 A. Mr. Vinson, myself, Mr. John Foster, who was also a  
25 managing director of HealthPoint.

1 Q. What generally was discussed at that meeting?

2 A. The investment strategy of HealthPoint, the track record  
3 of investing that the principals had, where TRS was in their  
4 strategy of investing in private equity funds.

5 Q. After the meeting with Mr. Glennon, did you have a meeting  
6 with TRS staff?

7 A. I did.

8 Q. Where did that meeting occur?

9 A. Down in Springfield.

10 Q. What happened at that meeting?

11 A. We had a meeting with the staff. We went through the  
12 background of HealthPoint, the individuals in the firm, and  
13 the track record and the philosophy and strategy of how we  
14 would invest capital.

15 Q. Who was present for that meeting, if you recall?

16 A. Yes, sir. It was the executive director, Mr. Bauman; John  
17 Foster of HealthPoint; myself; and, I forget, but there was  
18 several other staff members of TRS there for the presentation.

19 Q. Based on that meeting, what was your understanding of  
20 whether TRS was considering an investment in HealthPoint at  
21 that time?

22 A. We thought that they were interested.

23 Q. Now, I'd like to direct your attention to some weeks after  
24 that initial meeting with TRS in Springfield. Did you,  
25 Mr. Cari, attend a political fund-raiser at the offices of

1 Ungaretti & Harris?

2 A. I did.

3 Q. Who was the fund-raiser for?

4 A. The Republican candidate for governor at the time, Jim  
5 Ryan.

6 Q. Who was helping to coordinate that fund-raiser at  
7 Ungaretti & Harris for Mr. Ryan?

8 A. My partner, Sam Vinson.

9 Q. Who was helping to coordinate the fund-raiser for the Ryan  
10 campaign, Jim Ryan campaign?

11 A. Stuart Levine.

12 Q. Were you introduced to Mr. Levine at the fund-raiser?

13 A. I was.

14 Q. To your recollection, is that the first time you had met  
15 him?

16 A. Yes.

17 Q. Did you have any substantive conversation with him at that  
18 time?

19 A. No.

20 Q. At the time of the fund-raiser, did you know whether  
21 Mr. Levine had any role at TRS?

22 A. Yes.

23 Q. What did you understand his role to be?

24 A. He was a member of the board.

25 Q. At some point after that fund-raiser, did you actually

1 have a meeting in Mr. Levine's offices --

2 A. Yes.

3 Q. -- related to HealthPoint?

4 A. Yes, sir.

5 Q. Who set up that meeting?

6 A. Mr. Sam Vinson.

7 Q. And where -- which office was that meeting held?

8 A. Mr. Levine at the time had an office in the John Hancock  
9 building.

10 Q. Who was present for the meeting?

11 A. Mr. Levine, myself and Mr. John Foster of HealthPoint.

12 Q. What was the purpose of the meeting?

13 A. To follow up on our presentation to the TRS staff and to  
14 solicit support for an investment by TRS into HealthPoint.

15 Q. What was discussed during your meeting in Mr. Levine's  
16 office?

17 A. There was a brief discussion about the strategy of  
18 HealthPoint. At that point, Mr. Levine picked up the phone  
19 and said he was going to call Mr. Jon Bauman. And he had a  
20 discussion with Mr. Bauman on the phone in the presence of  
21 Mr. Foster and I.

22 Q. Did you hear Mr. Bauman's side of the conversation?

23 A. No, sir, I did not.

24 Q. Did you hear Mr. Levine's side?

25 A. I did.

1 Q. What did you hear?

2 A. He said that he was supportive of our efforts, wanted to  
3 see where the staff was in doing due diligence on our behalf  
4 and that he was very interested in the staff moving as  
5 expeditiously as possible.

6 Q. I'm going to direct your attention now to the winter of  
7 2002 into 2003. Was HealthPoint still trying to obtain a  
8 commitment of money from TRS?

9 A. Yes.

10 Q. Did you seek Mr. Levine's help -- continued help in  
11 obtaining that commitment?

12 A. I did.

13 Q. What did you do?

14 A. Stay in touch with him by phone, occasionally get together  
15 for lunch or breakfast. Things like that.

16 Q. Shortly before the April 2003 TRS board meeting, did you  
17 have a conversation with Mr. Levine about TRS investing in  
18 HealthPoint?

19 A. Yes, I did.

20 Q. Was that conversation in person or over the phone?

21 A. I believe it was over the phone.

22 Q. What did you and Mr. Levine discuss?

23 A. I learned that TRS was going to make a formal approval at  
24 the next board meeting; and I was directed by Mr. Levine to  
25 have our lawyer contact Mr. Loren, who was the attorney for

1 TRS, to start working on the documentation.

2 Q. And did, in fact, TRS make an investment at the April 2003  
3 meeting in HealthPoint?

4 A. Yes, sir.

5 Q. As you sit here, do you recall approximately how much  
6 money that was?

7 A. At that time, I believe it was \$20 million.

8 Q. Was there a later allocation as well?

9 A. Yes, sir. There was a \$15 million allocation later.

10 Q. Approximately when was that?

11 A. Sometime in the fall.

12 Q. Do you know why there was a later allocation to bring the  
13 number to 35 million?

14 A. Yes, sir.

15 Q. Why was that?

16 A. Because TRS, in evaluating our fund, wanted to have a  
17 proportion of the total amount of the fund. And since our  
18 fund was growing, to keep their percentage allocation the same  
19 way, they wanted to add additional capital to the fund.

20 Q. Mr. Cari, are you familiar with the term finder  
21 introductory agent or consultant?

22 A. Yes.

23 Q. What is a finder consultant in the context of obtaining  
24 money for a private equity firm?

25 A. It's an individual who has relationships with various

1 staff or decision-makers on a public or private pension fund;  
2 and that on behalf of a fund like HealthPoint would work the  
3 staff, et cetera, in moving things along and facilitating  
4 introductions to the fund.

5 Q. Had HealthPoint used finder consultants in the past in  
6 seeking money?

7 A. Yes.

8 Q. Did you or HealthPoint use a consultant in relation to  
9 your TRS money for April and Oct- -- in the fall of 2003?

10 A. No.

11 Q. After the TRS investments, were -- was HealthPoint still  
12 interested in obtaining money from Illinois?

13 A. Yes.

14 Q. What in particular was HealthPoint trying to obtain  
15 money -- where were they trying to obtain money?

16 A. There were two additional public pension funds that we had  
17 an interest in that we were -- wanted to pursue to -- to  
18 pursue. One of the funds is the Illinois employees' pension  
19 fund, and there was another fund that was loca- -- that we  
20 were also interested in, SURS I believe it's called.

21 Q. And is SURS an acronym?

22 A. Yes, sir.

23 Q. And the first fund you referred to, Illinois -- is it the  
24 Illinois State Board of Investment?

25 A. That's it, yes, sir.

1 Q. Is that sometimes referred to as ISBI?

2 A. Yes.

3 Q. During this time period, were you still in touch with  
4 Mr. Levine?

5 A. Yes.

6 Q. Did there come a time when you had dinner with Mr. Levine  
7 related to HealthPoint?

8 A. Yes.

9 Q. Do you recall approximately when that was?

10 A. July of '03, is it? Yes.

11 Q. Where was the dinner?

12 A. It was at the -- it was off of Michigan Avenue at a  
13 restaurant in the -- I believe it was the Westin Hotel.

14 Q. Who was present for the dinner?

15 A. Mr. Levine, Mr. John Foster of HealthPoint, Mr. Carl  
16 McCall of HealthPoint, myself and a partner of Mr. Levine that  
17 he had brought with him.

18 Q. Do you remember the name of the partner?

19 A. Dr. -- I would remember the -- I think it begins with a W.

20 Q. And what was discussed during the dinner, if anything?

21 A. The general discussion of what was going on in the private  
22 equity world, discussion of the success HealthPoint was  
23 having, the traction we were making and just a general  
24 discussion that -- that way in terms of how the business was  
25 going.

1 Q. What happened at the end of the dinner?

2 A. Well, at the end of the dinner, Mr. Levine took me aside  
3 and asked me if I would hire his partner as a consultant to  
4 HealthPoint.

5 Q. What was your response?

6 A. No.

7 Q. Why?

8 A. Because his partner, albeit was a physician, had  
9 absolutely no expertise at all in orthopedics. It would --

10 Q. It didn't make sense to you?

11 A. Didn't make any sense at all, and I declined.

12 Q. Now, a month later, in August 2003, did you have a  
13 conversation with David Wilhelm about Governor Blagojevich and  
14 the governor's administration?

15 A. I did.

16 Q. How did you know Mr. Wilhelm?

17 A. David is one of my closest personal friends for 20 years.  
18 He was a pallbearer for my wife.

19 Q. Just to step aside for a moment, Mr. Cari. Had your wife  
20 passed in 2002?

21 A. Yes, sir.

22 Q. Since that time, have you been on various medications in  
23 relation to some depression?

24 A. Yes, sir.

25 Q. Are you on medications now?

1 A. Yes, sir.

2 Q. And do you feel that those medications affect your ability  
3 to remember events or occurrences?

4 A. No.

5 Q. Do you feel they have an effect on your ability to  
6 accurately perceive what was occurring?

7 A. No.

8 Q. Do they somehow -- from time to time, does it take you a  
9 little bit longer to digest everything? Is that a fair way of  
10 saying it?

11 A. That's a very fair way of saying it, yes, sir.

12 Q. In relation to your conversation with Mr. Wilhelm, was  
13 that in person or over the phone?

14 A. That was over the phone.

15 Q. At that time, did you understand him to have any continued  
16 affiliation with the Blagojevich administration?

17 A. Yes, sir.

18 Q. What did you understand his role or position to be?

19 A. I knew David had --

20 MR. DUFFY: Excuse me, Mr. Cari. I'm sorry. Your  
21 Honor, there's no foundation.

22 THE COURT: Sustained.

23 BY MR. SCHAR:

24 Q. Had you had conversations with Mr. Wilhelm in the past  
25 about his role?

1 A. Yes.

2 Q. Was that in person or over the phone or both?

3 A. Both.

4 Q. He explained to -- had he explained to you his  
5 involvement, if any, in the Blagojevich administration?

6 A. Yes, sir.

7 Q. Based on that, do you have an understanding of what role  
8 that he had by August of 2003?

9 A. Yes, sir, I did.

10 Q. What was that?

11 MR. DUFFY: Your Honor, I apologize. Is this being  
12 offered for the truth?

13 MR. SCHAR: No, Judge, just his understanding.

14 THE COURT: Ladies and gentlemen, the testimony you  
15 are about to hear is not being offered for the truth of the  
16 matters asserted, but rather for this witness' understanding  
17 and his state of mind.

18 BY MR. SCHAR:

19 Q. What was your understanding, sir?

20 A. David had chaired the campaign when the governor was a  
21 candidate and was playing a very significant role in the  
22 transition from a candidate into being -- into being in the  
23 public office.

24 Q. Now, directing you to that conversation you were having in  
25 August 2003, what did you and Mr. Wilhelm discuss?

1 MR. DUFFY: And, your Honor, a continuing admonition,  
2 your Honor, on these conversations.

3 MR. SCHAR: Yes, Judge.

4 THE COURT: Are all of his conversations with  
5 Mr. Wilhelm being offered for his state of mind?

6 MR. SCHAR: Well, his state of mind and eventually  
7 certain actions that he takes; but that's right, Judge.

8 THE COURT: Ladies and gentlemen, the conversations  
9 that Mr. Cari is going to testify that he had with Mr. Wilhelm  
10 are not being offered for the truth of what Mr. Wilhelm is  
11 saying, but instead they are being offered to show this  
12 witness' state of mind and actions that this witness took  
13 after hearing that information.

14 MR. SCHAR: Thank you, Judge.

15 BY MR. SCHAR:

16 Q. Do you need me to repeat the question?

17 A. Please.

18 Q. Going back to this conversation you had with Mr. Wilhelm  
19 in August of 2003, what did you and Mr. Wilhelm discuss at  
20 that time?

21 A. That Governor Blagojevich was -- had aspirations and a lot  
22 of energy; that David had identified a couple of the key  
23 players around the governor and wanted to introduce me to --  
24 to those people.

25 Q. Who did he identify as the key players around the

1 governor?

2 A. He identified that the two key players was Mr. Kelly and  
3 Mr. Rezko.

4 Q. When you say Mr. Kelly, you're referring to Christopher  
5 Kelly?

6 A. I am.

7 Q. And when you say Mr. Rezko, you're referring to Tony  
8 Rezko?

9 A. I am.

10 Q. And did he ask you to do anything at that time?

11 A. Yes.

12 Q. What did he ask you to do?

13 A. He asked if I would meet with Mr. Kelly.

14 Q. Did he give you any indication what the meeting was to be  
15 about?

16 A. Just a general get-together, give him my background in  
17 politics; that Mr. Kelly may or may not have enjoyed meeting  
18 me and sharing some thoughts.

19 Q. You say your background in politics. Did you have some  
20 particular expertise in politics or fund-raising one way or  
21 the other?

22 A. I did.

23 Q. What was your area of expertise?

24 A. In 2000, I was national finance chairman for the  
25 Democratic National Committee for Al Gore's presidential race.

1 Prior to that, I had served as a national finance chairman for  
2 the Democratic U.S. Senate Campaign Committee. So I was --

3 Q. What -- I'm sorry.

4 A. -- steeped in the knowledge of how to put together a  
5 national fund-raising organization.

6 Q. Did you agree to meet with Chris Kelly?

7 A. I did.

8 Q. And, in fact, did you meet with him?

9 A. I did.

10 Q. Where was that meeting?

11 A. It was at a restaurant on the west side of the Loop.

12 Q. Do you recall when the meeting was?

13 A. I know it was at the end of a lunch meeting. In terms of  
14 the date?

15 Q. Yes, I'm sorry, in terms of the date. Would it refresh  
16 your recollection to see a calendar?

17 A. Yes, it would.

18 MR. SCHAR: Judge, may I approach?

19 THE COURT: You may.

20 MR. SCHAR: Thank you.

21 BY MR. SCHAR:

22 Q. I'd ask you to take a look at your calendar.

23 I'm showing the witness what's marked Government  
24 Exhibit Cari Calendar Group.

25 See if that refreshes your recollection. Just take a

1 look at it. When you're done with it, please hand it back.

2 A. Yes.

3 Q. Thank you.

4 Does that refresh your recollection, sir, as to  
5 approximately the date of your lunch with Chris Kelly?

6 A. Yes, sir.

7 Q. What was the date?

8 A. August 20th.

9 Q. Of what year?

10 A. 2003.

11 Q. And I'm sorry if I asked you this already. Where did the  
12 meeting take place?

13 A. At a restaurant on the west side of the Loop.

14 Q. Who was present for the meeting?

15 A. Mr. Kelly, Mr. Wilhelm and myself.

16 Q. And was that the first time you met Christopher Kelly?

17 A. Yes, sir.

18 Q. What was discussed during that meal?

19 A. A variety of topics; the governor's race; we shared war  
20 stories from the 2000 presidential campaign; my experience in  
21 raising capital -- or raising money in a national race and the  
22 organizations that it took. It was really more of a general  
23 political conversation.

24 Q. I think you indicated that you were the national finance  
25 chair --

1 A. Yes, sir.

2 Q. -- in 2000?

3 A. Yes.

4 Q. What exactly does that mean?

5 A. I helped put together the organization that was  
6 responsible for raising the money for Vice President Gore's  
7 race for the presidency through the Democratic National  
8 Committee.

9 Q. How did that lunch end?

10 A. Very amicably; that Mr. Kelly said he would like to stay  
11 in touch; and, that given my background, he thought I could be  
12 very helpful to Governor Blagojevich.

13 Q. And shortly after your lunch with Mr. Kelly, did you have  
14 a dinner with Mr. Levine?

15 A. I did.

16 Q. Where did that dinner take place?

17 A. Palm Restaurant.

18 Q. Where is that located?

19 A. At the Swiss-Grand Hotel here in Chicago.

20 Q. Do you recall the date of -- the specific date of that  
21 meal?

22 A. No, sir, I don't; but I'm sure it's -- would --

23 Q. If I show you your calendar, might that help?

24 A. That would.

25 MR. SCHAR: Judge, may I?

1 THE COURT: You may.

2 MR. SCHAR: Thank you.

3 BY MR. SCHAR:

4 Q. Again, Mr. Cari, I'm showing you Government Exhibit Cari  
5 Calendar Group. I'll ask you to take a look at that and hand  
6 it back when you're done.

7 A. Thank you.

8 Q. Thank you.

9 Does that refresh your recollection as to your dinner  
10 with Mr. Levine?

11 A. Yes, September 3.

12 Q. I'm sorry. September?

13 A. 3rd.

14 Q. About two weeks after your meeting with Mr. Kelly?

15 A. Correct.

16 Q. Was anyone else present at the Palm Restaurant that  
17 evening other than you and Mr. Levine?

18 A. No, sir.

19 Q. Who had arranged the dinner?

20 A. Mr. Levine.

21 Q. And what was discussed during that dinner?

22 A. Mr. Levine was very interested in learning about what it  
23 took to put together an organization to raise money nationally  
24 for a politician.

25 Q. What, if anything, did he tell you regarding your -- what,

1 if anything, did he say regarding your meeting with Mr. Kelly?

2 A. That he was aware that I had met -- that I had met with  
3 Mr. Kelly and that he wanted to follow up on the meeting that  
4 I had with Mr. Kelly.

5 Q. Had you, Mr. Cari, told Mr. Levine that you met with  
6 Mr. Kelly?

7 A. No, I was surprised he knew.

8 Q. What, if anything, was Mr. Levine doing during the dinner  
9 in terms of maintaining the information you were providing?

10 A. Mr. Levine took out of his coat pocket index cards that he  
11 would take notes on as I was suggesting and talking through  
12 what it need -- what you need to do in terms of building a  
13 national fund-raising base, the technology that's needed, the  
14 kinds of staffing that's needed. There were a variety of  
15 issues.

16 Q. What, if anything, did Mr. Levine tell you about what he  
17 was going to do with the information you were sharing with  
18 him?

19 A. That he wanted to share it with Mr. Rezko.

20 MR. SCHAR: Can I have one moment, Judge?

21 THE COURT: You may.

22 (Brief pause.)

23 BY MR. SCHAR:

24 Q. How did the dinner with Mr. Levine end?

25 A. Very amicably. He took notes and said he would -- we'll

1 stay in touch.

2 Q. Now, Mr. Cari, did there come a time that you agreed to  
3 assist with the fund-raiser in New York City for Governor  
4 Blagojevich?

5 A. Yes.

6 Q. How did your involvement in that fund-raiser come about?

7 A. It came about through a conversation that I had with David  
8 Wilhelm.

9 Q. What -- was that conversation in person or over the phone?

10 A. It was over the phone. And David was talking about that  
11 they -- they, the Blagojevich political team -- wanted to  
12 expand fund-raising and that --

13 MR. DUFFY: Excuse me, your Honor. I apologize. I  
14 think there's a standing instruction to the jury on these  
15 Wilhelm conversations?

16 THE COURT: Yes, there is.

17 MR. DUFFY: Thank you, Judge. I'm sorry.

18 THE COURT: You may continue.

19 MR. SCHAR: Thank you, Judge.

20 THE WITNESS: That they wanted to go to New York  
21 to -- to raise money for the governor and would I be helpful.

22 BY MR. SCHAR:

23 Q. And did you think it would be a good idea to help raise  
24 money for Governor Blagojevich?

25 A. Yes.

1 Q. Why, Mr. Cari, did you think that?

2 A. Several reasons. I was -- my law firm had a lot of  
3 clients that was doing State business. I had supported  
4 Mr. Jim Ryan in the general election. HealthPoint was raising  
5 capital from State pension funds here in Illinois. So for a  
6 variety of reasons, I thought it was a good idea.

7 Q. And in relation -- you said you were a Democrat, but you  
8 happened to support Mr. Ryan in the last election?

9 A. I did. Jim Ryan is a remarkable man. And he came many  
10 times to my home when he -- when my wife was battling cancer.  
11 And they would spend hours talking about that. And Mr. Ryan  
12 is a cancer survivor. A remarkable man.

13 Q. And is that why you --

14 A. Yes.

15 Q. Okay. So at this point, in 2003, your affiliation -- is  
16 it fair to say you don't have much affiliation with the  
17 Blagojevich administration?

18 A. None.

19 Q. After agreeing to assist in the fund-raiser in New York,  
20 Mr. Cari, what did you do?

21 A. I contacted Carl McCall. Carl McCall was a partner at  
22 HealthPoint, but Carl was also the former comptroller of the  
23 state of New York, which is a statewide elected office. And  
24 he was the Democratic candidate for governor in New York. He  
25 lost; but after the election, he joined HealthPoint.

1 Q. And when you say he was a comptroller in New York, what  
2 does it mean to be a comptroller in New York?

3 A. He was the sole trustee of all of the pension funds in New  
4 York.

5 Q. And what did you ask of Mr. McCall or what did you and  
6 Mr. McCall agree to?

7 A. I asked Carl if he would chair the event in New York. He  
8 had a lot of contacts and relationships through his political  
9 career. And he agreed to host that fund-raiser.

10 Q. At some point, did you have breakfast with Mr. Levine at  
11 the Four Seasons in Chicago?

12 A. I did.

13 Q. Approximately when did that occur, if you recall?

14 A. It was prior to the fund-raiser in New York, so it would  
15 be in the fall of that year.

16 Q. Do you recall that the fund-raiser was in October?

17 A. Yes, sir.

18 Q. And would it refresh your recollection to see your  
19 calendar related to that breakfast?

20 A. It would, sir.

21 MR. SCHAR: Judge, may I?

22 THE COURT: You may.

23 MR. SCHAR: Thank you.

24 BY MR. SCHAR:

25 Q. Showing you again Government Exhibit Cari Calendar Group.

1 Ask you to take a look at that.

2 A. Yes.

3 Q. What was the date that you had breakfast with Mr. Levine?

4 A. October 14th.

5 Q. Of which year?

6 A. 2003.

7 Q. Where -- I may have asked you this. The breakfast was at  
8 the Four Seasons?

9 A. At the Four Seasons Hotel in Chicago.

10 Q. Who was present?

11 A. Just the two of us.

12 Q. And what did you and Mr. Levine discuss at that breakfast?

13 A. Well, Mr. Levine was very excited about the event in New  
14 York and had shared with me a variety of thoughts on the -- on  
15 the fund-raiser and how he wanted to be a participant in it.  
16 He shared that he wanted to arrange a plane for the governor  
17 to fly to New York and said that he would ask -- make the  
18 request through Mr. Rezko and would I like to take a ride on  
19 the plane to New York.

20 Q. What was your response?

21 A. Absolutely.

22 Q. Did -- had you told Mr. Levine that you were going to be  
23 participating in this fund-raiser?

24 A. No, sir.

25 Q. Did Mr. Levine tell you how he knew?

1 A. No.

2 Q. I want to direct your attention now to October 29, 2003.

3 Was that the date of the fund-raiser --

4 A. Yes, sir.

5 Q. -- in New York?

6 A. Yes, sir.

7 Q. What happened that morning?

8 A. I went out to the airport to the area where there's -- for  
9 private planes, and I went in. And Mr. Levine was already  
10 there. We exchanged pleasantries. I told him I was excited  
11 about seeing his plane. He shared with me that he had swapped  
12 planes or something. We weren't going to be using his plane.  
13 Then the governor and some other people arrived, and we got on  
14 the plane and took off to New York.

15 Q. Which airport did you go to?

16 A. O'Hare.

17 Q. You say the governor and some people arrived, you got on  
18 the plane and took off. Who was on the plane with you on that  
19 trip to New York?

20 A. It was the governor, it was Mr. Kelly, it was Bradley  
21 Tusk, John Wyma and I believe a security person.

22 Q. Was Mr. Levine also present?

23 A. Yes, sir.

24 Q. Had you ever met Governor Blagojevich before that meeting?

25 A. Yes.

1 Q. How had you -- well, how had you met him before?

2 A. Just through the years. I mean, we knew of each other. I  
3 supported him financially when he ran for Congress. We didn't  
4 know each other very well at all.

5 Q. What happened after the plane took off and during the  
6 plane ride to New York?

7 A. Well, the governor was sitting in the front of the plane.  
8 Across from him was Bradley Tusk. And we were up in the air  
9 for a while and things had kind of smoothed out. And Bradley  
10 came back and said the governor would like to talk with you  
11 and why don't we switch seats.

12 Q. What did you do?

13 A. We switched seats.

14 Q. Did you have a conversation with Governor Blagojevich at  
15 that time?

16 A. I did.

17 Q. How long did that conversation last?

18 A. Probably about a half an hour; 20 minutes to a half an  
19 hour.

20 Q. What was discussed?

21 MR. DUFFY: Are you asking me? I think he's  
22 expecting me to ask your Honor to advise the jury there's  
23 nothing offered for the truth.

24 MR. SCHAR: That's correct, Judge. That played out  
25 pretty much how I expected. The conversation is not being

1 offered for the truth, but for Mr. Cari's state of mind for  
2 later actions.

3 THE COURT: Ladies and gentlemen, the conversation  
4 you're about to hear testimony about is not being offered for  
5 the truth of what they're saying, but instead is being offered  
6 as to Mr. Cari's state of mind.

7 MR. SCHAR: Thank you, Judge.

8 BY MR. SCHAR:

9 Q. Mr. Cari, what did you and Governor Blagojevich discuss  
10 during that time period on the airplane?

11 A. It was a fairly wide conversation, but it was in the  
12 context of -- strictly in the context of politics. The  
13 governor wanted to know about my experiences in the 2000  
14 election and sharing some kind of horror stories about what  
15 happened, what happened in Florida. And talked about the --  
16 the subject then slid into how excited he was to be governor,  
17 some of the dreams that he had being governor of what he  
18 wanted to do; but also that he had aspirations beyond the  
19 governorship.

20 Q. And what did you understand him to mean by that?

21 A. Running for the presidency.

22 Q. Did you talk about any particular president?

23 A. Yes.

24 Q. What did you talk about?

25 A. We got into a discussion about President Clinton and his

1 view of why Clinton was successful and my view of why Clinton  
2 was successful, coming into this as a sitting governor. And  
3 Governor Blagojevich was very attuned that Governor Clinton at  
4 the time was able to raise a lot of money because, as a  
5 sitting governor, he thought -- and history does show that  
6 it's easier to raise money as a sitting governor than as a  
7 senator sometimes when you're running for the presidency.

8 Q. Did he explain why he thought it was easier to raise money  
9 as a governor?

10 A. Yes, because the governor has the ability, unlike a U.S.  
11 senator, to give contracts, legal work, advisory work,  
12 consulting work, investment banking work to a variety of  
13 individuals and companies.

14 Q. Did he -- what, if anything, did he say about how that  
15 related to fund-raising?

16 A. That because a governor had the ability to award  
17 contracts, that it was much easier to solicit people for  
18 contributions.

19 Q. What, if anything, did he say about Mr. Rezko and  
20 Mr. Kelly?

21 A. He went out of his way to say how much he liked and  
22 respected Mr. Rezko and Mr. Kelly; that they were the two  
23 people he trusted the most; and that they were going to be the  
24 key people in his public service career, wherever it went.

25 Q. What did he say in relation to those individuals about

1 fund-raising, if anything?

2 A. That they were responsible for raising the money; that  
3 they had done an outstanding job for him when he ran for  
4 governor; he was appreciative of it; and wanted me to help in  
5 fund-raising.

6 Q. And what, if anything, did he say in relation to how they  
7 might help his friends?

8 A. That there were contracts, that there was legal work, that  
9 there was investment banking work, consulting work to give to  
10 people who helped them.

11 Q. And when you say "them," who are you referring to?

12 A. I took that to mean -- them, meaning Governor Blagojevich  
13 and the people around him.

14 Q. When you say "people around him," did you have any  
15 particular --

16 A. Yes, Mr. Kelly, Mr. Rezko.

17 Q. What did you say in response to this conversation?

18 A. That I wasn't in a position to help; that my wife had  
19 passed away. I was having a very difficult time going on with  
20 my life. I had taken a lot of time off. I just wasn't in a  
21 position to do the kinds of things that I think the governor  
22 was looking for me to do.

23 Q. Had you previously been involved in statewide races?

24 A. The only -- only as somebody who has written a check in  
25 the past. My focus and my love was always national politics.

1 Q. And did you say anything in relation to that to Governor  
2 Blagojevich?

3 A. I did. I reit- -- I told him that, that I really didn't  
4 have an expertise, I felt, in raising money statewide. The  
5 rules, regulations for state campaigns are different than  
6 federal campaigns. The relationships that I had really for  
7 raising money was all over the country, not really centralized  
8 in Illinois.

9 Q. How did the conversation with the governor end?

10 A. He asked me to follow up and stay in touch with Mr. Kelly  
11 and Mr. Rezko and that they would follow up with me.

12 Q. Were you surprised by the conversation?

13 A. Very much so.

14 Q. Why?

15 A. At several levels. One, having -- you know, I didn't know  
16 Governor Blagojevich well.

17 MR. DUFFY: Your Honor, I have to object. This  
18 conversation is not even being offered for the truth, so to  
19 have this witness now testify as to something that didn't  
20 occur in this conversation, I would object.

21 MR. SCHAR: Judge, the question was why he was  
22 surprised.

23 THE COURT: Right.

24 MR. DUFFY: I understand, Judge, but we're now going  
25 into -- it was offered for a limited purpose, Judge, and so

1 I'm -- I would object.

2 THE COURT: Mr. Schar?

3 MR. SCHAR: My response would be, ultimately it goes  
4 to his state of mind as to how he reacts to the conversation,  
5 and that's why I think it's relevant.

6 MR. DUFFY: Well, I don't know what it is he's going  
7 to say; and that's the problem.

8 THE COURT: Do we need to do a sidebar?

9 MR. DUFFY: Maybe we should.

10 THE COURT: Okay.

11 (Proceedings heard at sidebar:)

12 THE COURT: What is he going to say?

13 MR. SCHAR: I think he's just going to say he was  
14 surprised, Judge, because he had supported Mr. Ryan and not  
15 Governor Blagojevich; and he didn't expect a conversation like  
16 this with anyone other than a close friend. So he was a  
17 little surprised by the whole thing.

18 But it's relevant because, overall, it demonstrates  
19 the forwardness of the way this administration is handling  
20 fund-raising. And there's going to be additional  
21 conversations related to -- with Mr. Levine and Mr. Rezko and  
22 Mr. Kelly related to the requests of him related to  
23 fund-raising. That's why I think it's relevant.

24 MR. DUFFY: Well, if there's later conversations with  
25 individuals who had been identified as a co-conspirator, I

1 mean, I won't have an objection to that. But I don't see how  
2 it's relevant about he was surprised by this conversation if,  
3 in fact, the same conversation is going to be repeated later  
4 with co-conspirators. The governor has not been identified as  
5 a co-conspirator. And we're only allowing this in for a very  
6 limited purpose. And I do think we're going beyond the  
7 purpose if we allow this witness to opine about what he  
8 thought about it.

9 MR. SCHAR: Well, it's -- first of all, we're not  
10 talking about the conversation, not talking about the  
11 statements anymore. We're talking about his state of mind.

12 THE COURT: His state of mind, right.

13 MR. SCHAR: And the reason I think it's relevant is  
14 because it -- it informs in some ways his mindset and his  
15 reaction informs his mindset in terms of when these later  
16 conversations occur that this --

17 THE COURT: Is that argument though, Mr. Schar? Am I  
18 hearing argument from you as opposed to his state of mind?

19 MR. SCHAR: Well, I can't argue it if he doesn't  
20 explain that he was -- why he was surprised.

21 THE COURT: Well, the first point I heard was the  
22 Republican/Democrat contrast, that he's supported a Republican  
23 and he's surprised, which he's already testified that he's  
24 surprised by the conversation. And your argument is he's  
25 surprised because Blagojevich was a Democrat; he wasn't in his

1 inner circle. Is that argument?

2 Ms. Hamilton?

3 MS. HAMILTON: Judge, I think it is particularly  
4 relevant to his perception and reaction to later  
5 conversations, that the fact that he's taken aback by this and  
6 why he's taken aback by it informs his reactions to later  
7 conversations with direct co-conspirators in this case. So I  
8 don't think it's argument. I think it's basically trying to  
9 explain to the jury why -- when later things happen, later  
10 steps he takes, why they -- why they're relevant and why they  
11 make sense.

12 THE COURT: Your first reason or point was because he  
13 supported Ryan. And your second point was?

14 MR. SCHAR: He didn't feel it was the type of  
15 conversation he would have with somebody who he doesn't know  
16 well. I mean, if he had supported Ryan, but they were best  
17 friends, it's a different situation.

18 THE COURT: I will let you -- and here's what I would  
19 like you to do: I will let you lead him through it. Part of  
20 my concern is that he was going to say something that I think  
21 was the basis for your objection, something beyond, oh, I just  
22 supported Ryan. I thought he might go further and make  
23 suggestions.

24 MR. DUFFY: Well, I think he might.

25 THE COURT: But that's why I'm going to let him lead

1 him through, you know, Part of this was you supported Ryan,  
2 correct? And part of this was you weren't close with  
3 Blagojevich, right? And leave it at that and move on so he  
4 doesn't suggest -- so he doesn't go further.

5 MR. DUFFY: Thank you, Judge.

6 (Proceedings heard in open court:)

7 THE COURT: Go ahead.

8 BY MR. SCHAR:

9 Q. Mr. Cari, you indicated you were surprised by the  
10 conversation with the governor on the plane?

11 A. Yes, sir.

12 Q. Were you surprised, in part, because you had supported his  
13 opponent in the general election?

14 A. That was part of it.

15 Q. Were you also surprised, in part, because you didn't know  
16 the governor particularly well and this struck you as a  
17 conversation that was more likely to occur with someone who  
18 was a close confidant?

19 A. Absolutely, yes.

20 Q. Where did the plane land, if you recall?

21 A. Yes, in a private airstrip in New Jersey, right outside of  
22 New York City.

23 Q. What happened after you arrived in New York City?

24 A. We -- I went to -- I think I went to a meeting with the  
25 governor with a potential donor. But the governor and

1 Mr. Kelly and -- went on their own for a variety of meetings  
2 that had been scheduled. And we met later at the Harvard  
3 Club.

4 Q. Do you recall who -- you said you think you might have  
5 gone with the governor to a particular donor meeting. Do you  
6 remember who that meeting was with?

7 A. Yes, an attorney named Mel Levine.

8 Q. Mel Levine?

9 A. Or Mel Weiss.

10 Q. Okay.

11 A. Mel Weiss.

12 Q. And Mr. Mel Weiss was a well-known attorney in New York?

13 A. Yes, he was.

14 Q. Now, I think you indicated that later that evening -- was  
15 the fund-raiser during the day or in the evening?

16 A. It was in the evening.

17 Q. Where was it held?

18 A. It was at the Harvard Club in New York.

19 Q. Were any HealthPoint individuals present at the  
20 fund-raiser other than yourself?

21 A. Yes, sir.

22 Q. Who was present?

23 A. Mr. Foster and Mr. Berkowitz, Mr. McCall, myself and some  
24 of the junior staff people.

25 Q. At some point during the evening, during the fund-raising

1 portion of the evening, did you have a conversation with  
2 Mr. Levine?

3 A. Yes.

4 Q. Where did that conversation occur?

5 A. Off to the side during the course of the fund-raiser by a  
6 wall.

7 Q. I know other people were present for the fund-raiser. Was  
8 anyone else present for your conversation?

9 A. No, sir.

10 Q. What did you and Mr. Levine discuss that evening?

11 A. Mr. Levine shared with me that there was a plan in place  
12 that they wanted to implement in terms of fund-raising; that  
13 there was going to be consultants and lawyers and investment  
14 bankers that would be picked by the administration or people  
15 around the administration; and that those people then would be  
16 in return solicited for political contributions.

17 It was also told to me that the people around the  
18 governor would pick consultants who wanted to do business --  
19 consultants for companies who wanted to do business with a  
20 variety of the State boards; and that eventually the  
21 Blagojevich administration would have control of all of the  
22 State boards.

23 Q. And when you -- you used the phrase now several times  
24 "they were going to be picking people." Did Mr. Levine use  
25 specific names?

- 1 A. Yes, he did.
- 2 Q. Who did he say would be picking people?
- 3 A. Mr. Kelly and Mr. Rezko.
- 4 Q. What was your response to Mr. Levine, if any?
- 5 A. I just took it in and -- I just kind of took it in. He
- 6 was --
- 7 Q. What --
- 8 A. He was -- I'm sorry.
- 9 Q. What happened next?
- 10 A. After the event finished, we went to a private dining room
- 11 at a restaurant called 21. And there was a dinner for
- 12 Governor Blagojevich, of which I attended, a gentleman named
- 13 Nick Hurtgen attended, Mr. Levine, Mr. McCall. Mr. Weiss
- 14 came. Mr. Levine was there. He brought -- I think it was a
- 15 relative of his. And a staff member of mine was also there.
- 16 Q. This was off site after the --
- 17 A. Yes, sir.
- 18 Q. -- fund-raiser?
- 19 A. It was at a completely different place.
- 20 Q. Who paid for the dinner?
- 21 A. Mr. Nick Hurtgen.
- 22 Q. And did you stay in New York that evening?
- 23 A. Yes, I did.
- 24 Q. Do you know whether the governor flew back that evening?
- 25 A. Yes, he did fly back.

1 Q. I'd like to move ahead now to January of 2004 if we could.

2 Did there come a time when you met with Mr. Levine to discuss  
3 fund-raising?

4 A. Yes.

5 Q. Approximately when did that meeting occur, if you  
6 remember?

7 A. I don't remember the exact date.

8 Q. Do you remember the month, if you remember?

9 A. I think it would be on my schedule.

10 MR. SCHAR: May I approach, Judge?

11 THE COURT: You may.

12 BY MR. SCHAR:

13 Q. Showing you Government Exhibit Cari Calendar Group again,  
14 sir. I'll hand you that and see if you recall the date.

15 A. Yes.

16 Q. To the best of your recollection now, what was the date?

17 A. January 23rd.

18 Q. 2000- --

19 A. '04.

20 Q. Where did that meeting occur?

21 A. At my office.

22 Q. Who was present for it?

23 A. It was just Stuart and myself.

24 Q. What did you and Mr. Levine discuss at that meeting?

25 A. Mr. Levine wanted to continue the dialogue that had

1 started at the Harvard Club and had asked if I would be  
2 interested in putting together nationally a fund-raising  
3 program on behalf of the governor.

4 He also shared with me that Mr. Kelly and Mr. Rezko  
5 were intimately involved in this fund-raising operation for  
6 the governor and that he, Mr. Levine, enjoyed a very close  
7 relationship with Mr. Rezko.

8 Q. What, if anything, did you say?

9 A. I told him that I was not in any position to do that in  
10 the context of where I was in my life. I just didn't have the  
11 time or inclination to undertake putting together a national  
12 organization that he had discussed.

13 Q. Did there come a time that you actually had a meeting with  
14 Mr. Rezko?

15 A. Yes, sir.

16 Q. Do you recall when that meeting occurred?

17 A. Not the specific date, no, I don't. But it was at the  
18 request of Mr. Levine.

19 Q. Do you recall -- how did the meeting get set up?

20 A. It was set up by Mr. Levine through my assistant.

21 Q. What happened?

22 A. What I recall is that I went over to Mr. Rezko's office,  
23 which was the west side of the Loop; and that I was shown into  
24 a conference room where Mr. Levine and Mr. Rezko were already  
25 there. I had never met Mr. Rezko until this point. The

1 meeting started out with Mr. Levine --

2 MR. DUFFY: Your Honor, I apologize. Could we have a  
3 better foundation? We don't even know when this is.

4 THE COURT: Mr. Schar?

5 MR. SCHAR: Judge, I thought he indicated that --

6 THE COURT: Clarify it through the witness.

7 BY MR. SCHAR:

8 Q. At some point, do you remember -- do you recall the exact  
9 date that it was?

10 A. No, I don't, sir.

11 Q. Do you believe it was sometime after your meeting with  
12 Mr. Levine?

13 A. Absolutely it was.

14 Q. Okay. And do you remember whether it was January or  
15 February, March?

16 A. I know it was after the meeting with Mr. Levine because  
17 Mr. Levine set the meeting up.

18 Q. And you indicated that you came -- had you ever been to  
19 Mr. Rezko's office before?

20 A. No, sir.

21 Q. You got there. You got to a conference room where  
22 Mr. Levine was?

23 A. Yes. I walked down a hallway. And I remember I turned to  
24 my right; there was Mr. Rezko and Mr. Levine and --

25 Q. What was in the conference room?

1 A. I remember there was a mock-up of some kind of a  
2 development, you know, like one of those miniature mock-ups of  
3 a development, you know, little houses kind of thing.

4 MR. SCHAR: Judge, for the record, the witness is  
5 using his fingers to indicate about two inches of a mock-up.

6 THE WITNESS: Sorry. I'm not --

7 THE COURT: The record will reflect that.

8 MR. SCHAR: Thank you, Judge.

9 BY MR. SCHAR:

10 Q. You went into the office, sir. You indicated Mr. Levine  
11 and Mr. Rezko were there. Had you ever met Mr. Rezko?

12 A. No, sir, I never did. This is the first time.

13 Q. What happened when you came into the room?

14 A. Mr. Levine launched into a -- kind of a commentary about  
15 this is his dearest friend, Mr. Rezko, who is just -- he owes  
16 everything to; and that he enjoys the closest relationship  
17 with the governor; and that Mr. Levine said he had shared with  
18 Mr. Rezko my background and that -- the conversations about me  
19 potentially putting together a national fund-raising  
20 operation -- organization for Governor Blagojevich.

21 Q. What was discussed next?

22 A. We -- I remember we exchanged pleasantries. I remember  
23 that we discussed my wife passing of cancer. I remember  
24 somewhat that Mr. Rezko shared with me something that his wife  
25 also had -- had experienced. And then we went on to talk

1 about fund-raising.

2 Q. What did you and Mr. Rezko talk about in terms of  
3 fund-raising?

4 A. Mr. Rezko said that he thought that Governor Blagojevich  
5 had a -- a very large future; that he was very close to him;  
6 that he respected him; and that he picked different law firms,  
7 consultants, et cetera and would call and that he would let a  
8 guy named Lon Monk know what the choices were or the  
9 recommendations were and that Mr. Monk would then implement  
10 that.

11 Q. When you say he would call Mr. Monk and let him know what  
12 the decisions were on contracts and consultants and things of  
13 that sort, who was the "he" you're referring to?

14 A. Mr. Rezko.

15 Q. And when he said to you that Mr. Monk would then implement  
16 it, what did you understand that to mean?

17 A. That if there was a recommendation or a pick that -- of a  
18 law firm, an accounting firm, a consultant, then Mr. Monk  
19 would make that happen.

20 Q. A pick by whom?

21 A. Mr. Rezko.

22 Q. What, if anything, did Mr. Rezko tell you about his  
23 relationship -- did you know who Lon Monk was?

24 A. I just -- yes, I knew he was the chief of staff to the  
25 governor.

1 Q. What, if anything, did Mr. Rezko tell you about his  
2 relationship with Lon Monk?

3 A. He enjoyed a very close relationship and that Mr. Monk  
4 took direction from him.

5 Q. What, if anything, did he do while you were in the office?

6 A. He picked up the phone and called Mr. Monk and said that  
7 he was with me and that we were discussing fund-raising for  
8 the -- for the governor.

9 Q. Did you hear Mr. Monk's side of the call?

10 A. Not at all.

11 Q. What, if anything, did Mr. Rezko say he could do for you?

12 A. That we will work or help for HealthPoint or things like  
13 that that would be helpful to me.

14 Q. What did he ask you to do?

15 A. To raise money for the governor nationally.

16 Q. And is this in a similar vein of what Mr. Levine had asked  
17 you?

18 A. Yes, exactly the same.

19 Q. What was your response to Mr. Rezko?

20 A. That I responded the same way I -- to the governor and to  
21 Mr. Levine, which was I was in no position to do that. My  
22 wife had passed away. I had a tough time with it. And I  
23 appreciated the opportunity, but I was in no position to do  
24 that.

25 Q. What, if anything, did you do in terms of recommending

1 someone for them?

2 A. I did say that they should talk again with David Wilhelm  
3 because David is one of the most highly-regarded, respected  
4 political people, literally, in the Democratic party in the  
5 country and that he would have some ideas.

6 Q. How did the meeting end?

7 A. I thought it ended very -- I mean, it just ended amicably.  
8 We -- Mr. -- we shook hands, and that was it.

9 Q. Do you think you would be able to identify Mr. Rezko again  
10 if you saw him?

11 A. Yes.

12 MR. DUFFY: Your Honor, we would stipulate.

13 THE COURT: Okay.

14 MR. SCHAR: Judge, the stipulation will be that the  
15 witness could identify Mr. Rezko.

16 THE COURT: Yes.

17 MR. DUFFY: Absolutely.

18 THE COURT: So stipulated.

19 BY MR. SCHAR:

20 Q. What happened after the meeting?

21 A. I went back to my office and shared with my assistant what  
22 happened at the meeting.

23 Q. What happened next, if you recall?

24 A. I -- my law partner, Sam Vinson, said that Mr. Levine was  
25 very upset with me.

1 MR. DUFFY: I object, your Honor. If we're going to  
2 have -- I object to foundation.

3 THE COURT: Foundation. And what is this being  
4 offered for? State of mind?

5 MR. SCHAR: State of mind, yes. I'll be happy to --

6 THE COURT: Let me address the jury, and then you can  
7 lay the foundation.

8 MR. SCHAR: Sure, your Honor.

9 THE COURT: Ladies and gentlemen, the testimony and  
10 conversation you're about to hear is not being offered for the  
11 truth of what was said by Mr. Vinson, the law partner, but  
12 rather as to Mr. Cari's state of mind.

13 You may lay the foundation.

14 BY MR. SCHAR:

15 Q. You were about to go into a conversation you had with your  
16 law partner, Sam Vinson?

17 A. Yes, sir.

18 Q. Let me ask you a few questions on that. Was Stuart Levine  
19 a client of Ungaretti & Harris?

20 A. Yes, he was.

21 Q. Who was the lawyer who worked with him most?

22 A. Sam Vinson. He was Sam's client.

23 Q. Did you eventually, after this meeting with Mr. Rezko,  
24 have a conversation with Mr. Vinson about Mr. Levine's  
25 reaction to your saying no to Mr. Rezko?

1 A. Yes.

2 Q. Was that conversation in person?

3 A. Yes.

4 Q. Where?

5 A. In my office.

6 Q. And what did Mr. Vinson tell you?

7 A. That Mr. Levine was very upset; that he was a valued  
8 client of our law firm; and that Mr. Levine was embarrassed.  
9 My reaction to Mr. Vinson was I told you all along I had no  
10 interest in doing any of this given the state of my personal  
11 life; and I'm sorry that Mr. Levine was upset, but I just was  
12 not in a position to do what they wanted me to do.

13 Q. Did there come a time that another -- yet another meeting  
14 was set up on this topic?

15 A. Yes, sir.

16 Q. Who was that meeting set up with?

17 A. That meeting was set up through Sam Vinson and Mr. Levine  
18 for me to meet Mr. Kelly.

19 Q. And you had already -- this is Chris Kelly?

20 A. Yes, sir.

21 Q. You had already met him earlier?

22 A. Yes, sir.

23 Q. Approximately when did that meeting with -- the second  
24 meeting with Mr. Kelly occur?

25 A. Again, I would ask to see my calendar.

1 MR. SCHAR: May I?

2 THE COURT: You may.

3 BY MR. SCHAR:

4 Q. Mr. Cari, I'm going to show you Government Exhibit Cari  
5 Calendar Group again. Ask you to take a look at that.

6 A. Yes.

7 Q. Where was your -- I'm sorry.

8 What was the date of your second meeting?

9 A. March 5th, 2004.

10 Q. Where did that meeting occur?

11 A. A place called Cafe Penelope.

12 Q. Where is Cafe Penelope located?

13 A. On the west side of the Loop.

14 Q. How did you get there?

15 A. I drove.

16 Q. Who was present for the meeting?

17 A. Mr. Kelly and myself.

18 Q. What happened when you walked in to Cafe Penelope?

19 Were you the first there or was Mr. Kelly there?

20 A. Mr. Kelly was sitting at a table, and he had a couple of  
21 cell phones on the table. And he was talking on a cell phone,  
22 and he motioned to me to sit down.

23 Q. What happened after you sat down?

24 A. He finished his conversation, and we exchanged  
25 pleasantries. And Mr. Kelly said I wanted to follow up on

1 your conversations with the governor, Mr. Levine and  
2 Mr. Rezko. We really would like for you to help us out; we  
3 know you have some great contacts and relationships across the  
4 country to raise money for the governor; and that we really  
5 would like for you to help us.

6 Q. What else -- well, what was your response?

7 A. I told him I -- the same thing I had said previously. My  
8 wife had passed away. I was in a very bad place. I just  
9 didn't have the time or inclination to do that. And Mr. Kelly  
10 at that point pushed me pretty hard and said --

11 Q. When you say pushed -- I'm sorry.

12 A. And said to me that this would be good for my law firm or  
13 my private equity firm; that I could have whatever I wanted,  
14 but they needed help nationally to raise money.

15 Q. When he said you could have whatever you wanted, what did  
16 you understand that to mean?

17 A. Legal work, consulting work, pension work.

18 Q. What was your response to Mr. Kelly pushing you with this?

19 A. I was -- I just said no. I said I'm not in a position to  
20 do this. I reiterated about my -- my personal life. And I  
21 was taken back by what Mr. Kelly had said.

22 Q. How did the meeting end?

23 A. He asked me to think about it and reconsider, and I shook  
24 hands and left.

25 Q. Is it fair to say, sir, at this time, you understood that

1 you were being asked to take this position by a variety of  
2 people?

3 A. Yes.

4 Q. During the same time that you were having these  
5 conversations with Mr. Rezko, Mr. Kelly and others, were you  
6 still attempting to obtain money for HealthPoint from  
7 Illinois?

8 A. Yes.

9 Q. Were you continuing to have conversations with Mr. Levine  
10 regarding HealthPoint?

11 A. Yes.

12 Q. And about how often would you discuss HealthPoint with  
13 Mr. Levine, again, in the fall and into 2004?

14 A. I would say probably once every couple of weeks.

15 Q. Were these conversations in person, over the phone, both?

16 A. Both.

17 Q. Would Mr. Levine sometimes just stop by your office?

18 A. Yes. Mr. Levine was always in and out of our offices  
19 because of -- he's always seeing Mr. Vinson, who was his  
20 lawyer.

21 Q. When he stopped in to see you from time to time, were  
22 those meetings planned?

23 A. No.

24 Q. Did he have appointments with you each time he stopped in  
25 to see you?

1 A. Absolutely not.

2 Q. What did -- regarding your continued conversations, do you  
3 remember each of them specifically or do you remember them  
4 generally as a group?

5 A. Collectively.

6 Q. What did Mr. Levine tell you he could try to do for  
7 HealthPoint?

8 A. That he wanted to help us with ISBI and that he would set  
9 up a meeting for HealthPoint to make a presentation to the  
10 staff.

11 Q. Had you or had HealthPoint previously met with ISBI?

12 A. Yes, I believe we had.

13 Q. Had it gone anywhere?

14 A. No, it hadn't because at the time we made the original  
15 presentation, ISBI did not have capital to invest.

16 Q. What did Mr. Levine do to help you with ISBI?

17 A. He set up a meeting for us with the staff of ISBI, of  
18 which Mr. Foster and Mr. Berkowitz and I went and had a  
19 meeting with them.

20 Q. What, if anything, did Mr. Levine tell you you would have  
21 to do to get the ISBI allocation?

22 A. He said that I would have to use a consultant for this  
23 transaction.

24 Q. And when you say a consultant, you're referring to what  
25 we --

1 A. A finder.

2 Q. A finder. What was your response to Mr. Levine when he  
3 said you would have to use a consultant?

4 A. I said yes.

5 Q. Why?

6 A. It was clear to me at this point if a consultant wasn't  
7 used, there would not be an opportunity to be successful with  
8 any of the State pension boards.

9 Q. Did you have an expectation that that finder would be of  
10 any real use to HealthPoint?

11 A. Well, to the extent that, A, the finder would make this  
12 successful, yes. And to the extent that the finder would --  
13 just to the extent that if you'd use the consultant, you'd be  
14 successful.

15 Q. And when you say "use the consultant," maybe my question  
16 was a little too vague. You felt you needed to use a  
17 consultant, based on what you heard, in order to get the  
18 investment?

19 A. Yes.

20 Q. Did you think the finder would actually proactively do  
21 anything for you in relation to ISBI?

22 MR. DUFFY: Your Honor, I have to object to the  
23 leading nature of this.

24 THE COURT: Sustained.

25 MR. DUFFY: We haven't even established the

1 foundation now. I thought we were going into general  
2 conversations. Now we're apparently at a very specific one.  
3 There's been no foundation laid as to when this occurred.

4 THE COURT: Sustained on leading. Ask your next  
5 question. If there is an objection --

6 BY MR. SCHAR:

7 Q. What, if anything, did you understand the finder would do  
8 for you at ISBI?

9 A. Ensure that the allocation would go through.

10 Q. What percentage did you agree to pay the consultant for  
11 HealthPoint's ISBI allocation?

12 MR. DUFFY: I object, Judge, foundation.

13 THE COURT: Mr. Schar, is this still based on the  
14 series of conversations or in meetings --

15 MR. SCHAR: Let me --

16 THE COURT: -- or are you referring to a particular  
17 one?

18 MR. SCHAR: Okay.

19 THE COURT: And then also let me know whenever you  
20 are at a good point to take our afternoon break.

21 MR. SCHAR: Almost there.

22 THE COURT: Just let me know when.

23 BY MR. SCHAR:

24 Q. Mr. Cari, you're talking -- I asked you some questions  
25 about general conversations you had with Mr. Levine. On the

1 topic of the ISBI finder, was that a single conversation or  
2 multiple conversations, if you remember?

3 A. Multiple.

4 Q. And did those occur on the phone, in person, both, if you  
5 remember?

6 A. Both.

7 Q. And in relation to those conversations, do you remember  
8 each particular conversation regarding the ISBI finder or do  
9 you recall them collectively?

10 A. The collective.

11 Q. What percentage did you agree to pay?

12 A. The --

13 MR. DUFFY: Objection as to the leading nature,  
14 Judge.

15 THE COURT: What percentage? That is overruled. You  
16 may answer.

17 THE WITNESS: There was a standard in the industry, 2  
18 percent of the capital raised.

19 BY MR. SCHAR:

20 Q. And at that point, how much were you or was HealthPoint  
21 hoping to get from ISBI in terms of a --

22 A. 35 million.

23 Q. And in relation to your ISBI investment, did your attempt  
24 to get that continue into the spring and early summer of 2004?

25 A. It did.

1 MR. SCHAR: Judge, this would be a good spot.

2 THE COURT: Okay. Let's take our afternoon break.

3 15 minutes.

4 (Jury out.)

5 THE COURT: Mr. Cari, you may step down. Please be  
6 back here a little before 3:30.

7 Anything the Court needs to take up before the break?

8 Okay. 3:30.

9 (Recess taken.)

10 (Jury in.)

11 THE COURT: You may continue.

12 MR. SCHAR: Thank you, Judge.

13 BY MR. SCHAR:

14 Q. When we broke, Mr. Cari, I think you had indicated the  
15 standard industry practice was to pay 2 percent on a finder.

16 Is that what you agreed to pay in this meeting?

17 A. Yes, sir.

18 Q. I'd like to direct your attention now to JER.

19 Approximately when did you first become aware of a possible  
20 transaction between TRS and JER?

21 A. In early 2004.

22 Q. How did you become aware of it?

23 A. Carl McCall, who was a partner in HealthPoint, told me  
24 that he had called Mr. Levine asking for help for JER, which  
25 is a private equity fund in the real estate space.

1 Q. What was your response to Mr. McCall?

2 A. I was annoyed because this had nothing to do with  
3 HealthPoint or raising capital for HealthPoint, and all of our  
4 efforts as managing directors were supposed to be on behalf of  
5 HealthPoint.

6 Q. What, if anything, did Mr. McCall say to you about whether  
7 JER had been helpful to him?

8 A. That the principals in JER were very helpful to him when  
9 he ran for governor of New York, and he wanted to help them.

10 Q. Shortly after talking to Mr. McCall, did you have a  
11 conversation with Mr. Levine about JER?

12 A. I did.

13 Q. Where did that conversation occur?

14 A. By phone.

15 Q. What did you and Mr. Levine --

16 MR. DUFFY: Your Honor, can we get a time frame here  
17 if possible?

18 THE COURT: Mr. Schar?

19 BY MR. SCHAR:

20 Q. I think you indicated your conversation with Mr. McCall  
21 was approximately the early part of 2004. Do you have any  
22 better recollection as to when it was?

23 A. No, sir, I don't.

24 Q. And your conversation with Mr. Levine, how much past your  
25 conversation with Mr. McCall did that occur?

1 A. Within a week.

2 Q. And you indicated it was on the phone?

3 A. Yes, sir.

4 Q. What was discussed -- what did you and Mr. Levine discuss?

5 A. Mr. Levine called me and said that Mr. McCall had called  
6 him and that -- for Mr. Levine's help with JER and that  
7 Mr. Levine was going to recommend a consultant for JER to use.

8 Q. Did Mr. Levine give you the name of the consultant?

9 A. No, sir, I never knew the name of the consultant.

10 Q. Directing your attention to early April. Did you go  
11 somewhere at that point?

12 A. Yes, I went to visit my daughter who was studying  
13 overseas.

14 Q. Where specifically did you go?

15 A. I went to New Zealand to visit her, and then I went up to  
16 Hong Kong to revisit some places my wife -- that were favorite  
17 places of my wife.

18 Q. How long were you out of the United States?

19 A. Two weeks approximately.

20 Q. During your trip, are you still in touch with the United  
21 States through e-mails, phone calls, things of that sort?

22 A. Oh, yes, on a regular basis.

23 Q. Direct your attention to April 14th, 2004. Was that  
24 several days prior to your return to the U.S.?

25 A. Yes, sir.

1 Q. Did you receive an e-mail from your secretary that day?

2 A. I did.

3 Q. What was the message?

4 A. That Mr. Levine was trying to reach me, that it was  
5 important and to try to reach him.

6 Q. Did you, in fact, call -- well, where were you at that  
7 time?

8 A. In Hong Kong.

9 Q. Did you, in fact, place a call to Mr. Levine from Hong  
10 Kong?

11 A. I didn't hear you.

12 Q. I'm sorry. Did you, in fact, place a phone call to  
13 Mr. Levine from Hong Kong?

14 A. Yes, sir, I did, from the hotel.

15 MR. SCHAR: Could I have one moment, Judge?

16 THE COURT: You may.

17 (Brief pause.)

18 MR. SCHAR: May I approach?

19 THE COURT: Yes, you may.

20 BY MR. SCHAR:

21 Q. I'm going to show you what's marked Government Exhibit  
22 Cari Hotel Bill. Ask you, sir, to take a look at that.

23 Is that your hotel bill from your stay in Hong Kong?

24 A. Yes, it is.

25 Q. And does that have a variety of charges and phone calls on

1 it?

2 A. It does.

3 MR. SCHAR: Judge, we offer this pursuant to a  
4 902(11) certification.

5 THE COURT: Any objection?

6 MR. DUFFY: No objection.

7 THE COURT: It is admitted.

8 (Said exhibit received in evidence.)

9 MR. SCHAR: I ask to publish portions of it if I  
10 could, Judge.

11 THE COURT: You may.

12 (Said exhibit published to the jury.)

13 BY MR. SCHAR:

14 Q. Did you stay at the Mandarin Oriental Hotel in Hong Kong?

15 A. I did.

16 Q. I want to direct your attention, Mr. Cari, to the second  
17 page, the very last line.

18 A. Yes, sir.

19 Q. Do you see a charge there on -- Hong Kong, April 15th for  
20 a phone call to (847) 432-7602?

21 A. Yes, sir.

22 Q. Do you remember that phone number off the top of your  
23 head?

24 A. No, sir, I don't.

25 Q. Is that a Chicagoland phone number?

1 A. Yes, sir.

2 Q. And just for clarification, the date on the bill, the call  
3 says April 15th. Is Hong Kong across the International Date  
4 Line and a day ahead of us in Chicago?

5 A. Yes, sir.

6 Q. So it would be April 14th in Chicago when it's April 15th  
7 in Hong Kong?

8 A. Correct.

9 Q. Now, prior to your testifying -- you can put that aside,  
10 Mr. Cari.

11 Prior to your testifying, did you have the  
12 opportunity to review certain phone calls that had been  
13 recorded in which you participated?

14 A. Yes, sir.

15 Q. And is one of those calls the call you made to Mr. Levine  
16 from Hong Kong?

17 A. Yes, sir.

18 MR. SCHAR: Judge, if we could, I would ask your  
19 Honor and the jurors to turn to Tab 4 in the binder.

20 THE COURT: Ladies and gentlemen, please grab your  
21 transcript binders and turn to Tab 4.

22 I assume you intend on publishing the call; is that  
23 correct?

24 MR. SCHAR: I do, Judge.

25 THE COURT: Ladies and gentlemen, you are about to

1 hear this call for the second time. There are several calls  
2 in here that you have heard more than once. Just because a  
3 call is being played more than one time does not mean that you  
4 should give more weight to it. You can give whatever weight  
5 you deem it deserves during your jury deliberations.

6 MR. SCHAR: Thank you, Judge. May I go ahead and  
7 publish that call?

8 THE COURT: Yes, you may.

9 (Whereupon, said tape was played in open court.)

10 BY MR. SCHAR:

11 Q. Okay. Mr. Cari, it probably would have been useful for  
12 you to have the transcript binder.

13 MR. SCHAR: May I approach, Judge?

14 THE COURT: Yes, you may.

15 BY MR. SCHAR:

16 Q. Did you hear the call?

17 A. I did.

18 THE COURT: It's Tab 4.

19 MR. SCHAR: Thank you, Judge.

20 THE WITNESS: Okay. I got it.

21 BY MR. SCHAR:

22 Q. Okay. Direct your attention to Page 1, Mr. Cari. Is this  
23 a phone call, on Chicago time, April 14, 2004, at about ten of  
24 9:00 at night?

25 A. Yes.

1 Q. And I know that you have the transcript in front of you.  
2 You may need to lean forward a little bit just so everyone can  
3 hear you.

4 A. Yes.

5 Q. Directing your attention to Page 1, lines 15 through 18,  
6 Mr. Levine says, "I want to -- first of all, you remember that  
7 commingled fund that Carl was interested in."

8           When Mr. Levine referenced a commingled fund that  
9 Carl was interested in, what do you understand him to be  
10 referring to?

11 A. JER.

12 Q. And at lines 20 through 23, Mr. Levine indicates, "I need  
13 to give Carl the name of the guy that the marketing people  
14 should call."

15           What do you understand him to be indicating there?

16 A. A consultant that he was going to recommend.

17 Q. You say he is going to recommend. Who are you referring  
18 to?

19 A. Mr. Levine.

20 Q. Directing your attention, sir, to Page 2. By the way --  
21 I'm sorry.

22           Mr. Levine indicates also at the bottom of Page 1, "I  
23 don't want to do that directly. I prefer that you tell it to  
24 Carl."

25           What do you understand him to be telling you?

1 A. The name -- who the name of the consultant is.

2 Q. And what are you supposed to do with it?

3 A. Give it to Carl.

4 Q. And when we talk about Carl, we're talking about Carl

5 McCall, who is --

6 A. Who was the partner at HealthPoint who reached out to

7 Mr. Levine for help.

8 Q. And on Page 2, lines 13 through 19, Mr. Levine says,

9 "Friday afternoon we'll also sit down and talk because I think  
10 the -- I can get the other stuff done for HealthPoint."

11 What do you understand him to be referring to there?

12 A. The -- getting the interest of the Illinois State  
13 employees fund, the one that we had talked about earlier  
14 today.

15 Q. And when you say the one we talked about earlier, you're  
16 referring to ISBI?

17 A. ISBI.

18 Q. Okay. And you understand that to be a reference to him  
19 helping -- trying to --

20 A. Yes.

21 Q. -- help with --

22 A. Right.

23 Q. And did you, in fact, return from Hong Kong several days  
24 after this phone call?

25 A. I did.

1 MS. SCHAR: Putting the transcript on the side just  
2 for one second. We will come back to it, Judge, momentarily.

3 THE COURT: Okay.

4 BY MR. SCHAR:

5 Q. At some point after your return on April 16th, did you  
6 have a conversation with Mr. Levine regarding JER and  
7 Mr. Rezko?

8 A. Yes.

9 Q. Was that conversation in person or over the phone?

10 A. It was over the phone.

11 Q. Do you remember the exact date of that conversation?

12 A. No, I don't.

13 Q. What did you and Mr. Levine discuss in relation to JER?

14 A. Mr. Levine told me that the consultant for JER was going  
15 to be picked by Mr. Rezko and that Mr. Levine would give the  
16 name to either me or Mr. McCall or to my assistant.

17 Q. I would like to direct your attention now to Tab 26.

18 THE COURT: 26?

19 MR. SCHAR: Yes, Judge.

20 THE COURT: Please turn to Tab 26, ladies and  
21 gentlemen.

22 (Whereupon, said tape was played in open court.)

23 BY MR. SCHAR:

24 Q. Mr. Cari, turning your attention back to Page 1. Is this  
25 a phone call April 26th, 2004, in the morning?

1 A. Yes.

2 Q. Direct your attention now to Page 1, lines 11 through 12.

3 Mr. Levine says, "Okay, Joe. I don't have -- I hope that this  
4 afternoon I'll have the name, but I don't have it yet."

5 What do you understand Mr. Levine to be referring to  
6 there?

7 A. The consultant.

8 Q. Which consultant?

9 A. For JER.

10 Q. What do you understand him to be telling you?

11 A. That he's working on getting the name of the consultant.

12 Q. And at 19 through 20, lines 19 through 20, Mr. Levine  
13 says, "I know that -- did you -- they know it's coming,  
14 right?"

15 What do you understand him to be asking you?

16 A. That Mr. McCall had told JER that a consultant was going  
17 to be recommended and that they knew the name was going to be  
18 coming.

19 Q. And you indicate that that's a yes. Why do you indicate  
20 yes?

21 A. Because Mr. McCall had told me he had a conversation with  
22 JER.

23 Q. And there's a reference to a -- on the next page -- Bob  
24 Torricelli, a former senator?

25 A. Yes.

1 Q. And be helpful with the New York fund. Just generally,  
2 what is that a reference to?

3 A. Mr. Levine had reached out to Mr. McCall to get help in  
4 New York for a fund that Mr. Levine had an interest in -- in  
5 helping, and Mr. McCall was unable to help this fund.

6 Q. Do you recall the name of the fund as you sit here?

7 A. Glencoe.

8 MR. SCHAR: All right. Judge, if we could go to Tab  
9 37, and the jurors as well.

10 THE COURT: Yes. Please turn to Tab 37 in your  
11 binders.

12 (Whereupon, said tape was played in open court.)

13 BY MR. SCHAR:

14 Q. Mr. Cari, refer you back to Page 1, sir.

15 This is a call on May 6, 2004, in the afternoon?

16 A. Yes, sir.

17 Q. Between you and Mr. Levine?

18 A. Yes, sir.

19 Q. And on Page 2, towards the top, lines 2 through 6,  
20 Mr. Levine says, "You know what, Joe, everything has been  
21 finalized in negotiations and those guys are taken care of  
22 from beginning to end."

23 And then at line 8, "I'm getting a little nervous."

24 What do you understand him to be saying?

25 A. That the JER fund had moved through the process for

1 approval and a consulting contract has not been signed.

2 Q. Which was a concern for Mr. Levine?

3 A. Yes.

4 Q. Lines 12 through 15, you indicate, "She understood. She  
5 got confused because after Carl talked to the person, the  
6 staff said everything was fine."

7 What are you indicating there, if you recall?

8 A. That her staff had reiterated to her that everything  
9 was -- was fine and taken care of in terms of where JER was  
10 with the Illinois teachers and internally what they were doing  
11 with the consultant.

12 Q. And at lines 26, Mr. Levine -- 26 and 27 -- says, "You  
13 know what, I hate to undo things, but I'll have to do it."

14 What do you understand him to be saying there?

15 A. That he's threatening to pull the whole allocation if this  
16 consulting contract wasn't signed.

17 Q. When you say the allocation, you're talking about JER's  
18 allocation?

19 A. Yes, sir.

20 Q. Direct your attention to Page 3, lines 23 through 27. It  
21 says -- Mr. Levine indicates, "Now, you know, folks are  
22 waiting to hear; and I don't want to be in the middle of  
23 something that doesn't happen after I tell people it's going  
24 to happen."

25 What do you understand him to be telling you there?

1 A. That he had promised that a consultant would be hired and  
2 the consultant hadn't been officially hired yet.

3 Q. Who made the promise?

4 A. Mr. Levine had made that promise.

5 Q. To who?

6 A. To Mr. Rezko.

7 Q. Shortly after that -- and you get off the phone. Shortly  
8 after this call, did you have another call with Mr. Levine  
9 that day?

10 I refer you to Tab 38, sir.

11 A. Yes.

12 MR. SCHAR: Judge, if we could, I ask to publish  
13 Tab -- call 136 at Tab 38.

14 THE COURT: Please turn to Tab 38. And you may  
15 publish it.

16 MR. SCHAR: Thank you, Judge.

17 (Whereupon, said tape was played in open court.)

18 BY MR. SCHAR:

19 Q. Sir, directing your attention back to Page 1, another call  
20 on May 6th -- at 4:15 p.m. -- 2004.

21 Direct your attention to lines 14 through 19. You  
22 indicate, "I reached out and talked with Carl. He has been  
23 exchanging voicemails with her on and off all day; and he  
24 thinks it's done, but he cannot confirm it. He's going to  
25 call her at home tonight."

1                   What are you indicating there?

2   A.   That Carl had given her the name of the consultant and  
3   that they had signed the consulting agreement and that he was  
4   going to confirm it with her.

5   Q.   When you say "her," who is the her you're referring to?

6   A.   There -- the woman who was, I believe, the CEO or the COO  
7   of the fund, Debbie Harmon.

8   Q.   And did you know Debbie Harmon's name at this time, if you  
9   recall, or did you later find out?

10  A.   I later found out the name.

11  Q.   All right.  And turning your attention over to the next  
12  page.  Mr. Levine indicates, "They got an 80-million-dollar  
13  commitment, and it's on the May schedule."

14                   What do you understand him to be referring to?

15  A.   That it's on the agenda for formal approval at the next  
16  TR- -- or at the May meeting of the TRS.

17  Q.   And that's for JER?

18  A.   Yes, sir.

19  Q.   At lines 21, he indicates, "I could change that, but I  
20  don't like to have to do things like that."

21                   What do you understand him to be saying?

22  A.   He would yank it.  He would get it off of the schedule for  
23  the formal approval.

24  Q.   And he references "the political powers that be."

25                   Who do you understand that to be reference to?

1 A. Mr. Kelly and Mr. Rezko.

2 Q. After your calls with Mr. Levine on May 6th, did you, in  
3 fact, talk to Carl McCall again?

4 A. I don't -- I don't believe I did. I'm not --

5 Q. Not a recorded call, but just a general conversation?

6 A. Oh.

7 Q. If you remember.

8 A. I know I was trying to reach him.

9 Q. At some point, did you -- whether it was on May 6th or a  
10 later date, at some point, did you have a conversation related  
11 to whether the consulting contract had been signed with  
12 Mr. McCall or whether they had been given a name?

13 A. Yes.

14 Q. Okay. In relation to May 6th, do you remember  
15 specifically when that conversation occurred?

16 A. No.

17 Q. Was it in person or over the phone?

18 A. Phone.

19 Q. What did you and Mr. McCall discuss?

20 MR. DUFFY: Your Honor, this is not being offered for  
21 the truth?

22 MR. SCHAR: Oh, no, Judge.

23 THE COURT: What is it being offered for? State of  
24 mind?

25 MR. SCHAR: State of mind and also conversations

1 later.

2 THE COURT: Ladies and gentlemen, the testimony you  
3 are about to hear is not being offered for the truth of the  
4 matters asserted, but rather to show this witness' state of  
5 mind.

6 BY MR. SCHAR:

7 Q. What did you and Mr. McCall discuss in relation to whether  
8 the -- what happened with the name of the finder that was to  
9 be provided to JER?

10 A. That Mr. McCall had gotten the name, I believe from  
11 Mr. Levine, and that he had passed it on to Ms. Harmon.

12 Q. What happened after -- what happened -- well, what did  
13 Mr. McCall indicate happened after the name was passed on?

14 A. That a staff member from JER called the consultant that  
15 was -- the name of the consultant, and the consultant didn't  
16 know who JER was.

17 Q. After obtaining that information from Mr. McCall, what did  
18 you do?

19 A. I called Mr. Levine back.

20 Q. That conversation occurred on the phone?

21 A. On the phone.

22 Q. What did you and Mr. McCall -- I'm sorry.

23 What did you and Mr. Levine discuss?

24 A. I said, Stuart, I have no idea what's going on. I don't  
25 know who this consultant is. People from JER called him, and

1 he didn't know what -- who he was.

2 Q. What was Mr. Levine's response?

3 A. He was very agitated; and something along the lines of, I  
4 got to get these knuckleheads, or something to that effect, in  
5 line. And he was highly, highly agitated.

6 Q. During this time period, did you have other conversations  
7 with Mr. Levine that weren't recorded in relation to JER  
8 signing the contract?

9 A. Yes, sir.

10 Q. Were those in person, over the phone or both, if you  
11 remember?

12 A. Both, because, again, Mr. Levine is in and out of the  
13 office because of Mr. Vinson.

14 Q. And what was -- do you remember these conversations  
15 individually or --

16 A. Collectively, sir.

17 Q. Just generally speaking, what was discussed?

18 A. Well --

19 MR. DUFFY: Objection, your Honor. Can we get a  
20 little better time frame than this?

21 THE COURT: Mr. Schar?

22 MR. SCHAR: Yes, Judge.

23 BY MR. SCHAR:

24 Q. Are we talking between May 6th and May 20th?

25 A. Yes.

1 Q. During that time period, generally what's being discussed  
2 as we get closer to May 20th?

3 A. Very specifically that Mr. Levine was getting more and  
4 more agitated, more and more threatening that this contract  
5 was not signed; said it would be a reflection on me as  
6 somebody on the executive committee of the law firm if this  
7 contract wasn't signed for all the business he had given us.  
8 And my sense is that Stuart was getting more and more and more  
9 threatening, menacing.

10 Q. And directing your attention now to May 20th.

11 A. Yes, sir.

12 Q. Is it fair to say the TRS meeting was coming up?

13 A. Yes, sir.

14 Q. And is it also fair to say at this point, you didn't  
15 understand this finder had done anything for JER?

16 MR. DUFFY: Objection as to leading, your Honor.

17 THE COURT: Sustained.

18 BY MR. SCHAR:

19 Q. What, if anything, did you understand this finder had done  
20 for JER?

21 MR. DUFFY: Objection, foundation as to his  
22 understanding.

23 BY MR. SCHAR:

24 Q. Based on the conversations you had with Mr. Levine, what  
25 did you understand this finder had done for JER?

1 MR. DUFFY: Objection as to having a foundation for  
2 Mr. Levine.

3 THE COURT: Overruled. He is basing it on his  
4 discussions. You may answer.

5 THE WITNESS: Based on what Carl McCall had told me  
6 and --

7 MR. DUFFY: Well, your Honor, I object. He asked him  
8 about Mr. Levine.

9 THE COURT: Sustained.

10 THE WITNESS: Okay. Just -- repeat the question,  
11 please, sir. I'm sorry.

12 BY MR. SCHAR:

13 Q. That's okay.

14 In relation to what Mr. Levine had told you in the  
15 series of conversations you're having with Mr. Levine, what,  
16 if anything, did you think the finder had done at this point?

17 MR. DUFFY: Well, now I object as to what he thinks.

18 BY MR. SCHAR:

19 Q. What did you understand --

20 MR. DUFFY: I thought the question was --

21 THE COURT: Rephrase it.

22 MR. SCHAR: I will.

23 THE COURT: Sustained.

24 BY MR. SCHAR:

25 Q. What did you understand the finder had done based on your

1 conversations with Mr. Levine, if anything?

2 A. Very little or nothing. Nothing.

3 Q. Despite that, did you continue to assist Mr. Levine to try  
4 to get JER to hire this finder?

5 A. Yes.

6 Q. All right. May 20th, 2004. On that day, did you have a  
7 series of conversations with individuals at JER in an attempt  
8 to get JER to sign this consulting agreement?

9 A. I did.

10 Q. Where is JER located, to the best of your knowledge?

11 A. Northern Virginia.

12 Q. And on the morning of May 20th, did you place a call in an  
13 attempt to get in touch with a woman named -- I think you  
14 indicated Debbie Harmon?

15 A. Yes.

16 Q. Were you initially able to get in touch with Ms. Harmon?

17 A. Not initially.

18 Q. Who did you talk to that morning?

19 A. I talked to -- I think it was her secretary and told her  
20 it was a very urgent matter; that there was an 80-million-  
21 dollar investment. I really was aggressive in my voice and  
22 tone. I needed to talk to Debbie.

23 Q. What did you tell the secretary would happen if you  
24 couldn't get in touch with her?

25 A. I told her she would get fired.

1 Q. Did you eventually talk to Ms. Harmon that day?

2 A. I did.

3 Q. Was that conversation in person or over the phone?

4 A. Over the phone.

5 Q. What did you -- in fact, did you have any -- well, what  
6 did you and Ms. Harmon discuss that day?

7 A. Well, when Debbie got on the phone, I said -- I introduced  
8 myself; and I told her that I was calling on be- -- in  
9 relationship to a consulting contract dealing with TRS. And  
10 Ms. Harmon immediately said, yes, I know the issue. I -- I  
11 know what this is about. We have our lawyers looking at it,  
12 both our in-house lawyer and the outside lawyer, which is the  
13 law firm called Simpson Thacher.

14 We had a dialogue, and it turned out that Debbie's  
15 dad is somebody that I know and hold in extremely, extremely  
16 high regard. He served with great distinction in the Clinton  
17 administration. And so we were talking about that.

18 And then we both realized that our families had a  
19 very, very close mutual friend, a guy named Steve Kotler who  
20 lives in New York. And Steve is a very close friend of mine  
21 and is probably Mr. Harmon's best friend in life. And so we  
22 were talking all about that.

23 And then we went back to -- about the contract. She  
24 says I understand. I said, look, there's a public meeting  
25 coming up. This needs to be disclosed. And it's on the

1 agenda. And I have been told if it's not signed, it will get  
2 pulled. And I unequivocally told her that.

3 Q. When you say you unequivocally told her that, you say if  
4 it did not get signed, what is the "it" you're referring to?

5 A. The consulting contract; that it would get signed because  
6 it had to be part of the public record when the TRS meeting  
7 happened in a few more weeks.

8 Q. What did you indicate would happen if it wasn't signed?

9 A. What Mr. Levine had told me, which is that he was going to  
10 pull it off the agenda, which means they would not get the  
11 allocation in May.

12 Q. What, if anything, did you say to Ms. Harmon that day in  
13 relation to the governor?

14 MR. DUFFY: Your Honor -- pardon me, sir. I assume  
15 this is not being offered for the truth, this conversation  
16 with Ms. Harmon.

17 MR. SCHAR: Ms. Harmon's part is not.

18 THE COURT: But Mr. Cari's --

19 MR. SCHAR: Would be.

20 THE COURT: Ladies and gentlemen, the conversation  
21 you are about to hear testimony regarding, Ms. Harmon's  
22 statements are not being offered for the truth of what she is  
23 saying, but rather being offered to give context to the  
24 conversation with Mr. Cari.

25 THE WITNESS: That in Illinois, the governor and the

1 people around the governor picks the consultants, law firms,  
2 investment banking firms; and that this has been the history  
3 of Illinois; and that this is the way, you know, in Illinois  
4 that it's done; and that my firm had also been approached  
5 about using a consultant that was recommended by the political  
6 powers that be; and that we had agreed to use a consultant on  
7 a -- on the investment with the other Illinois fund, of which  
8 nothing -- eventually nothing happened there.

9 BY MR. SCHAR:

10 Q. What was Ms. Harmon's response, if any, to your indication  
11 that this is how it was done in Illinois?

12 A. She said she understood; that she has her lawyers looking  
13 at it; and that they'll get back to me. She -- very nonpulsed  
14 and just -- that was the reaction back.

15 MR. SCHAR: Judge, may I have one moment?

16 THE COURT: You may.

17 (Brief pause.)

18 BY MR. SCHAR:

19 Q. Did you also have a conversation with an individual named  
20 Dan Ward at some point during the day?

21 A. I did.

22 Q. Who did you understand Dan Ward to be?

23 A. Dan Ward was the in-house lawyer for JER. And I got ahold  
24 of Dan by phone, introduced myself. I said, Dan, I'm --

25 MR. DUFFY: Excuse me, your Honor. If we're going to

1 have a conversation, I'd like to have a little better  
2 foundation. And this is being offered for the truth?

3 THE COURT: Mr. Schar?

4 MR. SCHAR: The foundation, Judge, is that day, I  
5 think it's been laid, on the phone that day. Mr. Ward's  
6 comments, to the extent that there are any, would be for  
7 context.

8 THE COURT: Okay. You should find out if anybody  
9 else was in on the conversation.

10 And, ladies and gentlemen, the testimony you are  
11 about to hear, Mr. Ward's statements are not being offered for  
12 the truth of what he is saying, but rather to give context to  
13 the conversation.

14 BY MR. SCHAR:

15 Q. Mr. Cari, you indicated that you called Mr. Ward --

16 A. I did.

17 Q. -- that day?

18 Did you participate in -- that phone call during the  
19 day, it was just you and him on the phone?

20 A. Yes.

21 Q. From what you knew at --

22 A. I thought we -- yes, we were the only two on the phone.

23 Q. Okay. What did you and Mr. Ward discuss?

24 A. I introduced myself. And he immediately said I know the  
25 issue; I've talked to Debbie; I'm looking at the consulting

1 contract, and we have Simpson Thacher also looking at the  
2 consulting contract. And I said to Mr. Ward, I said, look,  
3 there's a public meeting coming up. It has to be disclosed if  
4 a consultant is being used; so if this thing isn't signed,  
5 I've been told this thing is going to get pulled.

6 Q. At some point that day, did you also have a conversation  
7 with an individual, I think you mentioned a little while ago,  
8 named Steve Kotler?

9 A. Yes, sir, I did.

10 Q. Who was Steve Kotler?

11 A. Again, Steve is one of the -- a very close friend of mine,  
12 but also Mr. Harmon, Debbie's dad's former business partner,  
13 best friend in life and a highly regarded guy.

14 Q. Did you call Mr. Kotler?

15 A. I did.

16 Q. Why did you call Mr. Kotler?

17 A. Because at the time -- after talking with Debbie, I wanted  
18 to elicit Mr. Kotler's advice and help in trying to get this  
19 contract signed so it could get disclosed at the public  
20 meeting.

21 Q. Did you have a phone conversation with Mr. Kotler?

22 A. I did.

23 Q. Was anyone else on the phone?

24 A. No, sir.

25 Q. What did you explain to Mr. Kotler?

1 A. I said --

2 MR. DUFFY: Your Honor, I apologize. Same  
3 admonition.

4 THE COURT: Ladies and gentlemen, the statements of  
5 Mr. Kotler are not being offered for the truth of what he is  
6 saying, but rather to give context to this conversation.

7 You may continue.

8 MR. SCHAR: Thank you, Judge.

9 BY MR. SCHAR:

10 Q. What did you and Mr. Kotler talk about?

11 A. I said, Steve, I just got off the phone with Debbie  
12 Harmon; and I'm trying to help get a consulting contract  
13 signed. I don't have -- I think I used the expression I don't  
14 have a dog in this race or something and would you call Debbie  
15 and vouch for me as an individual. And he said absolutely,  
16 I'd be happy to make that call and vouch for you. You know,  
17 we've had a very good history together.

18 Q. What else --

19 A. And then he --

20 Q. -- was discussed?

21 A. And then he said, but if she asks me if she should sign  
22 the contract, I would advise her not to.

23 Q. What happened next?

24 A. Given the dynamics of all of this, I did not want to get  
25 Steve involved in any of this stuff and I thanked him and I

1 said don't make the call. I said, I'll figure this out. And  
2 I -- we hung up amicably.

3 Q. Did Mr. Kotler say why he wouldn't tell her to sign the  
4 contract?

5 A. Yes. He said these contracts are usually signed at the  
6 beginning of the process not towards the end of the process.

7 Q. Based on hearing that, did you ask him not to place the  
8 phone call?

9 A. In essence, yes, sir, I did. I -- yes, sir.

10 Q. Now, direct your attention to the evening of May 20th.  
11 Were you, again, still trying to get this contract signed?

12 A. Yes. Mr. Levine on May 20th was in and out of my office.  
13 And his -- he was extremely menacing, and so he suggested a  
14 call to -- with -- to use Mr. Loren, who was the general  
15 counsel of TRS. So my assistant put together a conference  
16 call with Mr. Loren, myself, the lawyers from Simpson Thacher,  
17 which is the outside law firm from JER, and Dan Ward, the  
18 in-house lawyer.

19 Q. Was that call placed that evening?

20 A. Yes.

21 Q. Was anyone else in your office when the call started?

22 A. Yes, Mr. Levine was in my office when the call started.

23 Q. Who was on the phone?

24 A. Mr. Ward, the Sim- -- there were two Simpson Thacher  
25 lawyers and the general counsel for JER, Mr. Loren.

1 Q. What was discussed during that phone call?

2 MR. DUFFY: Your Honor, I believe the same  
3 admonition.

4 MR. SCHAR: Well, I -- to the extent Mr. Ward says  
5 anything to Mr. Cari, other than that, that's right, Judge.

6 THE COURT: That that's --

7 MR. SCHAR: Those would be co-conspirator statements.  
8 The other individuals, the lawyers for JER and Simpson  
9 Thacher, would be context.

10 THE COURT: Ladies and gentlemen, the conversation  
11 you are about to hear testimony regarding, the statements of  
12 the lawyers for JER and from Simpson and Thacher, are not  
13 being offered for the truth of what they are saying, but  
14 rather to give context to the conversation.

15 MR. SCHAR: Thank you, Judge.

16 BY MR. SCHAR:

17 Q. Mr. Cari, go ahead.

18 A. We got on the conference call. I introduced everybody.  
19 And I said, look, we're all here to discuss the -- a  
20 consulting contract that needs to be signed because it needs  
21 to be disclosed by the public meeting.

22 Mr. Loren starts a conversation with one of the  
23 Simpson Thacher lawyers. They had apparently done a deal  
24 together or had work, so they were kind of talking through  
25 this. And then Mr. Loren said to the lawyers and to myself,

1 this is something that has to be disclosed; here's how you  
2 disclose it. You write a letter. Here's what the letter  
3 needs to say. And the letter needs to say that a fee is going  
4 to be paid, and this is how it's done.

5           Mr. Loren at that point gets off the phone. And the  
6 lawyer from Simpson Thacher asks me, he says, Joe, are you  
7 telling me that if we don't sign this consulting contract,  
8 it's going to get pulled? And I said yes. I said that's what  
9 I was told. He said, Joe, we never met this consultant. And  
10 I said, You never met the consultant? And he said no. He  
11 said we got a consulting contract faxed from somewhere in the  
12 Caribbean. And at this point, I asked him to repeat that  
13 again. He said we just got this faxed to us from the  
14 Caribbean. We have no idea who this guy or person or company  
15 is. And at that point, I said, look, we're all lawyers on  
16 this call. You do what you need to do to advise your client.  
17 And I hung up the phone.

18 Q. Before you hung up, did they tell you anything that they  
19 were doing in considering whether the contract would be  
20 signed?

21 A. Yes, that they were looking at Illinois law and SEC law,  
22 but it ended with --

23 Q. Go ahead.

24 A. -- my statement.

25 Q. Were you clear though that if it wasn't signed, it was

1 going to get pulled?

2 A. Yes. I told them, I said, the issue here is this thing  
3 has got to get signed; and it's got to get disclosed.

4 Q. And was that the last conversation you had with JER  
5 representatives on -- well, May 20th?

6 A. Yes.

7 Q. That --

8 A. Yes, sir.

9 MR. SCHAR: Judge, may I approach?

10 THE COURT: You may.

11 MR. SCHAR: One moment.

12 (Brief pause.)

13 BY MR. SCHAR:

14 Q. Show you what's marked Government Exhibit 5/20/04 Cari  
15 Phone Log. Ask you to just take a look through those pages if  
16 you would, sir.

17 Mr. Cari, do you recognize that as a partial phone  
18 log from your business phone at Ungaretti & Harris?

19 A. Yes.

20 Q. And it's been partially redacted just to have certain  
21 calls on there?

22 A. Yes.

23 MR. SCHAR: Judge, we'd offer Government Exhibit  
24 5/20/04 Cari Phone Log.

25 THE COURT: Any objection?

1 MR. DUFFY: No objection.

2 THE COURT: It is admitted.

3 (Said exhibit received in evidence.)

4 MR. SCHAR: I just ask to publish one part of it.

5 (Said exhibit published to the jury.)

6 BY MR. SCAR:

7 Q. Mr. Cari, I ask you to look at the second page of the  
8 exhibit. And these are calls that you made to Falls Church,  
9 Virginia, on May 20th?

10 A. Yes, sir.

11 Q. And specific to the one that's on the screen only -- I  
12 know it's difficult to read -- is that May 20th at 10:48 a.m.  
13 to Falls Church, Virginia, from your office in Chicago for  
14 approximately 32 minutes?

15 A. Yes.

16 Q. And is it your recollection that was the longer phone call  
17 with Ms. Harmon?

18 A. Yes.

19 Q. In which you indicated if JER did not sign the contract,  
20 it would get pulled off the agenda?

21 A. Yes.

22 MR. SCHAR: Judge, I have no further questions.

23 THE COURT: Cross-examination.

24 MR. DUFFY: Your Honor, may we have a brief sidebar?

25 THE COURT: Sure.

1 (Proceedings heard at sidebar:)

2 MR. DUFFY: Your Honor, I'm embarrassed to tell your  
3 Honor that at lunch time, I asked someone from my firm to  
4 bring over all of my Joe Cari files. They did not bring over  
5 all of my Joe Cari files. So I do have some Joe Cari files.  
6 So I think I can probably fill until quarter to 5:00. I may  
7 have to wing it, Judge.

8 THE COURT: I am sure you can wing it. Just let me  
9 know --

10 MR. DUFFY: I'm sure you don't want to let the jury  
11 go home at 4:30.

12 THE COURT: I prefer not to. Get as close to quarter  
13 to 5:00 as you can.

14 MR. DUFFY: That's fine.

15 THE COURT: And then we will pick up tomorrow.

16 MR. DUFFY: Thank you, Judge.

17 (Proceedings heard in open court:)

18 THE COURT: The witness has requested a very quick  
19 break. Ladies and gentlemen, we're going to take about a  
20 five-minute break and then come back and finish up for the  
21 day.

22 (Recess taken.)

23 THE COURT: Mr. Duffy, cross-examination.

24 MR. DUFFY: Thank you, your Honor.

25 CROSS-EXAMINATION

1 BY MR. DUFFY:

2 Q. Mr. Cari, good afternoon.

3 A. Good afternoon, sir.

4 Q. My name is Joe Duffy, and I am one of the lawyers who  
5 represents Mr. Rezko. And you and I have never spoken, have  
6 we?

7 A. No, sir, we have not.

8 Q. Of course, we've never met; is that right?

9 A. That's correct, sir.

10 Q. I'm going to ask you some questions, sir, if I may. And  
11 you testified that you met Mr. Rezko just once; is that right?

12 A. That's correct, sir.

13 Q. And this meeting took place in Mr. Rezko's office?

14 A. Yes, sir.

15 Q. And I noticed during your examination by the government  
16 that most of the meetings that you testified about, you were  
17 able to look at your calendar, and your calendar would reflect  
18 the meeting; isn't that right?

19 A. That's correct, sir.

20 Q. And you have looked -- searched your calendar for a  
21 meeting with Mr. Rezko, and you're unable to find one; isn't  
22 that right?

23 A. Correct, sir.

24 Q. And that would tell you, sir, that you did not set up the  
25 meeting with Mr. Rezko; isn't that right?

1 A. That's correct, I did not.

2 Q. Okay. And Mr. Rezko did not reach out to you and ask you  
3 to meet with him, did he?

4 A. No, sir, he did not.

5 Q. In fact, the one who was insistent on bringing you to  
6 Mr. Rezko was Mr. Levine; is that right?

7 A. Absolutely.

8 Q. Right. So neither you, Mr. Cari, or Mr. Rezko had  
9 expressed any interest to each other about getting together?

10 A. Correct.

11 Q. And on the day that this meeting took place, do you  
12 recall, sir, if you were in your office with Mr. Levine and  
13 that you drove to Mr. Rezko's office?

14 A. I know I drove by myself to Mr. Rezko's office, and  
15 Mr. Levine was there when I got there.

16 Q. Okay. Now -- and, Mr. Cari, I'm very sorry for your loss,  
17 sir.

18 A. Thank you.

19 Q. And when you arrived at Mr. Rezko's office, the first  
20 thing he did, sir, was greet you; is that right?

21 A. After the introduction, yes, sir, he did.

22 Q. Yes. And the first thing he did was expressed his  
23 condolences to you on the loss of your wife; did he not?

24 A. Yes, sir, he did.

25 Q. And then he said that the two of you have a few things in

1 common, didn't he?

2 A. I do remember a conversation about that his wife had  
3 unfortunately had a medical issue similar to my wife's.

4 Q. Right. And the two of you talked about your two -- your  
5 wives were both named Rita; isn't that right?

6 A. Yes, sir, I -- yes, sir.

7 Q. And he -- do you recall him telling you, Mr. Cari, that  
8 his wife had a similar medical issue that your wife had,  
9 breast cancer, and that the day before he met you, he had been  
10 at the hospital with his wife where she had a procedure? Do  
11 you recall that?

12 A. I don't recall all of that, sir. I do remember Mr. Rezko  
13 speaking of his wife suffering from breast cancer. That part,  
14 I do remember.

15 Q. All right. And do you recall as you sit there now when  
16 Mr. Rezko was talking to you about his wife, this is what --  
17 this was something that had recently come up with the Rezkos?

18 A. I don't recall that right now, sir.

19 Q. All right. Now, do you recall Mr. Monk actually being at  
20 the office?

21 A. He never was at -- no, sir, he wasn't at the office.

22 Q. At Mr. Rezko's office?

23 A. Right.

24 Q. Do you recall if he was there?

25 A. He was not.

1 Q. Okay. And after this one meeting in Mr. Rezko's office,  
2 you never spoke with Mr. Rezko again, did you?

3 A. Never again, sir, nor did I ever see him.

4 Q. Mr. Rezko never reached out to you, sir, and suggested  
5 that you use a consultant for your company, HealthPoint, did  
6 he?

7 A. No, he did not.

8 Q. And in terms of this JER, Mr. Rezko never had any  
9 conversations with you about using some consultant for JER,  
10 did he?

11 A. He never did.

12 Q. The individual that you had conversations with about a  
13 consultant were Mr. Levine; is that right?

14 A. Correct, sir.

15 Q. Now, the first consultant that I believe you told the jury  
16 that Mr. Levine mentioned to you was somebody named Bob  
17 Weinstein; is that right?

18 A. Yes, sir.

19 Q. All right. And at some point, Mr. Levine suggested to you  
20 that your company, HealthPoint, should retain Mr. Weinstein as  
21 a consultant?

22 A. Yes, sir.

23 Q. Do you recall, Mr. Cari, that in connection with  
24 HealthPoint's application to ISBI in 2004, that Mr. Levine had  
25 recommended that Mr. Weinstein be the consultant for that

1 allocation? Did his name come up on that at all?

2 A. No.

3 Q. Okay. Now, Mr. Levine was interested, sir, in trying to  
4 help HealthPoint with TRS; was he not?

5 A. Yes.

6 Q. And he also was helpful, was he not, sir, in trying to  
7 assist HealthPoint with an allocation from the state of  
8 Wisconsin pension fund?

9 A. Yes.

10 Q. And he introduced you to a person by the name of Nick  
11 Hurtgen?

12 A. Yes.

13 Q. And you spoke with Mr. Hurtgen on several occasions; did  
14 you not?

15 A. Yes, sir.

16 Q. And Mr. Hurtgen made introductions for you with a fund in  
17 the state of Wisconsin; isn't that right?

18 A. He did, sir.

19 Q. And Mr. Hurtgen told you, did he not, that in order to do  
20 business in Wisconsin, you would have to use a consultant; is  
21 that right?

22 A. Yes.

23 Q. And when he told you that, he said that you would have to  
24 talk to Stuart Levine about who the consultant would be for  
25 the business in Wisconsin; is that correct?

1 A. Yes, sir.

2 Q. So when you were in the state of Wisconsin seeking funds  
3 and you were told by Mr. Levine you had to use a consultant in  
4 Wisconsin, you didn't think the Wisconsin consultant had  
5 anything to do with the Blagojevich administration, did you?

6 You want me to rephrase that?

7 A. Yeah, I'm not --

8 Q. All right. Mr. Hurtgen was helping you in Wisconsin;  
9 isn't that correct?

10 A. Yes, he had set some meetings up.

11 Q. All right. And Hurtgen told you, then Levine told you  
12 that you had to use a consultant in Wisconsin; is that  
13 correct?

14 A. Mr. Hurtgen told me I had to use a consultant Mr. Levine  
15 would recommend.

16 Q. I see. And did Mr. Levine ever give you the name of the  
17 consultant to use in Wisconsin?

18 A. No.

19 Q. All right. And did you -- and you in turn, sir, were  
20 trying to help Mr. Levine obtain money in New York for a firm  
21 called Glencoe; is that right?

22 A. No, that's not correct.

23 Q. I'm sorry.

24 And I thought you had mentioned earlier in your  
25 testimony that he had asked Mr. -- he asked you to speak to

1 Mr. McCall?

2 A. He and Mr. McCall were dealing directly about Glencoe, and  
3 Mr. McCall was interfacing with New York on that.

4 Q. I see. You -- you personally had no involvement in that?

5 A. Correct, I had no involvement in that.

6 Q. Okay. And then he had met -- Mr. Levine had met  
7 Mr. McCall at the fund-raiser in New York; is that right?

8 A. Correct, sir.

9 Q. And do you know if they were -- I'll withdraw that  
10 question.

11           There was a telephone conversation that we heard  
12 on -- with the jury, and I'm going to go through it in more  
13 detail with you tomorrow, sir. We'll play it again. But in  
14 that conversation, there's a reference to a senator in New  
15 York. Do you recall that?

16 A. Yes.

17 Q. Okay. And on that conversation, did you -- were you  
18 telling Mr. Levine that you were kind of racking your brain to  
19 see if there were other ways that you could assist them in New  
20 York?

21 A. Yes.

22 Q. Okay. And -- and the one that you were -- was it the  
23 Glencoe firm that you were referring to in that call or was it  
24 a different firm, sir?

25 A. I believe it's the Glencoe.

1 Q. All right. Now, in the meeting in Mr. Rezko's office, do  
2 you recall, sir, also discussing with him the topic of Jim  
3 Ryan?

4 A. I don't remember.

5 Q. Okay. All right. And Mr. Levine wanted you to meet  
6 Mr. Rezko to talk about fund-raising for the governor; is that  
7 right?

8 A. Correct.

9 Q. And in this meeting, sir -- I'll withdraw that.

10           You had been involved in fund-raising for a number of  
11 years; had you not?

12 A. Yes, sir.

13 Q. And how many years had you been with the Ungaretti firm?

14 A. I joined in 1985.

15 Q. And from 1985 until 2004, had you as a lawyer at the  
16 Ungaretti firm obtained business from the City of Chicago?

17 A. Yes, sir.

18 Q. And had you and your firm made political contributions to  
19 the City of Chicago?

20 A. Yes, sir.

21 Q. All right. And was there anything inappropriate about  
22 your law firm obtaining business from the City of Chicago?

23 A. No, sir.

24 Q. And in connection with the events in 2003 and 2004 that  
25 we're discussing here, you, sir, never obtained any business,

1 did you, for your law firm from the State of Illinois in 2003  
2 or 2004?

3 A. No, sir, I did not.

4 Q. Yet you did raise money, did you not, for Governor  
5 Blagojevich?

6 A. I did.

7 MR. DUFFY: All right. Your Honor, if I may impose  
8 upon the Court. This might be a good place to break. I want  
9 to go into some tapes.

10 THE COURT: Okay. Ladies and gentlemen, we are done  
11 for the day. We will pick back up tomorrow morning at 9:15.

12 Remember, please do not read, watch or listen to any  
13 media coverage regarding this case. And please don't discuss  
14 the case. Have a good evening. We will see you tomorrow  
15 morning.

16 (Jury out.)

17 THE COURT: Mr. Cari, you may step down, sir. Please  
18 be back here tomorrow morning a little bit before 9:00. You  
19 have been tendered for cross-examination. Your lawyer, I'm  
20 sure, will explain this to you, but I want to make sure it is  
21 clear that because you have been tendered for cross-  
22 examination, you cannot discuss your case with the government  
23 lawyers, either directly or through Mr. Lassar. Do you  
24 understand that, sir?

25 THE WITNESS: I do, Judge.

1 THE COURT: Okay. See you tomorrow morning.

2 Anything for the Court?

3 MR. NIEWOEHNER: Very briefly, your Honor. I just  
4 want to supplement what we've given you on the issue of the  
5 rehabilitation witness.

6 THE COURT: Sure.

7 MR. NIEWOEHNER: Your Honor, what we've done, we've  
8 given you either cites or cases -- three cases thus far. For  
9 each of the three cases, if you go look at the underlying  
10 briefs, there's indications as to whether there was a rebuttal  
11 case or not. And I think the inference in one case, if you  
12 look at the briefs, it is clear there was no defense case. So  
13 on the White case, it had to be during the government's  
14 case-in-chief.

15 THE COURT: Okay.

16 MR. NIEWOEHNER: In the second case --

17 THE COURT: Do you have the briefs for me?

18 MR. NIEWOEHNER: I do. And I'll give them to both  
19 your Honor and -- and I'm happy to give your Honor a page  
20 cite. I've got them flagged here.

21 THE COURT: I'll take the flag. That's fine. Make  
22 sure you let Mr. Duffy or Mr. Ziegelmuller know what you're  
23 flagging for me.

24 MR. NIEWOEHNER: I will, your Honor.

25 The second case is the Scott case. I think Mr. Schar

1 gave you a cite for that.

2 THE COURT: He did.

3 MR. NIEWOEHNER: And, your Honor, it takes a little  
4 bit more detective work, but not much more, I think. In that  
5 brief, your Honor, there's references to the flow of the  
6 trial. And that is the case where there's a defendant who  
7 testifies, and then there's another agent comes on and  
8 rehabilitates. You have to look at the transcript page cites;  
9 but it is clear that from the transcript page cites -- there's  
10 no explicit discussion of whether there is or isn't a defense  
11 case. But from the transcript cites, what you can discern is  
12 that the rehabilitation testimony occurs before the government  
13 calls several witnesses who talk about defendant's statements.  
14 I think it's a fair inference to assume that the government  
15 called those witnesses to discuss the defendant's statements  
16 in their case-in-chief as opposed to in their rebuttal case.

17 THE COURT: Okay.

18 MR NIEWOEHNER: And thirdly, in the Henderson case,  
19 which I gave your Honor a copy of, this one is more of an  
20 inference. The government brief has no mention whatsoever of  
21 a defense case. There is no explicit statement that there was  
22 none. But, again, we'll ask your Honor to draw the inference  
23 that if there was one in the brief, it would likely be  
24 discussed.

25 So I'll show the pages I marked to the defense

1 counsel. And then I'll just either give it to your Honor or  
2 to your clerk. It may take me a minute to do that.

3 THE COURT: Okay. Either way, you can give it to one  
4 or the other.

5 Mr. Duffy, there was a question that you raised on  
6 the FBI's -- I think you used investigation, Mr. Niewoehner --  
7 of the tape issue and their conclusion that Mr. Levine was  
8 telling the truth. And you indicated you did not receive any  
9 discovery on that issue.

10 MR. DUFFY: That's right, Judge.

11 THE COURT: Was there any discovery?

12 MR. NIEWOEHNER: Your Honor, I discussed that with  
13 Mr. Duffy. There's no discovery to be turned over. There was  
14 no -- it's not like OPR came in and did an investigation. It  
15 was basically the case agents looking into matters, which  
16 included interviewing Mr. Levine about it and some other  
17 efforts. To the degree there are reports on that, they've  
18 been disclosed.

19 THE COURT: When he interviewed Mr. Levine regarding  
20 it, did he create a 302?

21 MR. NIEWOEHNER: Yes, your Honor. And that has  
22 been -- in fact, Mr. Duffy asked Mr. Levine questions about  
23 that on cross-examination.

24 MR. DUFFY: Right. There's nothing in the 302 that  
25 suggests they did some kind of independent review or whatever.

1 That was the issue I reviewed with counsel.

2 THE COURT: All right. I will take this up tomorrow.  
3 And obviously I will give you a chance, Mr. Ziegelmueller, to  
4 respond to any of these issues, or Mr. Duffy.

5 Anything else?

6 MR. ZIEGELMUELLER: Perhaps a brief sidebar.

7 THE COURT: Sure. Anything else, Mr. Niewoehner?

8 MR. NIEWOEHNER: Not from me, your Honor.

9 THE COURT: Mr. Schar?

10 MR. SCHAR: No, Judge. You raised the bond issue. I  
11 think --

12 THE COURT: Yes. We're going to go to sidebar.

13 MR. SCHAR: All right, Judge.

14 THE COURT: Anything else?

15 Okay.

16 (Sealed proceedings had at sidebar:)

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

UNITED STATES OF AMERICA, ) Docket No. 05 CR 691  
)  
Plaintiff,) )  
)  
vs. )  
)  
ANTOIN REZKO, ) Chicago, Illinois  
) April 16, 2008  
Defendant.) 9:15 o'clock a.m.

EXCERPT OF TRIAL PROCEEDINGS  
BEFORE THE HONORABLE AMY J. ST. EVE, AND A JURY

APPEARANCES:

For the Plaintiff: HON. PATRICK J. FITZGERALD  
BY: MR. CHRISTOPHER NIEWOEHNER  
MR. REID J. SCHAR  
MS. CARRIE E. HAMILTON  
219 S. Dearborn St., Suite 500  
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For the Defendant: STETLER & DUFFY, LTD.  
BY: MR. JOSEPH J. DUFFY  
MR. WILLIAM P. ZIEGELMUELLER  
11 S. LaSalle St., Suite 1200  
Chicago, Illinois 60603

Also Present: S/A DANIEL CAIN, FBI  
S/A VIKAS ARORA, IRS

Court Reporter: MR. JOSEPH RICKHOFF  
Official Court Reporter  
219 S. Dearborn St., Suite 1232  
Chicago, Illinois 60604  
(312) 435-5562

\* \* \* \* \*

PROCEEDINGS RECORDED BY  
MECHANICAL STENOGRAPHY  
TRANSCRIPT PRODUCED BY COMPUTER

1 THE CLERK: 05 CR 691, USA vs. Antoin Rezko. Jury  
2 trial continues.

3 \* \* \* \* \*

4 JOSEPH CARI, PLAINTIFF'S WITNESS, PREVIOUSLY SWORN

5 CROSS-EXAMINATION - Resumed

6 BY MR. DUFFY:

7 Q. Mr. Cari, when we broke last night, shortly before  
8 breaking, I was discussing with you the one meeting you had  
9 with Mr. Rezko.

10 Do you remember that, sir?

11 A. Yes, sir.

12 Q. Okay.

13 And I did not have an opportunity before we broke to  
14 show you your calendar.

15 MR. DUFFY: Your Honor, may I approach?

16 THE COURT: Yes, you may.

17 BY MR. DUFFY:

18 Q. Mr. Cari, I have a binder here that we'll get into in a  
19 moment, but I do have your calendar, sir, for 2003 and 2004.

20 MR. DUFFY: Your Honor, I've marked these as Defense  
21 Exhibit Cari 2003 Calendar.

22 THE COURT: Okay.

23 MR. DUFFY: It's a group exhibit.

24 (Document tendered.)

25 THE COURT: And you are just using to refresh

1 recollection?

2 MR. DUFFY: I am, your Honor.

3 BY MR. DUFFY:

4 Q. Mr. Cari, before you retrieve anything in there --

5 A. Okay.

6 Q. -- we're going to go there --

7 A. Sorry.

8 Q. -- in a moment, but I wanted to ask you -- I wanted to --  
9 I want to go back and then -- to this meeting, then I want to  
10 go to your calendar.

11 A. Yes, sir.

12 Q. Okay?

13 You told the jury yesterday that you and Mr. Rezko  
14 had discussions about your respective wives and the fact that  
15 both had contracted cancer; is that right?

16 A. That's correct.

17 Q. Okay.

18 And during the discussions with Mr. Rezko on this  
19 topic, the two of you talked about who was your wife's doctor  
20 and who was Mr. Rezko's wife's doctor.

21 Do you recall that?

22 A. Yes, I do.

23 Q. And do you recall that the two of you are also talking  
24 about the treatment or treatment options that Mrs. Rezko was  
25 receiving at the time?

1 Do you recall that?

2 A. Yes, I do.

3 Q. Okay.

4 And do you recall, sir, at the time of this meeting  
5 with Mr. Rezko, that he had shared with you that his wife was  
6 receiving -- was either currently receiving treatment or about  
7 to start treatment for her cancer?

8 Do you remember that?

9 A. Yes.

10 Q. Okay.

11 Now, keeping that in mind, sir, I want to direct your  
12 attention, if I may, to July 23rd, '03, in your calendar.

13 Yes, sir.

14 A. Yes, sir.

15 Q. All right.

16 Now, do you recall, sir, on that day, on July 23rd,  
17 that you had a meeting with Stuart Levine in your office?

18 A. It says on my calendar that I did, yes, sir.

19 Q. Okay.

20 And after you looked at your calendar, Mr. Cari, does  
21 that refresh your recollection that you had a meeting with Mr.  
22 Levine that day?

23 A. No, it doesn't.

24 Q. Okay.

25 If you look at -- do you recall, sir, that evening --

1 the evening of the 23rd -- whether you had a dinner with Mr.  
2 Levine and your partners from HealthPoint, who flew in for the  
3 dinner?

4 A. That I recall, sir.

5 Q. Okay.

6 If you look at your calendar, does your calendar  
7 refresh your recollection that the dinner with Mr. Levine and  
8 your partners was at 6:30 that evening?

9 A. Yes, it does.

10 Q. All right.

11 Now, you can put your calendar aside for a moment,  
12 but I'm going to focus on that day.

13 A. Okay.

14 Q. You recall the dinner with your partners; is that right?

15 A. I do, sir.

16 Q. And the purpose of the dinner was to discuss HealthPoint,  
17 correct?

18 A. Yes, sir.

19 Q. All right.

20 And was that the dinner that Dr. Weinstein was at, as  
21 well?

22 A. Yes, sir.

23 Q. All right.

24 And now that you recall the dinner, do you recall  
25 earlier in that day that you and Mr. Levine met alone in your

1 office to discuss what it was that you were going to talk  
2 about with the partners at dinner?

3 A. No, sir, that doesn't --

4 Q. No, it doesn't refresh your recollection?

5 A. No, sir, it doesn't.

6 Q. Okay.

7 A. I'm sorry.

8 Q. All right.

9 A. Sorry.

10 Q. And do you recall, sir, if July 23rd, 2003, before the  
11 dinner with the partners, was when Mr. Levine and you met with  
12 Mr. Rezko?

13 A. I don't recall that, sir.

14 Q. Okay.

15 As you sit here today, you do not recall the date; do  
16 you, sir?

17 A. No, I don't.

18 Q. Okay.

19 A. That's correct.

20 Q. You may put that calendar aside for a moment.

21 Now, Mr. Cari, you told us that you were a partner  
22 with the law firm of Ungaretti; is that right?

23 A. Yes, sir.

24 Q. And you started with them, approximately, 1985?

25 A. Yes, sir.

1 Q. And in the year 2003 and 2004, not only were you a  
2 partner, but you were also a member of what was called the  
3 Executive Committee of the law firm; is that right?

4 A. Correct, sir.

5 Q. And so the jurors understand, the Executive Committee of a  
6 law firm is a group of lawyers who are selected by their  
7 peers -- their partners -- to basically manage the law firm;  
8 is that right?

9 A. Correct, sir.

10 Q. So, you were one of the managing partners of this law firm  
11 in 2003 and 2004?

12 A. Yes, sir.

13 Q. Now, in 2002, I believe you told us that you became  
14 involved in a private equity fund called HealthPoint?

15 A. Yes, sir.

16 Q. And did you have partners with you at HealthPoint, as  
17 well?

18 A. I did, sir.

19 Q. And how many partners were there with you at HealthPoint  
20 in 2002?

21 A. It would be Mr. McCall, Mr. Foster, Mr. Berkowitz, myself.  
22 And I believe at that time, we were the only partners.

23 Q. All right.

24 And would you explain to the jury, what was  
25 HealthPoint?

1 A. HealthPoint was a private equity firm that raised capital  
2 from public and private institutions. And the strategy of the  
3 investments were to invest in the orthopedic device sector of  
4 healthcare, things like artificial hips, joints, spine, things  
5 like that.

6 Q. So, HealthPoint is a private equity fund that wants to go  
7 out into the marketplace and raise money; is that right?

8 A. To raise money and, then, invest the money, sir.

9 Q. Correct.

10 Bring the money in, and then you take the money and  
11 you invest it; do you not?

12 A. Yes, sir, I --

13 Q. And the partners of HealthPoint, including yourself, would  
14 be -- would participate -- in the investments that HealthPoint  
15 made; isn't that right?

16 A. When you say -- I don't know what you mean by  
17 "participate."

18 Q. Okay.

19 A. Meaning that we put our own capital into this or --

20 Q. Let me clarify that.

21 If HealthPoint, say, for example, gets a sum of money  
22 from TRS --

23 A. Yes, sir.

24 Q. -- HealthPoint then takes that money and makes an  
25 investment; does it not?

1 A. Yes, sir.

2 Q. And does it make that investment in the name of  
3 HealthPoint?

4 A. Yes, sir.

5 Q. Okay.

6 So, the partners of HealthPoint, sir -- as a partner,  
7 you have an equity interest in the partnership; do you not?

8 A. Yes, sir.

9 Q. And if the partnership makes money, you make money; isn't  
10 that right?

11 A. Correct.

12 Q. All right.

13 And the goal, sir, of setting up this equity fund and  
14 getting money to make investments was, in essence, for  
15 HealthPoint to make money, right?

16 A. Yes, sir.

17 Q. All right.

18 This wasn't a charity; was it, sir?

19 A. No, sir.

20 Q. All right.

21 And when you became a partner in HealthPoint, did you  
22 personally have to contribute a sum of money to become a  
23 partner?

24 A. Yes.

25 Q. And how much was that?

1 A. \$250,000.

2 Q. And was that the amount that each partner had to put in?

3 A. Some put more in.

4 Q. All right.

5 Do you recall what your proportional share of  
6 HealthPoint was when you became a partner in 2002?

7 A. I don't recall that right now, sir, no.

8 Q. Well, you told us there were four of you that were  
9 partners?

10 A. Yes, sir.

11 Q. Did you each have equal percentages?

12 A. No, sir.

13 Q. All right.

14 So, you didn't have 25 percent?

15 A. No, sir, I did not.

16 Q. Did you have more than ten percent?

17 A. I would be guessing, but I would think it would be around  
18 that.

19 Q. All right.

20 And other than the equity that the partners put into  
21 HealthPoint, HealthPoint didn't have any other funds, did it?

22 A. Other than the funds that we raised from --

23 Q. Right.

24 A. Yes, sir.

25 Q. Right.

1 A. That's correct.

2 Q. The day that you start the partnership, HealthPoint --

3 A. That was the only capital we had.

4 Q. Right.

5 The capital comes from the investors like yourself  
6 contributing money to the partnership, correct?

7 A. Yes, sir.

8 Q. And you would agree with me that what the partners put in  
9 is not going to be enough to go out and make these multi-  
10 million-dollar investments?

11 A. Correct.

12 Q. So, the object is to go out and raise money, take the  
13 money you raise, make investments; and, then, the partnership,  
14 HealthPoint, is going to make money off those investments;  
15 isn't that --

16 A. Correct.

17 Q. All right.

18 Now, in addition to being a partner in HealthPoint,  
19 you also became the Managing Director of HealthPoint; isn't  
20 that right?

21 A. The term "Managing Director" and "partner" are  
22 interchangeable, sir --

23 Q. All right.

24 A. -- in private equity.

25 Q. Well, let me see if I can clarify this.

1                   You had the title of "Managing Director" of  
2 HealthPoint?

3 A. Yes, sir.

4 Q. Did anybody else at HealthPoint have that title?

5 A. Yes. Mr. Foster and Mr. Berkowitz, Mr. McCall; and,  
6 later, several others did.

7 Q. All right.

8                   And in terms of your duties at HealthPoint, I know  
9 you had some responsibilities, like the others, to try to  
10 raise money for the partnership?

11 A. Yes, sir.

12 Q. Did you have other, what I'll call, administrative duties  
13 in connection with your position as a Managing Director?

14 A. I, for example, negotiated the lease where the offices  
15 were. I had some administrative duties that way, yes, sir.

16 Q. All right.

17                   And were you paid a salary while at HealthPoint?

18 A. My law firm received a salary.

19 Q. All right.

20                   And other than the salary that went to your law firm,  
21 did you receive any other remuneration on an ongoing basis at  
22 HealthPoint?

23 A. No, sir.

24 Q. Okay.

25                   So, if I could describe it as -- the big financial

1 reward for you or the partners would be if you were successful  
2 in getting these investments and the investments were  
3 successful; is that correct?

4 A. Absolutely.

5 Q. All right.

6 Is it fair to say, sir, in the year 2000 and 2004,  
7 between being on the Executive Committee of the law firm and  
8 also being involved in HealthPoint, that your schedule was  
9 quite busy?

10 A. I think that would be an understatement; yes.

11 Q. Okay.

12 You were basically involved in running two  
13 organizations; is that a fair statement?

14 A. That's very fair.

15 Q. All right.

16 A. Did you say between 2000 and 2004 or --

17 Q. No, I'm sorry. In the year 2003 and the year 2004.

18 A. That's absolutely correct.

19 Q. All right.

20 And, in 2003, am I correct, sir, that the law firm at  
21 Ungaretti, where you sat on the Executive Committee, was  
22 paying you probably in excess of \$1.5 million?

23 A. Correct.

24 Q. And that would hold true for the year 2004, as well?

25 A. Yes.

1 Q. All right.

2 And whatever was going to be the financial reward  
3 from HealthPoint was not going to materialize in 2003 and  
4 2004, but that would come later down the road; is that  
5 correct?

6 A. That's correct.

7 Q. Now, this 2002 -- by the way, when did HealthPoint  
8 actually start?

9 A. Late fall of 2002 we started forming the company.

10 Q. And I assume, like any private equity fund, the Managing  
11 Directors sit down and -- when you start the firm, and -- you  
12 kind of all scratch your head and say, "Okay, we did it. Now  
13 we've got to go find money" --

14 A. Correct.

15 Q. -- is that right?

16 A. Correct.

17 Q. All right.

18 And you sit down and you say, "All right, let's come  
19 up with marketing plans," so to speak?

20 A. Yes, sir.

21 Q. Right?

22 A. Yes, sir.

23 Q. And Carl would say, "I'm going to go contact these  
24 people," right?

25 A. Yes, sir.

1 Q. And you would say, "I'm going to go contact these people I  
2 know"; isn't that right?

3 A. Absolutely.

4 Q. All right.

5 And is it fair to say, sir, that some time in late  
6 '02 or '03, did you feel any pressure at all as a Managing  
7 Direct- -- as a partner -- in HealthPoint to try to raise  
8 money for the firm?

9 A. I felt it was my responsibility to do so.

10 Q. Okay.

11 And the first allocation that HealthPoint received  
12 from TRS was in April of 2003.

13 Do you recall that?

14 A. Yes, sir, I do.

15 Q. And I think you -- was that the \$20 million allocation?

16 A. Yes, sir.

17 Q. All right.

18 And at that point in time, Mr. Cari, had you raised  
19 any other -- had you brought in any other money for  
20 HealthPoint at that point?

21 A. I'm not certain. It would be pretty close.

22 Q. Okay.

23 And had any of your other partners brought in money  
24 to HealthPoint prior to the TRS allocation in April --

25 A. Yes.

1 Q. -- of 2003?

2 And at the time the \$20 million came in to  
3 HealthPoint, percentage-wise, do you know what percentage of  
4 the money it was that had been raised to date by HealthPoint?

5 A. It would have been a very significant percentage of the  
6 amount raised at that point, but the fund, itself, was always  
7 planned to be much larger than what came in at that point.

8 It's a -- when you're raising private equity funds,  
9 it just keeps evolving until you get to the finish line.

10 Q. It's a process whereby you go out and you start -- you  
11 have a goal, but you start raising money and you hopefully  
12 continue to raise money and reach the goal?

13 A. Yes, sir.

14 Q. All right.

15 But at the time that the TRS allocation came in in  
16 April of 2003, at that point in time, it was a significant  
17 amount of money to T- -- to HealthPoint?

18 A. Absolutely.

19 Q. Now, I believe you said you met Mr. Levine in late 2002 at  
20 a political fundraiser; isn't that right?

21 A. Yes, sir.

22 Q. And you told us that he provided some assistance to you  
23 and your partners at HealthPoint in connection with TRS?

24 A. Yes, sir.

25 Q. And if you recall, Governor Blagojevich was elected in

1 November of 2002?

2 A. Yes, sir.

3 Q. And he was sworn in in January, 2003; is that right?

4 A. Yes, sir.

5 Q. And when HealthPoint received its \$20 million allocation  
6 in April of 2003, did anyone from the Blagojevich  
7 administration contact you at HealthPoint and suggest to you  
8 that you had to use a consultant?

9 A. No.

10 Q. Did anybody at the Blagojevich administration contact you  
11 in April, 2003, and say, "Well, you just got some money from a  
12 state pension fund. You need to make a political  
13 contribution"?

14 A. No.

15 Q. Now, I'm going to test your memory here.

16 In late 2002, is it fair to say that you probably had  
17 more than one meeting with Stuart Levine?

18 A. Yes.

19 Q. All right.

20 And is it fair to say that the meetings that you had  
21 with Mr. Levine in late 2002 all revolved around HealthPoint?

22 A. Yes.

23 Q. And do you recall that in February of '03, you were  
24 contacted by Mr. Levine and given the good news that TRS had  
25 reviewed the HealthPoint materials, and that HealthPoint was

1 going to be slated for the April, 2003, Board meeting agenda?

2 A. Correct.

3 Q. Okay.

4 I'm just trying to place the -- and that took place,  
5 approximately, in February of '03?

6 A. Yes, sir.

7 Q. All right.

8 And that obviously was good news for you and your  
9 partners; was it not?

10 A. Yes, sir.

11 Q. And, then, directing your attention to -- and that was in  
12 February of '03. And is it fair to say that starting maybe  
13 around February of '03, you would start to have regular  
14 contact with Mr. Levine?

15 A. No, sir, I wouldn't say regular.

16 Q. Okay.

17 And I should maybe define "regular."

18 Regular would be maybe once or twice a month?

19 A. That's fair, yes.

20 Q. Okay.

21 And in early '03, is it fair to say that all of the  
22 contacts you had with Mr. Levine centered -- your discussions  
23 centered -- around HealthPoint?

24 A. Correct.

25 Q. And, Mr. Cari, I have provided -- there's a binder up

1 there for you, sir, right there. And I have marked a number  
2 of documents and I'll direct you to them at certain times, and  
3 it may help us with -- both of us, with -- certain -- with  
4 dates. Okay?

5 A. Yes, sir.

6 Q. Now, do you recall, prior to the TRS allocation in April  
7 '03, that you had a meeting with Mr. Levine at his office on  
8 March 27th, 2003?

9 A. I know I had a meeting with Mr. Levine. The exact date, I  
10 can't remember right now, but --

11 Q. Okay. And we'll go to your calendar in a moment.

12 A. Okay.

13 Q. But as you sit there, prior to the TRS allocation in  
14 April, do you recall meeting with Mr. Levine in his office?

15 A. Yes, sir, I do.

16 Q. Okay.

17 And was the purpose of that meeting between you and  
18 Mr. Levine for Mr. Levine to talk with you about what was  
19 going to happen at the TRS Board meeting?

20 A. Are you talking about the March 23rd meeting?

21 Q. March --

22 A. I know --

23 Q. Excuse me. Go ahead, Mr. Cari.

24 A. I know I met with Mr. Levine and Mr. Foster to discuss  
25 HealthPoint and discuss our wanting an investment from TRS,

1 but I -- as -- I'm not sure if that's the date of that  
2 meeting.

3 Q. Okay.

4 Let me direct you to your calendar, if I may.

5 A. Yeah.

6 Q. And if you look in the binder that I gave you -- no, the  
7 binder that I gave you. I put some calendar dates in there  
8 for you.

9 MR. DUFFY: I've referred to this, your Honor, as  
10 Defendant Cari No. 6.

11 THE COURT: Okay.

12 BY MR. DUFFY:

13 Q. And, Mr. Cari, it should be the sixth document in there.

14 A. Yes, sir.

15 Q. And do you see your calendar for March 27th?

16 A. I do.

17 Q. Okay.

18 And do you see in your calendar a meeting with Mr.  
19 Levine at his office?

20 A. Yes, sir, I do.

21 Q. Okay.

22 Does that refresh your recollection that you met with  
23 Mr. Levine on March 27th?

24 A. I -- it's in my -- it's in my -- calendar that I had met  
25 with him on my way to the airport, yes.

1 Q. Okay.

2 And do you recall the subject matter of that meeting,  
3 sir?

4 A. No, I -- I -- no, I don't.

5 Q. All right.

6 Now, the TRS Board meeting was coming up in early  
7 April; is that right?

8 A. Yes, sir.

9 Q. And you -- putting aside this date, the March date, do you  
10 recall prior to the Board meeting having a meeting with Mr.  
11 Levine about what was going to happen at the Board meeting?

12 A. No.

13 Q. All right.

14 Now, I don't know if you recall the date, Mr. Cari,  
15 but I'll tell you the date. It was April 4th, 2003, when TRS  
16 made the allocation of \$20 million to HealthPoint, all right?

17 A. Yes, sir.

18 Q. Do you recall on or about April 4th having conversations  
19 with Mr. Levine where Mr. Levine said that he would now make  
20 an introduction for you and HealthPoint to what's been  
21 referred to as ISBI, the Illinois employees fund?

22 A. I don't recall that, sir, at this time -- at that time  
23 frame.

24 Q. Okay.

25 Do you recall a point in time when Mr. Levine did

1 make a phone call to ISBI on your behalf?

2 A. Yes, sir, he did.

3 Q. Okay.

4 And what is your best recollection of when that  
5 occurred?

6 A. Some time in -- much later than this.

7 Q. Okay.

8 Some time in '03?

9 A. Probably late '03.

10 Q. All right.

11 Do you remember a gentleman by the name of Bill  
12 Atwood -- William Atwood?

13 A. I do, sir.

14 Q. Okay.

15 And you met Mr. Atwood; did you not?

16 A. I did with a couple of my partners, yes, sir.

17 Q. Right.

18 And he was, when you met him, affiliated with this  
19 fund called ISBI; was he not?

20 A. Yes, sir.

21 Q. He was the Executive Director?

22 A. That was my understanding, yes, sir.

23 Q. Okay.

24 And putting aside the date, but when you met with  
25 Mr. Atwood, was that the meeting that Mr. Levine had arranged

1 for you and your partners?

2 A. Yes.

3 Q. All right.

4 Now, were you and your partners at HealthPoint in  
5 2003 involved in some kind of center for study?

6 A. I didn't hear your question. Center for, what?

7 Q. A center for study. Some kind of affiliation with one of  
8 your partners, some private center?

9 A. Oh, yes.

10 Q. And I apologize for not knowing the name.

11 A. I think I know what you're talking about.

12 Both John Foster and I were on an advisory board at  
13 the Tuck School of Business at Dartmouth for private equity.

14 Q. And was there some kind of -- within that establishment,  
15 was there some kind of -- center that your partner had  
16 established?

17 A. That's the -- it's called the Foster Center For Studies on  
18 Private Equity at the Tuck School of Business at Dartmouth.

19 Q. Okay.

20 Was this something that your partner had founded?

21 A. Yes.

22 Q. All right.

23 And this center focused on private equity firms?

24 A. It focused on the dynamics of the industry of private  
25 equity, yes, sir.

1 Q. All right.

2 And shortly after HealthPoint obtained the allocation  
3 from TRS, do you recall if you extended an invitation to Mr.  
4 Levine to join the Center?

5 A. Yes, I did.

6 No, not to join the Center.

7 Q. To attend?

8 A. To attend a function of the Center.

9 Q. All right.

10 And do you recall approximately when that was?

11 A. No, but -- you mean the event that we --

12 Q. Yes.

13 A. -- asked?

14 I don't recall sitting here today, but (indicating)

15 --

16 Q. All right.

17 A. -- it probably would be in my calendar.

18 Q. Okay.

19 Well, let's start with -- why don't you look -- stay  
20 with that binder for me. We're going to go to Defense Exhibit  
21 Cari 8.

22 And, Mr. Cari, that's an e-mail you sent on April  
23 10th, 2003. And we just want you to read it to yourself.

24 (Brief pause.)

25 BY MR. DUFFY:

1 Q. And let me know when you're finished, sir.

2 A. I'm ready.

3 Q. Okay.

4 A. I'm sorry. I'm ready.

5 Q. Does that e-mail refresh your recollection that on or  
6 about April 10th, there was some consideration by you and  
7 HealthPoint to extend or send materials to Mr. Levine about  
8 the Center?

9 A. It could be, sir. I -- I'm not --

10 Q. Fair enough. All right.

11 Now, after the allocation was received by TRS in  
12 April, in April and May of 2000, you continued to see Mr.  
13 Levine; did you not?

14 A. Yes, sir.

15 Q. And you continued to speak with Mr. Levine?

16 A. I did.

17 Q. Okay.

18 And is it fair to say that the purpose of your  
19 meeting or speaking with Mr. Levine centered on HealthPoint?

20 A. Mostly.

21 Q. Okay.

22 And were there topics other than HealthPoint?

23 A. Yes.

24 Q. And I'm not going to go into the discussions, but what  
25 were the topics?

1 A. He was considered a significant client of a law partner of  
2 mine, and one of my roles was to also stay in touch with some  
3 of the significant clients of the firm. So, there would be  
4 dialogue about feedback about how our firm was doing, et  
5 cetera.

6 Q. Okay.

7 And other than the -- so, we have the topic of  
8 HealthPoint, the topic of what I'll call client relations; is  
9 that a fair statement?

10 A. More than fair.

11 Q. Okay.

12 Any other topics in this time frame?

13 A. No, sir.

14 Q. I don't -- would you call it schmoozing?

15 A. (No response.)

16 MR. DUFFY: I'll withdraw that.

17 BY MR. DUFFY:

18 Q. That's okay, Mr. Cari.

19 But it's fair to say that the two of you were in  
20 contact in April and May; is that right?

21 A. Yes, sir.

22 Q. Okay.

23 Now, as a result of HealthPoint receiving this  
24 significant amount of money from TRS, did you decide to do  
25 something with your investment at HealthPoint in May of 2003?

1 A. I -- I -- don't recall.

2 Q. Okay.

3 Do you recall -- let me ask you this: Do you recall  
4 in May of 2003, you increased your equity interest in  
5 HealthPoint by \$500,000?

6 A. That's not accurate.

7 Q. Okay.

8 A. The original commitment when we started the firm was that  
9 we would all put in \$250,000, of which meant there was a half-  
10 a-million-dollar equity interest, meaning that the firm could  
11 call an additional \$250,000.

12 So, when I put the additional 125 in, I was  
13 fulfilling my requirement from the original documents of our  
14 firm, to get to 250.

15 Q. I see.

16 So, by May of 2000 -- I'll talk about the document in  
17 a moment --

18 A. Yes, sir.

19 Q. -- so we're clear on this.

20 But in dollar amount, by May 15th of 2003, had you at  
21 that point in time now put \$500,000 in there?

22 A. No, sir. The total amount I put in was 250.

23 Q. Okay.

24 A. And if you read the documents, what that means is that the  
25 firm could make the partners contribute an additional 250 if

1 the cash flow wasn't covering our expenses. That's what the  
2 500 means.

3 Q. I see.

4 So, your commitment to the firm --

5 A. Was --

6 Q. -- was for 500,000?

7 A. Correct.

8 Q. But as of May, you had not -- you had only contributed how  
9 much?

10 A. I would assume that I had put in the entire 250 that I was  
11 supposed to put in.

12 Q. All right.

13 But as you sit there now, you do recall that your  
14 obligation to the firm as of May would have been \$500,000?

15 A. Yes, absolutely.

16 Q. Now, is it fair to say that by May of '03, your  
17 relationship with Mr. Levine had gotten somewhat closer?

18 A. No.

19 Q. All right.

20 In May of '03, did Mr. Levine ask you to co-chair for  
21 him a dinner at which he was going to be honored in October of  
22 '03?

23 A. He did.

24 Q. Okay.

25 And did you agree to do that?

1 A. I did.

2 Q. And do you recall sharing that information with your  
3 partners at HealthPoint?

4 A. Yes, and at -- and with my partners at Ungaretti & Harris.

5 Q. All right.

6 And was your decision to co-chair Mr. Levine's dinner  
7 due, in part, because he had been extremely supportive of  
8 HealthPoint's efforts?

9 A. In part.

10 Q. Okay.

11 And, also, in part, because of the relationship to  
12 the law firm?

13 A. Yes, sir. And Mr. Vinson also requested that we  
14 participate.

15 Q. All right.

16 Now, at HealthPoint, the partners would have periodic  
17 meetings; would you not?

18 A. Yes, sir.

19 Q. And would you have them monthly?

20 A. No. We would have a regular meeting every two weeks.

21 Q. All right.

22 And, then, were there minutes prepared of those  
23 meetings?

24 A. Yes, I believe there were.

25 Q. And I take it at these meetings what some of the topics

1 that would be discussed would be, "Where are we at right now?"

2 A. Absolutely.

3 Q. "Guys, what's going on on our marketing efforts"; isn't  
4 that right?

5 A. What's going on with marketing and, also, have we  
6 identified investment opportunities.

7 Q. Okay.

8 And you would agree with me -- or I should agree with  
9 you -- that in a private equity firm, "where are the  
10 investment opportunities" is pretty important?

11 A. Critical.

12 Q. Critical.

13 And do you recall in the May '03 meeting that you  
14 talked about -- you had already gotten the TRS allocation in,  
15 that you talked about -- that you had not -- now made contact  
16 with the State of Wisconsin?

17 A. The May '03 meeting at HealthPoint?

18 Q. Yes, sir.

19 A. That could be true.

20 Q. All right.

21 I direct your attention to Defendant's Exhibit Cari  
22 12, and I'll ask you first, do you recognize that document,  
23 sir?

24 A. Yes, sir. It's the kind of standard minutes of our  
25 meetings that we would have at HealthPoint.

1 Q. All right.

2 And, at HealthPoint, you had an occasion, did you  
3 not, to review the meetings after they were prepared?

4 A. Yes, sir.

5 Q. And one of the things that the meetings would reflect is  
6 the marketing efforts of each of the partners?

7 A. Correct.

8 Q. And if I can turn your attention to May -- I'm sorry -- to  
9 Page 3 of the May -- and, by the way, do you recognize the  
10 document I have in front of you as the minutes from the May  
11 27, 2003, meeting of the partners?

12 A. I do, sir.

13 Q. All right.

14 And if you go to Page 3, do you see the initials  
15 "JC"?

16 A. Yes, sir.

17 Q. And would that be for you, sir?

18 A. That is me.

19 Q. All right.

20 And if you look at that, on Page 3, is it talking  
21 there about your marketing efforts as of this date?

22 MR. SCHAR: Judge, the only --

23 BY THE WITNESS:

24 A. Yes, sir, it is.

25 MR. SCHAR: Sorry.

1           The only objection -- I'm assuming it's being used to  
2 refresh recollection.

3           THE COURT: Are you offering it into evidence?

4           MR. DUFFY: You know, your Honor, I think I will  
5 offer this.

6           THE COURT: Is there any objection?

7           MR. SCHAR: Is there a foundation for it?

8           MR. DUFFY: Well, I can --

9           MR. SCHAR: I'm sorry.

10          MR. DUFFY: If that's the objection, I'll go back and  
11 lay it.

12          THE COURT: Go back and lay your foundation.

13          MR. DUFFY: Okay.

14          (Counsel confer off the record.)

15          THE COURT: Is there still an objection, Mr. Schar?

16          MR. SCHAR: Judge, at this point --

17          THE COURT: Foundation?

18          MR. SCHAR: Yeah, just foundation.

19          MR. DUFFY: All right.

20          THE COURT: Lay your foundation --

21          MR. DUFFY: I will, Judge.

22          THE COURT: -- on Cari 12.

23          MR. DUFFY: Let me do this, and we'll move it along.

24 BY MR. DUFFY:

25 Q. Mr. Cari, after looking at that document, does that

1 refresh your recollection that in May of 2003, you, sir, had  
2 now made contact with the State of Wisconsin?

3 A. No.

4 Q. Okay.

5 Now, these minutes, sir, that I've marked as  
6 Defendant Cari No. 12, these minutes were prepared, were they  
7 not, sir, in the ordinary course of HealthPoint's business?

8 A. Yes, sir.

9 Q. And it was the business of HealthPoint to keep and  
10 maintain these minutes; isn't that right?

11 A. Yes, sir.

12 Q. And the information that is contained on these minutes  
13 would have been placed on them on or about the date reflected  
14 on the minutes?

15 A. Correct.

16 MR. DUFFY: Your Honor, I would offer Defendant's  
17 Exhibit Cari 12.

18 THE COURT: Any objection?

19 MR. SCHAR: No, Judge.

20 THE COURT: It is admitted.

21 (Defendant's Exhibit Cari 12 received in evidence.)

22 BY MR. DUFFY:

23 Q. Now, may I turn you to Page 3, Mr. Cari?

24 A. Yes, sir.

25 Q. And, on Page 3, we have a reference to "JC."

1 Do you see that, sir?

2 A. On Page 3?

3 Q. Page 3 of the minute.

4 A. Oh, I'm sorry.

5 Q. I apologize.

6 A. I thought you to meant --

7 Q. We're on --

8 A. -- No. 3 of the exhibits.

9 Q. My fault.

10 We're on Cari 12.

11 A. Yes. I'm sorry.

12 Q. And under your name, it mentions three different --

13 there's three entries; isn't that right?

14 A. Yes, sir.

15 Q. Okay.

16 And there's one for the State of Wisconsin; is that  
17 correct?

18 A. Yes, sir.

19 Q. Okay.

20 And it says, "Mid to late June, getting new staff  
21 together"; is that right?

22 A. Correct.

23 Q. What is that referring to?

24 A. That in mid to late June is the time that we -- that I --  
25 would diary to see what was going on with the State of

1 Wisconsin fund. They're getting new staff together. It was  
2 premature to have any contact with them because there were  
3 staff changes.

4 Q. Okay.

5 So, this entry here, "State of Wisconsin," though, is  
6 referring to prospective marketing efforts by you?

7 A. Absolutely.

8 Q. All right.

9 And was it through Mr. Nick Hurtgen that you were  
10 going to be introduced to the State of Wisconsin?

11 A. Yes.

12 Q. Okay.

13 And we didn't talk a lot about him yesterday, but  
14 Mr. Hurtgen was a gentleman that you met through Mr. Levine?

15 A. No. I met Mr. Hurtgen through Sam Vinson.

16 Q. Okay.

17 Did you meet him around the same time that you met  
18 Mr. Levine?

19 A. No. I knew Mr. Hurtgen much longer. Mr. Hurtgen was also  
20 a client of Mr. Vinson's.

21 Q. And around May or June of 2003, did you have any  
22 conversations with Mr. Levine about speaking with Mr. Hurtgen  
23 about the State of Wisconsin?

24 A. I think I did, yes.

25 Q. Okay.

1           Did you and Mr. Levine and Mr. Hurtgen, the three of  
2 you, ever have a meeting together?

3     A.   No, sir.

4     Q.   And you told us yesterday that there was an occasion where  
5 Mr. Hurtgen told you that if HealthPoint was successful in the  
6 State of Wisconsin, that HealthPoint would have to use a  
7 consultant.

8           Do you remember that?

9           MR. SCHAR:   Judge, my objection would be hearsay,  
10 unless it's not being offered for the truth.

11          THE COURT:   Mr. Duffy?

12          MR. DUFFY:   Your Honor, I --

13          THE COURT:   The question was, "And you told us  
14 yesterday." I mean, he is not eliciting something -- he is  
15 asking if that is something he said yesterday.

16          MR. DUFFY:   Well, I can rephrase. But this was a  
17 matter we discussed yesterday --

18          THE COURT:   Right.

19          MR. DUFFY:   -- and there was no objection. And I'm  
20 just clari- -- what I'm trying to do is date what he  
21 referenced yesterday, is all I'm trying to do.

22          THE COURT:   Overruled.

23          You may answer that question.

24          MR. DUFFY:   Okay.

25     BY THE WITNESS:

1 A. Could you --

2 BY MR. DUFFY:

3 Q. I will, Mr. Cari. What I'm trying to do -- let me  
4 rephrase this.

5 Do you recall yesterday I asked you some questions  
6 about Mr. Hurtgen --

7 A. Yes.

8 Q. -- and the State of Wisconsin?

9 A. I do.

10 Q. I believe you testified yesterday that Mr. Hurtgen had  
11 told you that if HealthPoint was going to come to a pension  
12 fund in Wisconsin, that there would be a consultant involved;  
13 is that right?

14 A. That I would -- that -- that's correct, and that Mr.  
15 Levine would dictate who the consultant was.

16 Q. Right.

17 And that's the State of Wisconsin, not Illinois,  
18 right?

19 A. That's correct.

20 Q. Okay.

21 You weren't aware of Mr. Rezko raising any money for  
22 the Governor of Wisconsin, were you?

23 A. I have no idea what --

24 Q. All right.

25 And referencing your minutes here in May of 2003, is

1 that the approximate time when you had this conversation with  
2 Mr. Hurtgen, if you know?

3 A. I don't know, sir.

4 Q. All right.

5 Now, I'm going to direct your attention, sir, to the  
6 next document. That would be Defendant Cari 13. And that is  
7 your calendar.

8 And I'll ask you, sir, did you -- on May 28th, '03,  
9 did you -- have a lunch meeting with Mr. Levine?

10 A. It's on my calendar, yes, sir.

11 Q. Okay.

12 And if you're meeting with Mr. Levine in late May of  
13 '03, are you meeting with him for the purpose of the two  
14 topics that you had previously discussed?

15 A. I'm sure that's what -- I -- if I had lunch with him, I'm  
16 sure that's the -- that would be the reason why, sir.

17 Q. Okay.

18 A. You're correct.

19 Q. Okay.

20 So, it would be -- the subjects would be HealthPoint  
21 and possibly Mr. Levine's relationship to your law firm?

22 A. Yes, sir.

23 Q. All right.

24 As to HealthPoint, if you recall, as of May 28th,  
25 2003, had contact been made for HealthPoint with ISBI yet?

1 A. I -- I -- don't remember. I don't know.

2 Q. All right.

3 And you obviously had one allocation from TRS; isn't  
4 that right?

5 A. Yes, sir.

6 Q. Okay.

7 And you were looking forward to or hoping to get a  
8 second allocation from TRS; isn't that right?

9 A. Well, the way the allocation was going to come in was that  
10 TRS wanted to be a certain percentage of the total fund. So,  
11 if the fund grew, we knew we would get more.

12 Q. So, for example, if TRS said to you, "We're willing to  
13 give you ten percent of the fund" --

14 A. Yes, sir.

15 Q. -- and the fund was \$200 million in April, they gave you  
16 20 million?

17 A. Correct.

18 Q. And as your fund grew, they would then continue to match  
19 that percentage?

20 A. Absolutely. That's correct, sir.

21 Q. And that was your understanding with TRS in April of 2003?

22 A. In the initial investment, yes, sir, that was my  
23 understanding.

24 Q. Now, I'm going to direct your attention to the next  
25 document, which is Defendant Cari 14, which is your calendar,

1 and ask you if that refreshes your recollection that you had a  
2 meeting on June 19th -- excuse me -- 2003, with Mr. Levine in  
3 his office in Deerfield?

4 A. It's -- it's -- on my calendar, yes, sir. But do I  
5 remember this meeting? No.

6 Q. All right.

7 Do you remember what was going on in June of 2003 in  
8 connection with HealthPoint?

9 A. Well, the firm --

10 Q. That -- I'm sorry, that -- may involve Mr. Levine.

11 A. The firm was relatively new. And I'm sure I was having  
12 dialogues with Mr. Levine, keeping him up to date as to what  
13 we were doing and hoping to do.

14 Q. All right.

15 Now, we've already talked about, sir, July 23rd,  
16 2003, and that's also in the binder you have in front of you.

17 That's Defendant Cari 15.

18 A. Okay.

19 Q. And I showed you that calendar entry this morning.

20 Do you recall that?

21 A. Yes, sir, I do.

22 Q. And this is the occasion when not only are you and Mr.  
23 Levine meeting, but you ask your partners from New York to fly  
24 in to meet, as well; is that right?

25 A. Correct.

1 Q. Okay.

2 And is it fair to say that there must have been  
3 something important that was going to be discussed if you had  
4 your partners fly in from New York?

5 A. Yes.

6 Q. And do you recall what that was?

7 A. Well, we always were going around talking with investors,  
8 potential investors, networking. That's what the reason was  
9 for this.

10 And in our mind, was it important? Yes. That's what  
11 we do. It was important.

12 Q. Now, do you remember, sir, in July of 2003, there was also  
13 a fundraising event for Governor Blagojevich?

14 A. I don't recall it sitting here today, no.

15 Q. All right.

16 If you -- I'm not sure it's in the binder. We have  
17 to go to your calendar. But if you go to your calendar and  
18 you look at the day behind July 23rd, look at your calendar  
19 for July 24th, 2003.

20 A. Right.

21 Q. And see if, sir -- in the evening, if -- that refreshes  
22 your recollection.

23 A. Yes, sir. There was a -- there was a -- fundraiser for  
24 the Governor on July 24th that evening.

25 Q. And this fundraiser was at Navy Pier; do you recall that?

1 A. Yes, I do.

2 Q. Do you recall attending?

3 A. Yes.

4 Q. All right.

5 And do you recall making a contribution?

6 A. Yes.

7 Q. And you made it by check, of course?

8 A. Of course.

9 Q. Do you recall who you gave that check to?

10 A. No, sir, I don't.

11 Q. All right.

12 Was this the first fundraiser that you had attended  
13 for Governor Blagojevich?

14 A. Yes.

15 Q. Do you recall the amount of your political contribution  
16 for this fundraiser?

17 A. Not -- no.

18 Q. Did you solicit any of your partners at HealthPoint to  
19 join you in making contributions to Governor Blagojevich?

20 A. I would assume I did.

21 Q. All right.

22 Now, I'm going to direct your attention, if I can, to  
23 August -- excuse me. Yes, sir?

24 A. But the other part of this was I -- as I recall it, that  
25 my participation started with Sam Vinson requesting the firm's

1 participation and my participation about this fundraiser.

2 Q. Okay.

3 Was Mr. Vinson a Democrat or Republican, if you know?

4 A. I describe Sam now as agnostic.

5 (Laughter.)

6 BY MR. DUFFY:

7 Q. I take it he was agnostic back then, as well?

8 A. Yes. He's a -- he served in the Illinois House as a  
9 Republican, but his practice involved representing a variety  
10 of different firms and companies.

11 Q. His practice centered around representing clients before  
12 state entities; is that right?

13 A. Correct.

14 Q. All right.

15 Now, I want to direct your attention to August of  
16 2003. And I believe on your direct examination, there was  
17 some discussion about August of 2003.

18 And do you recall, in August of 2003, having meetings  
19 with Lon Monk, the Governor's Chief of Staff?

20 A. I participated in a -- in a -- meeting that was set up by  
21 the head of our Healthcare Department at Ungaretti & Harris.

22 Q. And do you recall the purpose of that meeting?

23 A. Generally, it had to do with some hospitals that  
24 Mr. Fahey, a partner at Ungaretti & Harris, had represented;  
25 and, Mr. Fahey had asked me to go to the meeting.

1 Q. Okay.

2 Did Mr. Fahey ask you to set up the meeting?

3 A. I don't recall that, no.

4 Q. Okay.

5 Do you recall asking Mr. Wilhelm to put in a good

6 word, so to speak, or talk with Lon Monk on your behalf?

7 A. I don't remember that, sir.

8 Q. All right.

9 Let me show you the -- your calendar, if I may, the  
10 August 6th, 2003, date.

11 A. This (indicating)?

12 Q. Yes.

13 (Brief pause.)

14 BY THE WITNESS:

15 A. I got it.

16 BY MR. DUFFY:

17 Q. Do you have it, sir?

18 A. Yeah. Yes, sir.

19 Q. If you look on your calendar, do you see, sir --

20 A. Yeah.

21 Q. -- a meeting with you and the Governor's Chief of Staff?

22 A. Yes.

23 Q. And as you sit here today, is it your recollection that  
24 that meeting was regarding a client of Ungaretti & Harris?

25 A. Yes.

1 Q. All right.

2 And from the government side, do you recall who was  
3 in attendance at that meeting?

4 A. No, sir, I don't.

5 Q. Okay.

6 And do you recall what it was that you were seeking  
7 from the Governor's Chief of Staff or inquiring about?

8 A. I do know that Mr. Fahey wanted to present a variety of  
9 hospitals' views about what was going on in healthcare.

10 Q. All right.

11 And as you sit here right now, do you know who made  
12 contact with the Governor's Chief of Staff to arrange the  
13 meeting?

14 A. I really don't remember, sir.

15 Q. Now, you testified -- excuse me -- on direct examination  
16 about a meeting you had in August of 2003 with Mr. Wilhelm and  
17 Mr. Kelly.

18 Do you recall that?

19 A. Yes, sir.

20 Q. And you told us about the close relationship that you had  
21 with Mr. Wilhelm?

22 A. I hold him in the highest regard and have for 20 years.

23 Q. And he asked you to meet with Mr. Kelly; is that right?

24 A. Yes.

25 Q. And do you recall, sir -- and I have it in front of you,

1 your calendar. It's in the binder. It's Defendant Exhibit  
2 Cari 17.

3 Do you recall, on the same day that you met with  
4 Mr. Wilhelm and Mr. Kelly, that later that day you met, again,  
5 with the Governor's Chief of Staff?

6 A. It's -- it's -- in my calendar, yes, sir.

7 Q. Okay.

8 And as you sit there now, are you able to recall what  
9 was the purpose of that meeting with the Governor's Chief of  
10 Staff?

11 A. I don't think this meeting happened.

12 Q. Okay.

13 So, it was maybe scheduled and, then, just never  
14 happened; is that right?

15 A. I -- I -- think that's what -- yes, I think that's what --  
16 happened.

17 Q. Okay.

18 A. Or, yes, that's what not happened.

19 Q. All right.

20 Do you know someone by the name of A.D. Frazier?

21 A. I do.

22 Q. Who is that?

23 A. A.D. at the time was a Senior Vice President of a company  
24 called Caremark and a client of our firm -- of the law firm.

25 Q. All right.

1                   And was Caremark one of the healthcare firms that  
2 Mr. Fahey had spoken to you about that wanted to meet with  
3 the -- wanted to meet --

4 A. Yes.

5 Q. -- with Lon Monk?

6 A. Yes.

7 Q. And do you recall what the subject matter of the  
8 meeting -- what the subject matter was that Caremark wanted to  
9 have a meeting with the Governor's Chief of Staff?

10 A. I know Mr. Fahey wanted a group of these healthcare  
11 companies to have kind of a general exchange about what was  
12 going on in -- in -- healthcare in Illinois.

13 Q. I see.

14 A. My recollection is there was no specific legislative or  
15 regulatory issue. It was kind of a get-to-know meeting.  
16 That's my recollection of it.

17 Q. Is it fair to say that one of the healthcare clients of  
18 the firm had some views that they wanted to share with the  
19 Governor or the Governor's Chief of Staff?

20 A. Absolutely.

21 Q. And that was the purpose -- that's why the meeting was  
22 arranged?

23 A. Yes, sir.

24 Q. And is it fair to say, sir, Stuart Levine did not arrange  
25 that meeting?

1 A. Yes, sir.

2 Q. Yes, he did not?

3 A. Yes, he did not.

4 Q. Thank you.

5 Now, coming back to Mr. Levine, if I may, in August  
6 of 2003, do you recall if Mr. Levine, in August, asked you and  
7 your partners at HealthPoint to assist him in setting up a  
8 meeting with a New York fund for a firm called Glencoe?

9 A. I recall that Mr. Levine wanted Mr. McCall, the partner at  
10 HealthPoint, to help Glencoe.

11 Q. All right.

12 And I think you told the jury yesterday Mr. McCall,  
13 who in 2003 was now your partner at HealthPoint --

14 A. Yes, sir.

15 Q. -- had formerly been in an official position with the fund  
16 in New York?

17 A. Yes. As the State Comptroller, he was the sole trustee of  
18 all of the public pension funds.

19 Q. All right.

20 And, in 2003, he was no longer in that position; is  
21 that --

22 A. Correct. He was now in the private sector.

23 Q. Right.

24 But, obviously, having served in that capacity, he  
25 was familiar with the people who were now running that fund?

1 A. Yes, sir.

2 Q. And, in August of 2003, is it fair to say that Mr. Levine  
3 had a closer relationship with you than he did with  
4 Mr. McCall?

5 A. That's accurate.

6 Q. Okay.

7 And, so, did he first make the inquiry of assistance  
8 in New York to you and, then, you, in turn, passed it on to  
9 Mr. McCall?

10 A. That's exactly how it happened.

11 Q. All right.

12 And when you passed it on to Mr. McCall -- that is,  
13 passed on Mr. Levine's request for help on Glencoe -- did you  
14 tell your partner, Mr. McCall, that it would be -- that, "If  
15 McCall could be of assistance to Levine, it would be very  
16 helpful to our friend in Illinois"?

17 A. I'm sure that Carl understood -- I -- I -- don't remember  
18 using those words, but I did say to Carl, "This is something  
19 that Mr. Levine has an interest in, and see if you can -- see  
20 if you can -- help him."

21 Q. Okay.

22 A. And I'm sure Mr. McCall understood who Mr. Levine was.

23 Q. Did you on occasion refer to Mr. Levine to your partners  
24 at HealthPoint as "our friend in Illinois"?

25 A. I may have.

1 Q. All right.

2 And if you want to look at Defendant Cari 18, another  
3 e-mail of yours, Mr. Cari -- it's in the binder.

4 A. Yes, sir.

5 Q. Just look at that and see if that refreshes your  
6 recollection --

7 A. That -- that --

8 Q. -- that you referred to Mr. Levine as "our friend in  
9 Illinois."

10 A. Absolutely.

11 Q. And the reason Mr. Levine was a friend to HealthPoint was  
12 because he had assisted HealthPoint with TRS; is that right?

13 A. Correct.

14 Q. And he was also trying to assist you possibly with ISBI?

15 A. Correct.

16 Q. Okay.

17 And so we're clear here, Mr. Cari, I am -- there is  
18 nothing improper, is there, sir, about Mr. Levine trying to  
19 make introductions for you to a pension fund?

20 A. None.

21 MR. SCHAR: Judge, that, I think, does require a  
22 legal conclusion.

23 THE COURT: Mr. Duffy?

24 MR. SCHAR: Particularly, the fiduciary  
25 responsibilities.

1 MR. DUFFY: Well, I asked "improper." I didn't ask  
2 for a legal conclusion.

3 THE COURT: Overruled.

4 The answer can stand.

5 MR. DUFFY: Okay.

6 BY MR. DUFFY:

7 Q. Do you --

8 A. No.

9 Q. Absolutely not, correct?

10 A. Correct.

11 Q. Right.

12 And the fact that he asked you to ask Carl to make an  
13 introduction to New York, there's nothing improper about that,  
14 was there?

15 A. I didn't think so, no.

16 Q. If there was, you wouldn't have done it; isn't that right?

17 A. That's correct.

18 Q. And, then, as we get into September of 2003, you still are  
19 having communication and meetings with Mr. Levine; are you  
20 not?

21 A. Yes, sir.

22 Q. And you explained to the jury --

23 MR. DUFFY: Withdraw that.

24 BY MR. DUFFY:

25 Q. And I believe you testified yesterday about a meeting you

1 had with Mr. Levine in September of 2003, where the subject  
2 matter of the meeting was national fundraising.

3 Do you recall that?

4 A. Yes, sir.

5 Q. And if you want, I have in the binder Defendant Cari No.  
6 19 -- which is your calendar, sir -- if you want to refer to  
7 the date.

8 A. Yes, sir.

9 Q. All right.

10 And this was -- was this a meeting that Mr. Levine  
11 had requested of you?

12 A. Yes.

13 Q. All right.

14 And you agreed to meet with him, right?

15 A. I did.

16 Q. And did you know ahead of time what the subject matter of  
17 the discussion was going to be?

18 A. No.

19 Q. And, at this meeting, he started asking you questions  
20 about what does one have to do if they're going to conduct a  
21 national fundraising campaign; isn't that right?

22 A. Correct.

23 Q. And while he was doing that, I think you testified, he  
24 took index cards out of his pocket, right?

25 A. Yes, sir.

1 Q. And whatever you were telling him, he was writing down  
2 notes; is that right?

3 A. Correct.

4 Q. And he told you at this meeting that he wanted to share  
5 that information with Mr. Rezko; is that right?

6 A. Correct.

7 Q. Do you also recall him, at this meeting, telling you that  
8 he had known Mr. Rezko for years?

9 A. Yes.

10 Q. And he also told you, at the meeting, that he and Mr.  
11 Rezko over those years had had several business transactions  
12 together; is that right?

13 A. Yes, that's what he told me.

14 Q. And you didn't know if that was true or not; did you, sir?

15 A. I had no idea.

16 Q. Now, in September, Mr. Levine continues to ask you to  
17 remind Mr. McCall about trying to set up a meeting for  
18 Glencoe; does he not?

19 A. Yes.

20 Q. And when he would make those requests of you, all you did  
21 was pass it on to McCall; isn't that right?

22 A. Correct.

23 Q. Now, in September of 2003, sir, do you recall attending a  
24 reception that Governor Blagojevich had for Speaker Nancy  
25 Pelosi?

1 A. No.

2 Q. Okay.

3           Would you look at your calendar, sir, for September  
4 15th, 2003. And you're going to have to go to the Redweld  
5 this time. I'm sorry.

6 A. I'm sorry, the date, September --

7 Q. September 15th, 2003.

8           (Brief pause.)

9 BY MR. DUFFY:

10 Q. Do you see that, sir?

11 A. I see it on my schedule, yes.

12 Q. Okay.

13           After looking at your schedule, does that refresh  
14 your recollection of whether you attended it?

15 A. It does refresh my recollection.

16 Q. Okay.

17           Did you attend it?

18 A. No.

19 Q. Okay.

20           It refreshes your recollection that you were  
21 scheduled to attend it; is that right?

22 A. Yes.

23 Q. Okay.

24           Even though you didn't attend it, as you sit there  
25 now, is your recollection refreshed that there was this event

1 on this date in September?

2 A. Yes.

3 Q. Okay.

4 And at this point in time, who was Nancy Pelosi?

5 A. A highly regarded member of the U.S. House of  
6 Representatives from California.

7 Q. Okay.

8 She was not yet the Speaker, was she?

9 A. No, she wasn't.

10 Q. Okay.

11 Was Mr. Hastert still the Speaker at this point?

12 A. Yes, sir.

13 Q. Okay.

14 And do you recall that Governor Blagojevich was  
15 holding a reception for Ms. Pelosi in Chicago in September of  
16 '03?

17 MR. SCHAR: Judge, my only objection is the relevance  
18 of this.

19 THE COURT: What is the relevance?

20 (No response.)

21 THE COURT: Do we need to go to sidebar or --

22 MR. DUFFY: I think we've been talking all about the  
23 Blagojevich administration and contacts and everything else.  
24 How can it not -- that's my only --

25 THE COURT: Mr. Schar?

1 MR. SCHAR: Judge, I don't think, in context of this  
2 case, every fundraiser that the Governor may or may not have  
3 had would be relevant.

4 MR. DUFFY: Well --

5 THE COURT: It is cross-examination, so I will give  
6 you some leeway.

7 You can answer that question.

8 MR. DUFFY: All right.

9 THE COURT: But if it continues down this line, feel  
10 free to object, again, Mr. Schar.

11 MR. SCHAR: Yes, Judge.

12 BY MR. DUFFY:

13 Q. Do you know who in- -- sir, I'm sorry, do you know who  
14 invited you to that reception?

15 A. No.

16 Q. Okay.

17 Do you recall if it was from the Governor's staff?

18 A. I have no idea.

19 Q. All right.

20 THE COURT: I am not sure, by the way, he answered  
21 the question that was objected to, if you want an answer to  
22 that.

23 MR. DUFFY: All right.

24 BY MR. DUFFY:

25 Q. As you sit here now, do you recall there was this event

1 scheduled in Chicago by the Governor for Representative  
2 Pelosi?

3 A. Sir, I know it's on my schedule. That's all I -- I mean,  
4 I'm assuming the event happened and --

5 Q. Okay.

6 I don't want you to assume --

7 A. I don't --

8 Q. -- anything.

9 Here's my last question: After looking at your  
10 schedule, does that refresh your recollection that you knew of  
11 this event in September of '03?

12 A. No --

13 Q. Okay.

14 A. -- it doesn't.

15 Q. All right.

16 Now, in October of '03, Mr. Levine continued to reach  
17 out to you on behalf of Glencoe to see what's going on in New  
18 York.

19 A. Yes.

20 Q. All right.

21 And is he pushing you to push Carl to try to set up a  
22 meeting with the fund in New York for Glencoe?

23 A. Yes.

24 Q. And is the reason that you're willing to accommodate Mr.  
25 Levine with Mr. McCall is because Mr. Levine had been

1 accommodating to you in Illinois?

2 A. That's a part of the answer, sir, yes.

3 Q. All right.

4 And is the other part of the answer because of your  
5 partner Sam Vinson, as well?

6 A. Mr. Vinson was always calling or coming to my office  
7 relating how important Stuart was as a client to him and how  
8 Stuart would tell him about how he needed my assistance. And,  
9 so, Mr. Vinson would be kind of coming in and out of this,  
10 too.

11 Q. All right.

12 So, you would get these inquiries from Mr. Levine  
13 directly?

14 A. Yes.

15 Q. And, then, he would ask Mr. Vinson to come to you with his  
16 request, as well?

17 A. Yes, sir.

18 Q. Now, do you recall learning, sir, in October of 2003 that  
19 HealthPoint was going to be placed on the agenda for TRS for  
20 October 31st?

21 A. Yes, sir.

22 Q. And do you recall if you heard that from Mr. Levine?

23 A. I don't recall, sir.

24 Q. All right.

25 And if I can, sir, can I direct you to Defendant

1 Exhibit Cari 22 in the binder?

2 A. Yes, sir.

3 Q. And my question is, sir -- it's an e-mail from you, but --  
4 does that refresh your recollection that you heard on October  
5 3rd --

6 A. Yes.

7 Q. -- 2003, that the Teachers Retirement System had placed  
8 HealthPoint on the October 31st agenda?

9 A. That's correct.

10 Q. All right.

11 And would I be correct, sir, in saying that once  
12 HealthPoint had been told on October 3rd, 2003, that they were  
13 going to be on the October agenda, it wasn't long before Mr.  
14 Levine called you to push you, again, on New York?

15 A. Correct.

16 Q. And, in fact, if you look at the next exhibit, Defense  
17 Exhibit Cari 23, do you recall Mr. Levine, sir, on October  
18 8th, calling you and complaining to you that Mr. McCall had  
19 not been successful in getting a meeting with Glencoe in New  
20 York?

21 A. Correct.

22 Q. Now, I will direct your attention, sir, to the next  
23 exhibit, Defense Exhibit Cari 24, your calendar, and ask you  
24 if it reflects a breakfast meeting with you and Mr. Levine?

25 A. It does.

1 Q. And we are now in mid-October, 2003, before the October,  
2 2003, Board meeting; are we not?

3 A. Yes, sir.

4 Q. And is one of the topics being discussed at this breakfast  
5 TRS?

6 A. No.

7 Q. Okay.

8 Is this the meeting, sir -- by the way, Mr. Levine  
9 contacted you and requested the breakfast meeting?

10 A. Correct.

11 Q. And this is the breakfast meeting where Mr. Levine tells  
12 you over breakfast he heard that you're getting involved in a  
13 fundraiser; isn't that right?

14 A. Yes, sir.

15 Q. And the fundraiser that you're getting involved in is a  
16 fundraiser in New York for Governor Blagojevich; isn't that  
17 correct?

18 A. Correct, sir.

19 Q. And as you told the jury, the request to do that came to  
20 you from your good friend Dave Wilhelm, right?

21 A. Correct.

22 Q. All right.

23 In your conversations with Mr. Wilhelm and Mr. -- I'm  
24 sorry.

25 In your conversation with Mr. Wilhelm about the

1 fundraiser, Mr. Levine was not involved in those  
2 conversations; was he, sir?

3 A. No.

4 Q. And he came to you on October 4th, and he said to you that  
5 it would be important for him -- that is, Mr. Levine -- or  
6 helpful for Mr. Levine, if he could be involved with you in  
7 the fundraiser; isn't that right?

8 A. Correct.

9 Q. And was it at this breakfast meeting where Levine told you  
10 that he owned an airplane?

11 A. Yes.

12 Q. Okay.

13 He didn't tell you he leased planes, did he?

14 A. No. He was specific that he owned a plane.

15 Q. Okay.

16 And was he descriptive with you in terms of the type  
17 of plane it was?

18 A. No.

19 Q. Okay.

20 But he conveyed to you that he actually owned a  
21 plane, right?

22 A. Oh, yes.

23 Q. He was quite proud of it?

24 A. Very.

25 Q. Did he tell you how much it cost?

1 A. No.

2 Q. All right.

3 And is it fair to say, sir, at this breakfast, Mr.  
4 Levine also raised with you the topic of, what is Mr. McCall  
5 doing for Glencoe in New York?

6 You don't recall?

7 A. No, I don't remember that, sir.

8 Q. All right.

9 If I could turn your attention to the next exhibit,  
10 Defense Cari 25, another e-mail by you to Mr. McCall. And  
11 just read it to yourself, sir.

12 (Brief pause.)

13 BY THE WITNESS:

14 A. Yes, sir.

15 BY MR. DUFFY:

16 Q. All right.

17 Does that refresh your recollection that on October  
18 16th, 2003, you sent another e-mail to Mr. McCall?

19 A. Yes, sir.

20 Q. And you would only send e-mails to Mr. McCall if you were  
21 being bothered by Mr. Levine?

22 A. Correct.

23 Q. And in this e-mail, does it refresh your recollection that  
24 Mr. McCall, at this point, was able to set up a meeting for  
25 Glencoe in New York for late October?

1 A. Correct.

2 Q. You were probably relieved; were you not, sir?

3 A. Very.

4 Q. Now --

5 MR. DUFFY: Your Honor, I'll continue, but any time  
6 is --

7 THE COURT: Whenever is good for you. Whenever you  
8 are at a good breaking point, let me know, please.

9 MR. DUFFY: There's no show of hands?

10 THE COURT: No, you are okay.

11 MR. DUFFY: All right.

12 BY MR. DUFFY:

13 Q. Now, I want to direct your attention, if I may, to October  
14 25th, 2003. And that would be in the binder, sir.

15 Yes, sir.

16 And it will be No. 28 -- Defendant Cari 28.

17 A. Yes, sir.

18 Q. And do you recall, sir, on that occasion, attending a  
19 dinner at someone's home for Mr. Levine?

20 A. It was a reception, yes.

21 Q. Okay.

22 And this was a reception in advance of the Israeli  
23 Defense Force dinner, that was scheduled later that month?

24 A. Yes, sir.

25 Q. All right.

1                   And did you attend that, sir?

2   A.   Yes, I stopped by.

3   Q.   Okay.

4                   Were you asked by Mr. Levine to attend it?

5   A.   I thought -- I don't recall that. I just knew that people  
6   who were co-chairing whose -- this list of people were all  
7   invited.

8   Q.   All right.

9                   And do you recall in the month of October, sir, of  
10   '03 that you and your partners from HealthPoint had a meeting  
11   with representatives of the ISBI fund?

12   A.   We may have. I don't specifically recall the date.

13   Q.   And if I could direct your attention in the binder to  
14   Defendant Cari 29?

15   A.   Yes, sir.

16   Q.   And I'll direct your attention to 2:00 o'clock.

17                   Do you see that, sir?

18   A.   Yes, sir.

19   Q.   Does that refresh your recollection?

20   A.   Yes, sir.

21   Q.   Okay.

22                   And this is October 28th. And did your partners fly  
23   in from New York for that meeting?

24   A.   We had several meetings scheduled.

25   Q.   All right.

1           And as you sit here now, you recall, do you not, that  
2 you and your partners met with a representative of ISBI?

3 A. Yes.

4 Q. And the purpose of that was to make a presentation on  
5 behalf of HealthPoint; is that correct?

6 A. Yes, sir.

7 Q. All right.

8           And this was the introduction or the meeting that was  
9 arranged through Mr. Levine?

10 A. I believe so.

11 Q. All right.

12           Now, was it at this point in time --

13           MR. DUFFY: Withdraw that.

14 BY MR. DUFFY:

15 Q. You had testified earlier that Mr. Levine had raised with  
16 you the idea of using a consultant in -- for HealthPoint in --  
17 connection with ISBI; is that right?

18 A. Correct.

19 Q. And is this the investment that -- excuse me.

20           Was it this investment -- the one on October 28th,  
21 2003, that you and your partners were meeting with ISBI about  
22 -- was the one on which Levine had raised the idea of a  
23 consultant?

24 A. He hadn't raised it yet.

25 Q. He had not raised it yet. Okay.

1           And in connection with this October 28, 2003, date,  
2 how long after this did he raise it?

3 A. Prior to the next meeting that we had with ISBI.

4 Q. Okay.

5           And as you sit here now, do you know when the next  
6 meeting was with ISBI?

7 A. No, but it would be in my calendar.

8 Q. Okay.

9           MR. DUFFY: Your Honor, this would be a good point.

10          THE COURT: Okay.

11          We will take our morning break. 15 minutes.

12          (Jury out.)

13          THE COURT: You may step down, Mr. Cari. Please be  
14 back here a little before quarter till.

15          Counsel, anything for the Court?

16          MR. DUFFY: Nothing.

17          THE COURT: I have a brief sidebar issue for you.

18          (Sealed proceedings had at sidebar:)

19

20

21

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1 (Proceedings had in open court:)

2 (Jury in.)

3 THE COURT: You may be seated.

4 BY MR. DUFFY:

5 Q. Mr. Cari, I'm going to direct your attention to October  
6 29th, 2003. And if you need to look at your calendar, it's in  
7 the binder and it would be Defendant Cari No. 13.

8 But my question is: Do you recall the October 29th,  
9 2003, as being the fundraiser in New York?

10 A. I do.

11 Q. Please look at your calendar, if you'd like.

12 A. Yes.

13 Q. All right.

14 It was -- the 29th, is that the day that you and  
15 others left from Chicago to fly to New York?

16 A. Yes, sir.

17 Q. All right.

18 And this was the plane that was arranged by Mr.  
19 Levine?

20 A. Yes, sir.

21 Q. And you recall when you arrived at the airport that you  
22 had a conversation with Mr. Levine about his plane?

23 A. Yes, sir.

24 Q. And you recall telling him that you were anxious to see  
25 his plane; is that right?

1 A. I was looking forward to it, yes.

2 Q. Okay.

3 And the plane wasn't there, was it?

4 A. What he told me was he had swapped the planes and we were  
5 using another plane that wasn't his, is what he told me.

6 Q. All right.

7 So, somebody else was using his plane that day; is  
8 that what he told you?

9 A. He didn't say it that way. He just said that he had  
10 swapped the planes, and that the plane that we were going to  
11 use was not his.

12 Q. All right.

13 And this was the fundraiser that was -- that  
14 Mr. Wilhelm had first contacted you about; is that right?

15 A. Correct.

16 Q. And after this fundraiser, sir, it's fair to say that you  
17 and Mr. Wilhelm continued to maintain that close personal  
18 relationship?

19 A. Absolutely.

20 Q. Throughout 2004?

21 A. Yes, sir.

22 Q. And, in fact, Mr. Wilhelm's wife was a lawyer; was she  
23 not?

24 A. She still is, yes.

25 Q. Okay.

1           And, at some point in time, she came to work at your  
2 law firm?

3 A. She did.

4 Q. Did you have a role in placing her in your law firm?

5 A. Yes. I introduced her to the firm and D.G. was a summer  
6 associate at our firm, did well, and was offered a full-time  
7 position.

8 Q. And, in 2003 -- in the fall of 2003 -- was she there on a  
9 full-time basis?

10 A. Yes.

11 Q. And, in terms of your practice area, did she work with  
12 you?

13 A. Yes.

14 Q. I believe you described it as governmental regulation; is  
15 that correct?

16 A. Fair.

17 Q. By the way, you told us yesterday, sir, that in 2003 and  
18 2004, you did not receive any legal work, did you, sir, from  
19 the Blagojevich administration?

20 A. I personally did not, no.

21 Q. I mean, you personally on behalf of your firm did not?

22 A. Correct.

23 Q. Did Ms. Wilhelm -- was she able to bring in any state work  
24 to your firm, if you know?

25 A. Yes, she was able to do so.

1 Q. All right.

2 Now, it is at this fundraising trip, sir, that you  
3 told the jury about a conversation that you had with Mr.  
4 Levine; is that correct?

5 A. Yes, sir.

6 Q. And that Mr. Levine had taken you aside and told you that  
7 there was a plan by the Blagojevich administration to use  
8 consultants for fundraising purposes; is that right?

9 A. He told me that there was a plan put together that  
10 consultants, lawyers, investment bankers would be the basis  
11 for a fundraising operation for the -- for the -- political  
12 part of the Governor's operation, yes.

13 Q. All right.

14 You told the jury that on the way out to New York on  
15 the plane, that you had a conversation with the Governor.

16 Do you remember that?

17 A. Yes, sir.

18 Q. And you said that about that conversation you were  
19 surprised. And one of the reasons that you said you were  
20 surprised is because you had supported Jim Ryan in the race  
21 against Governor Blagojevich; isn't that right?

22 A. Yes, sir.

23 Q. And you knew, sir, did you not, that Mr. Levine was active  
24 in Jim Ryan's campaign?

25 A. Yes, sir.

1 Q. I think he had the title of Finance Chairman; is that  
2 right?

3 A. Yes, sir.

4 Q. Okay.

5 And when Mr. Levine told you this at this dinner,  
6 were you surprised by what Mr. Levine had told you?

7 A. Yes.

8 Q. And did you know that Mr. Levine had been a long-time  
9 Republican in Illinois?

10 A. That was my sense, yes.

11 Q. All right.

12 Now, after the dinner, sir, did you ever discuss with  
13 Mr. Wilhelm, your close friend, what Mr. Levine had told you  
14 at the dinner?

15 A. No.

16 Q. Did you ever discuss it with Mr. Wilhelm's wife?

17 A. No.

18 Q. Now, at the dinner in New York, did you meet a person by  
19 the name of Charles Tate?

20 A. Charles Tate was at the Harvard Club.

21 Q. Okay.

22 And the Harvard Club was a separate event, but it was  
23 in New York; is that right?

24 A. Correct.

25 Q. All right.

1                   Now, Charles Tate was at the Harvard Club, correct?

2   A.   Yes.

3   Q.   Prior to that date, had you known Charles Tate?

4   A.   No.

5   Q.   Do you know who invited Charles Tate to the fundraiser?

6   A.   John Foster.

7   Q.   And John was your partner; is that right?

8   A.   Correct.

9   Q.   And do you recall speaking with Mr. Tate at the  
10 fundraiser?

11  A.   Yes, sir.

12  Q.   And do you recall Mr. Levine speaking with Mr. Tate at the  
13 fundraiser?

14  A.   I -- I -- don't -- I'm not sure of that one.

15  Q.   Okay.

16                   Do you recall Mr. Levine, yourself and Mr. Tate  
17 having a conversation at the fundraiser where Mr. Levine  
18 suggested to Mr. Tate that Mr. Levine might be of assistance  
19 to him at TRS?

20  A.   I'm not sure, sir.

21  Q.   All right.

22                   The fundraiser was on October 29th; was it not?

23  A.   Yes, sir.

24  Q.   And I will direct your attention, if I can, to Defendant's  
25 Exhibit Cari 31 in the binder.  And I'll ask you, sir, just to

1 look at it and see if you recognize it.

2 A. I do.

3 Q. And do you recognize it, sir, as a letter that you  
4 received on October 30th, 2003, from Charles Tate?

5 A. Could you just repeat that?

6 Q. Oh, I'm sorry.

7 A. I was --

8 Q. I'm sorry.

9 A. Just --

10 Q. Do you recognize that document as a letter that you would  
11 have received at your law firm from Charles Tate?

12 A. Yes, sir.

13 Q. Okay.

14 And do you recognize it as a copy of the type of  
15 correspondence that you, as a lawyer at Ungaretti & Harris,  
16 would receive in the regular course of business?

17 A. Yes, sir.

18 Q. And it was the regular course of business at Ungaretti &  
19 Harris to keep and maintain the correspondence it received?

20 A. Yes, sir.

21 MR. DUFFY: Your Honor, I would offer this.

22 THE COURT: Is there any objection?

23 MR. SCHAR: There is, Judge. I don't believe this is  
24 a letter from Ungaretti & Harris' -- this is not a letter from  
25 Ungaretti & Harris' files, Judge.

1 THE COURT: Mr. Duffy?

2 MR. DUFFY: I can't speak to that, your Honor. I can  
3 speak to -- I can ask the witness whether he received it and  
4 whether he would have kept a copy of this in the normal  
5 course. As far as --

6 THE COURT: You can ask and see.

7 I assume your objection is hearsay because he has not  
8 established the business records exception; is that correct?

9 MR. SCHAR: Well, and also this isn't Ungaretti's  
10 business record.

11 THE COURT: Right. So, it does not --

12 MR. SCHAR: Yeah. I'm sorry. Yeah, foundation.

13 THE COURT: Okay.

14 See if you can lay a better foundation.

15 MR. DUFFY: I will, Judge.

16 BY MR. DUFFY:

17 Q. Let me rephrase and I'll ask you another question.

18 I'm going to ask you to read that letter to yourself.

19 A. Yes, sir.

20 Q. It's very short, isn't it?

21 A. Yes, sir.

22 Q. Okay.

23 After reading that letter, does that refresh your  
24 recollection that Charles Tate had a discussion with you and  
25 Stuart Levine at the fundraiser?

1 A. No.

2 Q. Okay.

3 Do you recall after the fundraiser that Charles Tate  
4 had contacted you about Mr. Tate's firm doing business with  
5 TRS?

6 A. Yes.

7 Q. Okay.

8 And, by the way, what was the name of Mr. Tate's  
9 firm?

10 A. I don't recall. It may be the name of -- it may be his  
11 own name, but I'm not sure.

12 Q. Okay.

13 And was his business similar to the HealthPoint  
14 business? Was he in the private equity business?

15 A. Yes. He was in the private equity business, but his  
16 investments were not in healthcare. They were in a different  
17 area. But it was a private equity fund.

18 Q. All right.

19 Now, directing you now to the next day, October 31st,  
20 2003, do you recall, sir, on that date the Teachers Retirement  
21 System approved an additional \$15 million to be allocated to  
22 HealthPoint?

23 A. I can see that in my --

24 Q. All right.

25 If you want to look at Defendant's Cari 32 just to

1 refresh your recollection as to the date, please.

2 (Brief pause.)

3 BY THE WITNESS:

4 A. Okay, I read it.

5 BY MR. DUFFY:

6 Q. Okay.

7 As you sit here now, without reading the e-mail, you  
8 recall in October of 2003, Teachers Retirement System gave  
9 HealthPoint an additional 15 million?

10 A. I do remember that, yes.

11 Q. All right.

12 And do you recall as you -- after reading the e-mail  
13 -- that you received notice of that on October 31st?

14 A. That's what the e-mail says.

15 Q. Okay.

16 Putting aside the e-mail, you recall it being October  
17 of 2003?

18 A. Yes, I recall October. The specific date, I -- I -- don't  
19 recall, sir.

20 Q. Okay.

21 And, at some point in time, did HealthPoint receive  
22 those funds?

23 A. Yes, sir.

24 Q. Okay.

25 Now, sir, in connection with this allocation in

1 October of 2003, did anyone from the Blagojevich  
2 administration speak to you about the need to use a consultant  
3 on this allocation?

4 A. No.

5 Q. Now, I'm going to direct your attention, sir, to November  
6 of '03. And I'll ask you, sir, did you continue to have  
7 conversations and/or meetings with Mr. Levine in November of  
8 '03?

9 A. Yes.

10 Q. And if you recall, I showed you an e-mail earlier that  
11 talked about Glencoe finally getting a meeting with the State  
12 of New York on October 31st.

13 Do you remember that?

14 A. Yes, sir.

15 Q. And is it fair to say that after Glencoe had its meeting  
16 in New York on October 31st, 2003, you received a contact from  
17 Mr. Levine?

18 A. Yes.

19 Q. And if I can direct you to Defendant Cari 33, sir, do you  
20 recall receiving that contact from Mr. Levine on November 3rd,  
21 2003?

22 A. I'm sorry, sir, could you repeat --

23 Q. Yes.

24 A. I'm looking at Tuesday, November 4th, the e-mail?

25 Q. No, sir. There's an e-mail Monday, November 3rd. It

1 would be the one before that one, sir.

2 A. I'm sorry.

3 Q. No. Thank you.

4 And it has an exhibit sticker Defendant Cari 33, I  
5 believe.

6 A. Yes, sir. Okay.

7 Q. All right.

8 My question to you is: After reading that, do you  
9 recall that November 3rd -- Monday, November 3rd -- was the  
10 day that Mr. Levine had called you to tell you what had  
11 happened at the meeting in New York?

12 A. I don't re- -- I don't recall that.

13 Q. All right.

14 Putting aside the day of Monday, November 3rd, at  
15 some point in time Mr. Levine did contact you and tell you  
16 about the meeting that Glencoe had in New York; did he not?

17 A. Yes.

18 Q. And in so doing, did he, again, ask you to contact Carl  
19 McCall?

20 A. Yes.

21 Q. And did he want Mr. McCall to do anything for Glencoe?

22 A. Yes.

23 Q. What did he want him to do?

24 A. To keep moving this thing along so that it ended up with a  
25 allocation for Glencoe.

1 Q. All right.

2 And I direct your attention now to November 4th of  
3 2003, sir. And do you recall there was discussion in November  
4 about inviting Mr. Levine to the Center For Private Equity at  
5 the Tuck School at Dartmouth?

6 A. Generally, yes.

7 Q. Okay.

8 We talked about it earlier today, but you couldn't  
9 recall exactly when that was. So, I'm going to ask you to  
10 look at Defendant Cari 34 --

11 A. Yes, sir.

12 Q. -- and ask you -- in fact, let me move one further, to  
13 your calendar on November 13th, 2003.

14 A. Yes, sir.

15 Q. Okay.

16 And does your calendar refresh your recollection that  
17 there was a dinner at the Foster Center at the university on  
18 that day?

19 A. Sir, the event was in New York, but it was a Foster Center  
20 event.

21 Q. Okay. I'm sorry. I'll rephrase that, then.

22 The Foster Center had an event on November 13th?

23 A. It did, in New York.

24 Q. I gotcha.

25 In New York City?

1 A. Yes, sir.

2 Q. All right.

3 Didn't have it at the school?

4 A. No.

5 Q. All right.

6 A. It was at a club in New York.

7 Q. All right.

8 And you, on behalf of HealthPoint, had extended an  
9 invitation to Mr. Levine?

10 A. I did.

11 Q. And he accepted it?

12 A. He did.

13 Q. And the two of you traveled from Chicago to New York to  
14 attend that event?

15 A. Yes.

16 Q. And I'll direct you to the next exhibit, Defendant's  
17 Exhibit Cari 36. And, again, sir, later the month of  
18 November, is Mr. Levine still contacting you and asking you to  
19 get ahold of Mr. McCall in connection with Glencoe in New  
20 York?

21 A. I'm sorry?

22 Q. I'm sorry.

23 A. No. 30?

24 Q. Defendant's Exhibit Cari 36. It's an e-mail, sir.

25 (Brief pause.)

1 BY THE WITNESS:

2 A. Okay, I've read it.

3 BY MR. DUFFY:

4 Q. Okay.

5 And, again, my question is: In the end of November,  
6 is Mr. Levine still coming to you asking you to contact  
7 McCall?

8 A. Yes.

9 Q. By the way, do you recall at any point buying Mr. Levine a  
10 gift?

11 A. No.

12 Q. All right.

13 Now, at HealthPoint, would the partners periodically  
14 prepare some document that would explain to the firm and the  
15 other partners your accomplishments over a certain period of  
16 time?

17 A. Yes, sir.

18 Q. Okay.

19 And would you also at times talk about your marketing  
20 efforts over a period of time?

21 A. Absolutely.

22 Q. All right.

23 And one of the things that you were trying to do for  
24 HealthPoint was you were trying to use your contacts  
25 throughout the United States; isn't that fair?

1 A. Correct.

2 Q. And since your background was strongly grounded in  
3 politics, you were trying to use your political contacts; is  
4 that fair?

5 A. Correct.

6 Q. And, so, you got involved, did you not, in a number of  
7 fundraisers around the United States?

8 A. Yes, sir.

9 Q. Okay.

10 And one of the fundraisers was the Blagojevich  
11 fundraiser in New York; isn't that correct?

12 A. Correct.

13 Q. But you got involved in several other fundraisers, as  
14 well?

15 A. Yes, sir.

16 Q. You got involved with one for Senator Biden; did you not?

17 A. That has nothing to do with HealthPoint.

18 Q. Okay.

19 If you go to Defendant Cari 37 -- do you recognize  
20 that document, sir?

21 A. I do.

22 Q. And what is that document?

23 A. It's a self-evaluation that I put together --

24 Q. All right.

25 A. -- for my performance at HealthPoint.

1 Q. And as part of that self-evaluation -- by the way, do you  
2 share that with anybody at HealthPoint?

3 A. I assume it -- yeah. We all saw each other's.

4 Q. I see.

5 Each of the partners would do their own evaluation  
6 and, then, share it?

7 A. Yes. And, then, we'd proceed to disagree on the  
8 self-evaluations.

9 Q. I can only imagine.

10 Sometimes somebody's contributions would be a bit  
11 inflated?

12 A. That would not be abnormal.

13 Q. Okay.

14 But in terms of your self-evaluation, did you, sir,  
15 reference your political fundraising activities?

16 A. I did.

17 Q. Okay.

18 And was that important in connection with  
19 HealthPoint?

20 A. Yes.

21 Q. All right.

22 And why was that?

23 A. Because of networking relationships -- new relationships,  
24 old relationships -- and what I was doing to get the  
25 HealthPoint name out into the community, things like that.

1           Senator Biden was a very old, dear friend of mine.

2 Q. And I believe -- I won't go through the list, but I think  
3 Senator Carey is on the list, as well; is he not?

4 A. Yes.

5 Q. And other --

6 A. Yes, sir.

7 Q. -- other -- well-known --

8 A. Yes, sir.

9 Q. -- public officials; isn't that right?

10 A. Correct.

11 Q. Okay.

12           And you also listed there the Blagojevich fundraiser,  
13 as well?

14 A. I did.

15 Q. And that fundraiser, like the other fundraisers, was part  
16 of your networking; was it not?

17 A. Absolutely.

18 Q. And you would agree with me there was nothing improper  
19 about your fundraising activities?

20 A. Nothing at all.

21 Q. Now, I'm going to direct your attention, if I can, to  
22 January of '04 and to the next exhibit -- is your calendar --  
23 Defendant Cari 38.

24 A. Yes, sir.

25 Q. And do you recall on January 17th, '04, you hosted a

1 dinner?

2 A. I did.

3 Q. Okay.

4 And that dinner was at your home?

5 A. Correct.

6 Q. And as you sit here now, do you recall the purpose of the  
7 dinner?

8 A. Yeah, I do.

9 Q. And the purpose was?

10 A. As one of the people on the Executive Committee of the  
11 firm, we all hosted dinner parties for different clients to  
12 meet one another. And I hosted a dinner at my home with a  
13 variety of different clients of the firm.

14 Q. All right.

15 And one of those clients happened to be Mr. Levine?

16 A. Correct.

17 Q. All right.

18 If I can take you to the next exhibit, Defendant Cari  
19 39.

20 And is it fair to say that in January, 2004, you're  
21 having the same amount of contact with Mr. Levine that you  
22 were having in previous months?

23 A. Very consistent.

24 Q. Okay.

25 And is it fair to say that -- last time I asked you

1 about the subject matter, the subject matters were HealthPoint  
2 and possibly legal business at Ungaretti?

3 A. Correct.

4 Q. We can now add to that category Glencoe in New York; could  
5 we not?

6 A. Correct.

7 Q. Okay.

8 And these were the topics that would be discussed; is  
9 that right?

10 A. Yes, sir.

11 Q. Now, this gentleman Charles Tate -- that we referred to  
12 earlier, that you met at the fundraising dinner at the Harvard  
13 Club in New York -- did there come a point in time where he  
14 actually reached out to you to talk about Mr. Tate's firm  
15 approaching TRS for an investment?

16 A. I'm sorry, could you just repeat that?

17 Q. Yes. Yes.

18 Did there come a point in time in January or February  
19 of '04 where Mr. Tate made contact with you as a follow-up, so  
20 to speak, to the New York meeting?

21 A. Yes.

22 Q. And his purpose for contacting you, if you recall, was his  
23 firm was thinking about approaching TRS for an investment?

24 A. Correct.

25 Q. And do you recall, sir, that you had talked to Mr. Levine

1 about that?

2 A. I did.

3 Q. And do you recall that Mr. Levine said that he would be  
4 interested in helping Mr. Tate?

5 A. Yes.

6 Q. And do you recall that Mr. Levine said that if he was  
7 going to help Mr. Tate, Mr. Tate would have to use a  
8 consultant?

9 MR. SCHAR: I would object.

10 I assume this is not being offered for the truth.

11 THE COURT: What is this being offered for?

12 MR. DUFFY: I'm fine with that admonition, Judge.

13 I'm going to move to a meeting with Mr. Levine, but it's about  
14 this topic. But these conversations are not being offered for  
15 the truth.

16 THE COURT: Okay.

17 What are they being offered for? The witness' state  
18 of mind?

19 MR. DUFFY: Yes, Judge.

20 THE COURT: Ladies and gentlemen, the conversation  
21 that you just heard testimony about is not being offered for  
22 the truth of what the participants are saying, but rather to  
23 go to this witness' state of mind.

24 BY THE WITNESS:

25 A. I --

1 BY MR. DUFFY:

2 Q. No, please take your water, if you'd like.

3 A. No, no, it's okay.

4 Q. I was asking you about the conversations with Mr. Tate.

5 Do you recall that?

6 A. Yes, sir.

7 Q. And Mr. Levine had told you that he would be of assistance  
8 to Mr. Tate in making an introduction at TRS; isn't that  
9 right?

10 A. I called Mr. Levine. I said, "I got inquiry from  
11 Mr. Tate."

12 And Mr. Levine reiter- -- talked about that he and  
13 Tate had had a conversation in New York.

14 And I said, "Stuart, he's interested in pursuing a  
15 presentation before TRS."

16 Q. All right.

17 And at some point in time, do you recall that  
18 Mr. Tate had sent to your direction materials regarding his  
19 investment firm?

20 A. Yes.

21 Q. And I'll direct your attention to Defendant Cari 41 and  
22 see if that refreshes your recollection as to when Mr. Tate  
23 sent those materials to you.

24 A. I know he sent them. Does -- do I recall it's February  
25 2nd? No.

1 Q. No. Okay.

2 A. But I --

3 Q. Do you recall the time frame of February of '04?

4 A. Somewhere in there, yes.

5 Q. All right.

6 Now, moving ahead, at some point in time in February,  
7 did you actually meet with Mr. Tate in your office in Chicago?

8 A. I did.

9 Q. And the purpose of that meeting was to talk about a  
10 possible investment for his firm at TRS; isn't that right?

11 A. Correct.

12 Q. And by the time of the meeting in your office, had Mr.  
13 Levine identified who the consultant would be for Mr. Tate's  
14 firm?

15 A. Yes.

16 Q. And what was that person's name?

17 A. Mr. Pekin.

18 Q. Was it Shelly Pekin?

19 A. Yes.

20 Q. And had you ever heard of him before?

21 A. Never.

22 Q. Did you know if Mr. Pekin, sir, had any connection to or  
23 involvement with the Blagojevich administration?

24 A. No idea.

25 Q. Now, I direct your attention, if I can, sir, to Defendant

1 Exhibit Cari 43 -- it would be in the binder, sir -- your  
2 calendar. And just open to that date; but, before you look on  
3 there, I have a few questions for you.

4 A. Yes, sir.

5 Q. Did there come a point in time when Mr. Levine wanted to  
6 introduce you to a person by the name of Sven Sorensen?

7 A. I recall that, yes.

8 Q. Okay.

9 And do you recall when that was, what year?

10 A. No. I'm assuming it's '04, but --

11 Q. Okay.

12 And do you recall what Mr. Levine told you at the  
13 time about his relationship, if any, with this Mr. Sorensen?

14 MR. SCHAR: Same objection, Judge. Also, relevance  
15 of this.

16 THE COURT: Mr. Duffy, what are you offering it for?

17 MR. DUFFY: I'm offering it, sir -- I mean, your  
18 Honor -- not for the truth, but for his state of mind, which  
19 leads up to a meeting.

20 THE COURT: Okay.

21 Objection overruled.

22 Ladies and gentlemen, the conversation that you are  
23 hearing about is not being offered for the truth of the matter  
24 asserted, but rather to show this witness' state of mind and  
25 for context.

1 BY MR. DUFFY:

2 Q. I'm going to jump ahead.

3 Did there come a point in time when you actually met  
4 this Sorensen?

5 A. No.

6 Q. Did there come a point in time when you spoke to him on  
7 the phone?

8 A. No.

9 Q. All right.

10 Did you have a conversation with Mr. Levine where Mr.  
11 Levine was trying to get you to meet Mr. Sorensen?

12 A. Yes.

13 Q. Okay.

14 And do you recall where that conversation took place?

15 A. Some time in early '04, is my best recollection.

16 Q. And what did Mr. Levine tell you why he wanted you to meet  
17 this Mr. Sorensen?

18 MR. SCHAR: Again, at this point, Judge, if there's  
19 never a meeting, I object to relevance.

20 THE COURT: Mr. Duffy?

21 MR. DUFFY: Well, your Honor, I -- I'll rephrase.  
22 I'll come back to it.

23 THE COURT: Okay.

24 BY MR. DUFFY:

25 Q. I'm going to take you to February 17th, your calendar, if

1 I may, 2004.

2 A. Yes, sir.

3 Q. And I'll ask you, sir, is there an entry on there for a  
4 conference call with you and Mr. Levine?

5 A. Yes, sir.

6 Q. And was somebody else involved in that call?

7 A. That call never happened.

8 Q. Okay.

9 Had you -- does your calendar refresh your  
10 recollection that you had a call set up -- you were supposed  
11 to have a conference call with Mr. Levine and somebody else?

12 A. Yes.

13 Q. And who was the somebody else?

14 A. Mr. Sorensen.

15 Q. Right.

16 And can you tell us what the purpose of the call was  
17 going to be with you and Mr. Sorensen?

18 MR. DUFFY: And I'm not offering it for the truth,  
19 Judge, but they --

20 MR. SCHAR: Relevance, foundation, scope, I guess.

21 THE COURT: Mr. Duffy?

22 MR. DUFFY: Do you want me to --

23 THE COURT: Do we need a sidebar?

24 MR. DUFFY: Do you want me to -- yes, Judge.

25 THE COURT: Let us have a sidebar.

1 (Proceedings had at sidebar:)

2 THE COURT: I am not sure where you are going or what  
3 he will say.

4 MR. DUFFY: Well, right now I'm not sure what he'll  
5 say, either.

6 THE COURT: Is that not a rule of cross-examination?

7 (Laughter.)

8 MR. DUFFY: Well, but if --

9 THE COURT: I am kidding.

10 MR. DUFFY: There's many rules that I've violated,  
11 but sometimes these witnesses don't want to stay on the paper,  
12 as we well know.

13 Judge, the only reason I went into this is the  
14 government elicited from this witness this conversation with  
15 Mr. Levine where Mr. Levine made these representations on  
16 behalf of the Blagojevich administration.

17 At the same time, Mr. Levine is introducing what,  
18 I'll call, all of his characters -- Pekin, Sorensen -- who  
19 have no connection to the defendant or to the Blagojevich  
20 administration. And I think it's important for the jury to  
21 know that because, quite frankly, I don't think Mr. Levine's  
22 statement to this gentleman -- I think the jury has to  
23 determine whether Mr. Levine's statements at the New York  
24 fundraiser were accurate or not, whether this is just Mr.  
25 Levine pursuing his own agenda to put in place his own

1 consultants and make money or whether this was something  
2 really being directed by the Blagojevich administration.

3           So, what I'm trying to do is to demonstrate through  
4 the evidence that he's bringing people like Pekin, he's trying  
5 to set up meetings with Sorensen, because I think what he'll  
6 say is Levine was trying to get him to meet Sorensen to do  
7 some deal with Sorensen which he backed off of.

8           And that was all I was offering it for.

9           THE COURT: Okay.

10          MR. SCHAR: Well, a couple -- I'm not sure that  
11 everyone's disassociated with Mr. Rezko, given that we're now  
12 in February, where Mr. Pekin's name comes up and there's  
13 already an issue in place with Mr. Aramanda and Mr. Pekin.

14          Putting that issue aside, he has already elicited  
15 that Mr. Levine wanted him to talk and/or meet with  
16 Mr. Sorensen. That never actually happened. The reason he  
17 wants him to do it would be offered for the truth at this  
18 point.

19          THE COURT: What is he going to say? What is the  
20 reason?

21          MR. SCHAR: I have no idea.

22          THE COURT: Are you offering it for the truth?

23          MR. DUFFY: I'll move beyond this, Judge.

24          THE COURT: Okay.

25          (Proceedings had in open court:)

1 BY MR. DUFFY:

2 Q. Mr. Cari, the conversation with Mr. Sorensen never  
3 occurred; is that right?

4 A. Correct.

5 Q. And there never was a meeting with Mr. Sorensen?

6 A. Correct.

7 Q. And is it fair to say that there was no meeting or no  
8 conversation because you elected not to have a meeting or  
9 conversation?

10 A. Just didn't happen.

11 Q. All right.

12 And direct your attention, sir, if I can, to the next  
13 exhibit, Defendant Cari 44.

14 A. Yes, sir.

15 Q. Okay.

16 And my question is: Do you recall actually having a  
17 meeting in your office with Shelly Pekin?

18 A. Yes.

19 Q. And was Mr. Tate in attendance, as well?

20 A. Yes.

21 Q. And do you recall whether or not Mr. Levine attended that  
22 meeting?

23 A. He did not.

24 Q. Okay.

25 But you did have conversations with Mr. Levine before

1 the meeting and he knew it was occurring; did he not?

2 A. Yes.

3 Q. All right.

4 In fact, sir, if you look at your calendar for  
5 February 27th, 2004, that is the day you met with Mr. Pekin  
6 and Mr. Tate; is it not?

7 A. Yes, sir.

8 Q. And that meeting took place in your office in the morning  
9 of the 27th?

10 A. Correct.

11 Q. And do you recall in the afternoon of the 27th, after the  
12 Tate/Pekin meeting, that Mr. Levine wanted to have coffee with  
13 you?

14 A. I don't recall that, sir.

15 Q. Okay.

16 Is there an entry to that --

17 A. There is.

18 Q. Okay.

19 Putting aside the date, do you recall after the  
20 Pekin/Tate meeting having a conversation with Mr. Levine, at  
21 some point in time, where you shared with him what happened at  
22 the meeting?

23 A. Yes.

24 Q. And as you sit here right now, do you know whether or not  
25 Mr. Tate ever made application to TRS?

1 A. I don't know.

2 Q. Okay.

3 Now, directing your attention to March '02 -- I'm  
4 sorry, March, 2004, excuse me -- and did you continue to meet  
5 and talk with Mr. Levine?

6 A. Yes.

7 Q. And do you recall, sir, that in March of '02, Mr. Levine  
8 had another fund in mind that he wanted to bring to the  
9 attention of Mr. McCall for New York?

10 A. Not March of '02. I didn't -- no.

11 Q. I apologize. I'm looking at March 02, '04. I apologize.

12 In March, '04, did Mr. Levine bring to your attention  
13 another fund, other than Glencoe, that he wanted Mr. McCall to  
14 assist in New York, if you recall?

15 A. Yes, I have general recollection of that.

16 Q. And, as you sit here now, do you recall the name of the  
17 fund?

18 A. No.

19 Q. All right.

20 As you sit here now, do you recall when it was that  
21 Mr. Levine approached you about the other fund?

22 A. I don't recall.

23 Q. All right.

24 If you look at Defendant Cari 46, it's an e-mail of  
25 yours, sir. Just if you'd read it to yourself.

1 (Brief pause.)

2 BY THE WITNESS:

3 A. Yes, sir.

4 BY MR. DUFFY:

5 Q. All right.

6 Does that refresh your recollection that you had a  
7 conversation with Mr. Levine on or about March 2nd of '04  
8 about him wanting to bring another fund to New York?

9 A. I know he wanted to do that, but this doesn't --

10 Q. All right. All right, sir.

11 And do you recall him, at the same time, talking with  
12 you about a real estate fund?

13 A. Yes.

14 Q. Okay.

15 And do you recall the name of that real estate fund?

16 A. JER.

17 Q. Okay.

18 And was this when he was -- do you recall if he had  
19 mentioned the name "JER" to you prior to this time?

20 A. He hadn't.

21 Q. Okay.

22 And JER, as you've told us, was a fund that was  
23 interested in applying for an allocation from Teachers  
24 Retirement in Illinois, right?

25 A. Yes, sir.

1 Q. Mr. Levine was not contacting you about JER in connection  
2 with the New York pension fund, was he?

3 A. No.

4 Q. Did you ever discuss with Mr. Levine a fund by the name of  
5 Carlyle?

6 A. Yes.

7 Q. And were you familiar with the Carlyle fund?

8 A. Yes.

9 Q. And in 2004, what did you know, based upon your private  
10 equity work, about Carlyle?

11 A. One of the most respected leading private equity firms in  
12 the world.

13 Q. And did you personally have any interaction with the  
14 Carlyle firm in '04?

15 A. No.

16 Q. And did there come a point in time when you and Mr. Levine  
17 had a conversation about the Carlyle fund?

18 A. Yes.

19 Q. And, approximately, when would that have been?

20 A. I don't recall, sir.

21 Q. Okay.

22 Would it have been in the year 2004?

23 A. I would assume so, but --

24 Q. All right.

25 And was this conversation about Mr. Levine trying to

1 ask you to ask Mr. McCall if he could speak to the New York  
2 fund on behalf of Carlyle?

3 A. Yes.

4 Q. And did Mr. Levine tell you who it was at Carlyle he knew,  
5 if anyone?

6 A. No.

7 Q. What, if anything, did he tell you about his relationship  
8 to the Carlyle fund?

9 MR. SCHAR: Judge, the same admonition. I assume  
10 this isn't being offered for the truth.

11 THE COURT: Mr. Duffy?

12 MR. DUFFY: Well, your Honor, I think this is within  
13 the scope of cross-examination.

14 MR. SCHAR: It's not a scope objection, Judge.

15 MR. DUFFY: So, on the interest of just being  
16 complete with this witness and his conversations with Mr.  
17 Levine about funds going to New York, I don't know that we  
18 need the admonition on the limitation.

19 THE COURT: It is a rule of completeness, 106.

20 MR. SCHAR: Judge, I don't think this conversation is  
21 related to any of the other things that were asked on direct.

22 MR. DUFFY: Well --

23 MR. SCHAR: He -- Mr. Duffy has been raising a lot of  
24 different connections, but --

25 MR. DUFFY: Judge, the rule -- as you well know, just

1 because the government doesn't elicit it, but it's part and  
2 parcel of a relationship and conversations that are about the  
3 same matter, I do think it --

4 THE COURT: Mr. Schar?

5 MR. SCHAR: Judge, we can discuss it more -- I don't  
6 want to continue to go back and forth. I just don't think it  
7 is rule of complete- -- we're talking about an entire subject  
8 area, not even a particular conversation or document.

9 THE COURT: Objection sustained.

10 BY MR. DUFFY:

11 Q. Do you know, sir, if you ever -- you ever -- passed on to  
12 Mr. McCall the name of the Carlyle fund?

13 A. I don't recall.

14 Q. All right.

15 Now, I want to direct your attention, if I may, to  
16 March 15th, 2004. And if you look at your calendar, sir, do  
17 you recall if you had a meeting with Mr. Levine that day?

18 A. It's on my schedule, yes, sir.

19 Q. All right.

20 And do you recall if you had a dinner that night with  
21 your partners from HealthPoint?

22 A. It's on my schedule.

23 Q. Okay.

24 And does your schedule reflect that you were in  
25 Chicago that day?

1 A. Yes.

2 Q. And if your partners from New York were flying in for  
3 dinner in Chicago that evening, would that suggest to you that  
4 you were having HealthPoint business in Chicago?

5 A. Yes, but it's unclear to me whether they came in.

6 Q. All right.

7 Let me direct your attention, if I can, the very --  
8 to the next day, the 16th of March. I direct you to your  
9 calendar and ask you if you recall --

10 A. I'm sorry, which? 48?

11 Q. You know, you may -- I'm sorry, Mr. Cari, you may have to  
12 go to the Redweld. Do you have the Redweld there, sir?

13 A. March 16th?

14 Q. March 16th, 2004.

15 A. This is just 2003.

16 Q. Oh, I apologize, Mr. Cari.

17 A. Sorry.

18 Q. Give me that back.

19 A. Sorry.

20 (Document tendered.)

21 BY MR. DUFFY:

22 Q. I'm going to show you what's been marked as Defendant Cari  
23 2004 Calendar.

24 (Document tendered.)

25 BY THE WITNESS:

1 A. Thank you.

2 March 16th?

3 BY MR. DUFFY:

4 Q. March 16th, yes, 2004.

5 (Brief pause.)

6 BY THE WITNESS:

7 A. Yes, sir.

8 BY MR. DUFFY:

9 Q. Do you have it?

10 A. I do.

11 Q. Does that refresh your recollection, sir, that you -- that  
12 HealthPoint -- had a meeting with ISBI that day?

13 A. Yes, it does.

14 Q. As you sit here now, do you recall that meeting occurring?

15 A. I do.

16 Q. So, if we go back to the 15th, sir, does that explain why  
17 your partners from New York would have been in Chicago?

18 A. Yes, sir.

19 Q. All right.

20 A. It does.

21 Q. And, on the 15th, the day before the ISBI meeting, you had  
22 lunch with Mr. Levine; did you not?

23 A. It's on my calendar. I --

24 Q. All right.

25 Putting aside the lunch on your calendar, do you

1 recall before the ISBI meeting whether or not Mr. Levine made  
2 a point of speaking to you about the upcoming ISBI meeting?

3 A. Yes.

4 Q. Okay.

5 And, in fact, on the 16th, HealthPoint did have a  
6 presentation or a meeting with ISBI; did you not?

7 A. We did.

8 Q. All right.

9 Now, in connection with the ISBI -- the allocation  
10 that HealthPoint was seeking from ISBI -- is this the time  
11 period in which Mr. Levine had suggested to you that you  
12 needed to use a consultant?

13 A. Yes.

14 Q. And this is when you said you agreed to use a consultant;  
15 is that correct?

16 A. Correct.

17 Q. And you were willing to pay whatever the industry rate  
18 was; is that right?

19 A. Correct.

20 Q. And as of March 16th, 2004, had he provided you the name  
21 of a consultant?

22 A. No, and he never did.

23 Q. Okay.

24 Now, directing your attention to the very same day,  
25 March 16th, 2004, did you have an occasion to have a meeting

1 with Governor Blagojevich?

2 A. It's on the calendar. It's unclear to me when this  
3 meeting with the Governor and the hospital healthcare people  
4 took place because it got scheduled and rescheduled. So, I  
5 don't recall if this was the date of the meeting.

6 Q. All right.

7 Would you -- you recall having a meeting with the  
8 Governor; is that correct?

9 A. Yes.

10 Q. Okay.

11 And the meeting with the Governor related to clients  
12 of your law firm; did it not?

13 A. Mr. Fahey's clients. They were all healthcare clients.  
14 Yes.

15 Q. Okay.

16 And as you sit here now, you just don't recall if it  
17 was March 16th, 2004?

18 A. Correct.

19 Q. Do you see in your calendar, sir, an entry earlier in the  
20 day before the Governor's meeting that talks about meeting  
21 with the clients in your firm?

22 A. Yes.

23 Q. All right.

24 And does that refresh your recollection maybe that on  
25 that day, March 16th, that the clients came in for a meeting

1 before you took him to the Governor's office?

2 A. I'm not certain, sir.

3 Q. Okay.

4 Put aside March 16th for a moment.

5 A. Yes, sir.

6 Q. You recall that there was an occasion in 2004 where you  
7 had requested a meeting with the Governor?

8 A. No. I never requested a meeting with the Governor.

9 Q. I'm sorry.

10 Who had requested the meeting; do you know?

11 A. This was all set up through my partner, Tom Fahey, who  
12 worked with Sam Vinson and D.G.

13 Q. Okay. All right.

14 And you -- this was not your client?

15 A. No.

16 Q. Okay.

17 What was your reason -- were you asked to attend the  
18 meeting?

19 A. I was by Mr. Fahey, my partner.

20 Q. Okay.

21 And do you know why he asked you to attend the  
22 meeting with the Governor?

23 A. I was a senior partner in the firm, head of the group. I  
24 think he wanted the clients to know we were taking it  
25 seriously, those kinds of things.

1 Q. All right.

2 And do you recall, sir, in 2004, if you had more than  
3 one meeting with the Governor in connection with these  
4 clients?

5 A. My recollection is there was only one meeting.

6 Q. Was this the same topic that you had discussed with  
7 Mr. Monk, the Governor's Chief of Staff?

8 A. Yes.

9 Q. Now, if I can direct your attention to March 23rd, 2004.  
10 Do you have that?

11 A. March 23rd?

12 Q. 23rd, 2004.

13 Now, do you recall, was there ever an occasion where  
14 you were asked by Mr. Levine to speak with the principals of  
15 Glencoe?

16 A. Yes.

17 Q. And do you recall how that came about?

18 A. I think it came about through Carl McCall and Stuart's  
19 conversations about Glencoe.

20 Q. All right.

21 And did you, in fact, have a conversation with the  
22 representatives of Glencoe?

23 A. It's on my calendar, sir, but I don't remember this.

24 Q. Okay.

25 And the subject matter of the Glencoe issue related

1 to the New York fund; is that right?

2 A. Yes.

3 Q. And do you recall --

4 MR. DUFFY: I'll withdraw that.

5 BY MR. DUFFY:

6 Q. Now, in connection with the presentation that HealthPoint  
7 made to ISBI that we just talked about here, sir, did ISBI  
8 ever make an allocation to HealthPoint in 2004?

9 A. No. What we learned consistently from ISBI is they wanted  
10 us to stay in contact with them, but they did not have funds  
11 available for allocations; that they were -- they had fully  
12 invested at that time.

13 Q. All right.

14 Now, if I can draw your attention, sir, to April  
15 7th -- to the month of April of 2004. And was Mr. Levine  
16 still contacting you to ask you to speak to McCall on behalf  
17 of Glencoe in connection with New York?

18 A. I don't recall, sir.

19 Q. All right.

20 Would you look at Defendant Cari 49. It's one of  
21 your e-mails.

22 A. Yes, sir.

23 Q. Mr. Cari, who was Nancy Cruz?

24 A. Nancy Cruz was the administrative assistant to Carl  
25 McCall, and she did all of Carl's e-mails.

1 Q. All right.

2 So, when Carl wanted to communicate with you --

3 A. I'd get an e-mail from -- anybody in the firm will get an  
4 e-mail from -- from -- Ms. Cruz.

5 Q. Okay.

6 And do you recall that Mr. Levine would, on his own,  
7 sometimes contact Ms. Cruz directly?

8 A. Yes, and contact Carl directly.

9 Q. Right.

10 And you would get e-mails from either Ms. Cruz or  
11 Mr. -- yes, sir?

12 A. If you got an e-mail from Ms. Cruz, you got an e-mail from  
13 Carl. She -- Carl didn't -- Carl didn't -- know how to do  
14 e-mail. So, he would tell his secretary, "Send an e-mail to  
15 this person and tell them this," but the e-mail really was  
16 from Carl.

17 Q. All right.

18 And, so, my question is: As you sit here looking at  
19 that e-mail, do you recall that in the month of April, you  
20 were getting e-mail from Ms. Cruz about contacts by Mr.  
21 Levine -- Mr. Levine, excuse me -- with Carl McCall regarding  
22 the New York fund?

23 A. Yes, it --

24 Q. All right.

25 A. -- says that -- yes.

1 Q. All right.

2 Now, directing your attention, sir, to April 13th of  
3 2004. And I will ask you, sir, to look at Defense Exhibit  
4 Cari 51 and ask you if you recall on April 13th, 2004, getting  
5 another contact from Ms. Cruz as a result of conversations  
6 that Mr. McCall had had with Mr. Levine?

7 A. No, I got -- this is an e-mail from Carl.

8 Q. Okay.

9 A. I know why you're saying Ms. Cruz, but --

10 Q. Okay.

11 A. Do you see that?

12 Q. I'll rephrase it, then.

13 A. Thank you.

14 Do you see what I'm --

15 Q. I do.

16 A. -- trying to --

17 Q. Absolutely.

18 So, my question, then, is: Did you get an e-mail  
19 from Carl?

20 A. Yes.

21 Q. About a contact he had with Mr. Levine on April 13th?

22 A. Yes.

23 Q. And, again, was Mr. Levine, in April of 2004, still trying  
24 to get Mr. McCall to introduce funds to New York for him?

25 A. Yes.

1 Q. As you sit there now, do you recall the names of any other  
2 funds other than Glencoe?

3 A. Carlyle.

4 Q. Okay.

5 Now, I'm going to show you the transcript binder,  
6 Mr. Cari.

7 (Document tendered.)

8 BY MR. DUFFY:

9 Q. And I'll direct your attention --

10 MR. DUFFY: And, your Honor, the jurors, as well.

11 BY MR. DUFFY:

12 Q. -- to Tab 4.

13 THE COURT: Please grab your transcript binders,  
14 ladies and gentlemen, and turn to Tab 4.

15 MR. DUFFY: And, your Honor, with the Court's  
16 permission, I'd like to play this tape. It's short.

17 THE COURT: You may.

18 MR. DUFFY: Before I play it, I want to ask the  
19 witness a question.

20 BY MR. DUFFY:

21 Q. Do you recall, Mr. Cari, this call between you and Mr.  
22 Levine having been played?

23 A. Yes, I do.

24 Q. Okay.

25 And if you look at the transcript before I play it,

1 if you turn to Page 2 --

2 A. Yes, sir.

3 Q. -- Line 20 on Page 2 --

4 A. Yes, sir.

5 Q. -- where you say, "Man, that is the best news. Thank you.

6 How was your time in Florida?"

7 Do you see that, sir?

8 A. I do.

9 Q. I want you to listen to the tape, and I want to listen to  
10 your -- I want you to listen specifically to that comment by  
11 you and I want to ask you about it, if I may. Okay?

12 A. Sure.

13 (Whereupon, said tape was played in open court.)

14 BY MR. DUFFY:

15 Q. Now, Mr. Cari, in this call, this is a call between you  
16 and Mr. Levine on April 14th, correct?

17 A. Yes, sir.

18 Q. And you've already testified, sir, that on Page 1, Line  
19 14, when Mr. Levine references a commingled fund, he's talking  
20 about JER; is that right?

21 A. Yes, sir.

22 Q. All right.

23 And if we go to Page 2, and we start with Mr. Levine  
24 on Page 2, Mr. Levine on Line 15?

25 A. Yes, sir.

1 Q. And he says, "That's -- that's -- fine. And, on Friday  
2 afternoon, we can also sit down and talk because I think that  
3 I can get the other stuff done for HealthPoint."

4 Do you see that, sir?

5 A. I do, sir.

6 Q. And he's referring to the ISBI matter; is he not?

7 A. I believe so, yes.

8 Q. Okay.

9 And you obviously were excited about that; were you  
10 not?

11 A. Surprised.

12 Q. Surprised.

13 And you said that --

14 THE COURT: Mr. Duffy, we need to take a quick --

15 MR. DUFFY: Absolutely.

16 THE COURT: -- a quick -- break.

17 MR. DUFFY: Sure.

18 THE COURT: We will do that and, then, we will pick  
19 up and we will finish.

20 So, we will take a quick break.

21 (Jury out.)

22 THE COURT: You may step down. Please just come  
23 right back.

24 Sorry, Mr. Duffy. One of the jurors needed a  
25 restroom break.

1 MR. DUFFY: I understand, Judge.

2 THE COURT: We will pick back up in about five  
3 minutes.

4 Mr. Duffy, Mr. Niewoehner, can we do a quick sidebar,  
5 as long as we have time?

6 (Sealed proceedings had at sidebar:)

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1 (Proceedings had in open court:)

2 THE COURT: Mr. Duffy, do you know how much longer  
3 you have about? Will you go past lunch?

4 MR. DUFFY: It's very close, Judge.

5 THE COURT: Okay.

6 MR. DUFFY: I was trying to ask the government, in  
7 terms of what they thought for redirect, if I could try to  
8 finish him and save him a trip back.

9 MR. NIEWOEHNER: We're short, so it's possible.

10 THE COURT: Okay.

11 If we go a little beyond 12:30, given we just had a  
12 break, that is fine with me. Whatever you want.

13 MR. DUFFY: I will see where I'm at. If I'm not done  
14 by 12 :30, I will give the Court an idea of how much I have  
15 left.

16 THE COURT: Okay.

17 (Jury in.)

18 THE COURT: You may be seated.

19 BY MR. DUFFY:

20 Q. Mr. Cari, when we broke, we were on Tab 4 of the  
21 transcript binder.

22 A. Yes, sir.

23 Q. And I'd like you to open it up.

24 MR. DUFFY: And the jurors, as well, your Honor.

25 THE COURT: Ladies and gentlemen, if you would grab

1 your transcript binders, again, please, Tab 4.

2 BY MR. DUFFY:

3 Q. And, specifically, Page 2.

4 A. Yes, sir.

5 Q. I had directed your attention to, I believe, Lines 15  
6 through 21.

7 Do you recall that?

8 A. Yes, sir.

9 Q. And when Mr. Levine is speaking at Lines 15 through 19, he  
10 is suggesting to you that he -- he says, "I can get the other  
11 stuff done for you at HealthPoint"?

12 A. Yes.

13 Q. And the other stuff -- the only thing that HealthPoint had  
14 at that time that had any connections with Mr. Levine would  
15 have been the ISBI matter; is that right?

16 A. Correct.

17 Q. Okay.

18 And when you said, "Man, that's the best news," you  
19 said you were surprised; is that right?

20 A. Yes.

21 Q. And could you tell us, what were you surprised about?

22 A. Because we're -- we, I was -- under the impression ISBI  
23 did not have any funds available for allocations.

24 Q. Right.

25 And you had just told us that earlier this morning;

1 and, in fact, in your calendar, we reviewed, did we not, a  
2 meeting you had in March with the ISBI people?

3 A. Correct.

4 Q. You and your partners; isn't that right?

5 A. Correct.

6 Q. And, so, on April 14th, it was your understanding, based  
7 upon your meeting with ISBI, that they didn't have funds to  
8 allocate to you?

9 A. Correct.

10 Q. When he told you that on the 14th -- do you know, one way  
11 or the other -- did you think he was being truthful with you?

12 A. I took it for what he -- it was an exchange over the  
13 phone. I took it in. I was surprised. And I -- in my head,  
14 I just thought when I got back, I'd hear what this was about.  
15 But I was surprised.

16 Q. Okay.

17 So, we note the voice inflection on the phone, and  
18 it's what you would describe as surprise?

19 A. Yes, sir.

20 Q. And as you told us earlier, nothing ever happened with  
21 ISBI?

22 A. Correct.

23 Q. Now, let me direct your attention to your calendar for  
24 April 23rd of '04. And this one you're going to have to go to  
25 the Redweld. Excuse me.

1                   And while you're looking in the Redweld -- April  
2 23rd, 2004.

3 A. Yes, sir.

4 Q. Do you recall whether you attended a breakfast that  
5 morning for Governor Blagojevich?

6 A. I don't recall if I attended it or not.

7 Q. All right.

8                   Would you agree that you were invited to it?

9 A. Yes.

10 Q. All right.

11                   On the same day, do you recall having a meeting with  
12 Nick Hurtgen in your office in Chicago?

13 A. No, I don't recall that.

14 Q. All right.

15 A. But it's on my calendar.

16 Q. Do you recall in April of 2004, that HealthPoint was now  
17 having introductions and meetings with representatives of the  
18 State of Wisconsin?

19 A. Correct.

20 Q. Okay.

21                   And were you having conversations with Mr. Hurtgen in  
22 April of '04 about Wisconsin?

23 A. Yes.

24 Q. If I ask you to turn the page to Defendant Cari 53, does  
25 that help you, sir -- I'm sorry.

1 (Brief pause.)

2 BY MR. DUFFY:

3 Q. My earlier question was: You had Mr. Hurtgen in your  
4 calendar on April 23rd?

5 A. Right.

6 Q. And you said just by seeing it in the calendar didn't  
7 refresh your recollection as to whether you met with him that  
8 day, right?

9 A. Correct.

10 Q. Now, I'll direct your attention to Defendant Cari 53, an  
11 e-mail of the same day. And I'll ask you, read it to yourself  
12 and, then, does that refresh your recollection of whether you  
13 met with Mr. Hurtgen about Wisconsin that day?

14 A. It does.

15 Q. Okay.

16 And Mr. Hurtgen was trying to set up a meeting for  
17 HealthPoint, was he not, with the State of Wisconsin?

18 A. Correct.

19 Q. Okay.

20 Now, at this point, April 23rd of '04, had Mr. Levine  
21 given you the name of the consultant that HealthPoint would  
22 have to use in Wisconsin?

23 A. No. Mr. Levine never gave me a name --

24 Q. All right.

25 A. -- of a consultant for Wisconsin.

1 Q. All right.

2 He told you there would be one, but never gave you  
3 the name; is that right?

4 A. Mr. Hurtgen told me that Mr. Levine would have a  
5 consultant.

6 Q. All right.

7 And after Hurtgen told you that, did you then have a  
8 conversation with Mr. Levine about what Hurtgen had told you?

9 A. Yes.

10 Q. And what was that conversation?

11 MR. SCHAR: Judge, I assume this isn't being offered  
12 for the truth, either.

13 MR. DUFFY: What?

14 THE COURT: What is it being offered for?

15 MR. DUFFY: Your Honor, I think this is completely  
16 within the scope of cross-examination of the relationship  
17 between Mr. Levine and this witness.

18 MR. SCHAR: It may be within the scope, but I -- it's  
19 still hearsay, Judge.

20 THE COURT: What are you offering it for?

21 MR. DUFFY: Your Honor, I'll accept the hearsay  
22 admonition and elicit it and, then, move on to further  
23 conversations in this area.

24 THE COURT: Okay.

25 Ladies and gentlemen, the conversation you are about

1 to hear testimony regarding is not being offered for the truth  
2 of the matter asserted, but is rather being offered as to this  
3 witness' state of mind and to show actions he may have taken  
4 next.

5 MR. DUFFY: All right.

6 BY MR. DUFFY:

7 Q. Do you recall the question, Mr. Cari?

8 A. Please, if you could --

9 Q. Okay.

10 A. -- repeat it.

11 Q. You said that Mr. Hurtgen had told you that you would have  
12 to use a consultant in Wisconsin?

13 A. Yes.

14 Q. And all he said to you was you'd have to talk to Levine  
15 about it?

16 A. Correct.

17 Q. I asked you, then, after you had spoken to Hurtgen about  
18 it, did you actually speak to Levine about it?

19 A. Yes.

20 Q. Okay.

21 And in proximity from the Hurtgen call to the Levine  
22 call, do you know?

23 A. I'd be guessing, sir.

24 Q. Okay.

25 And is it fair to say that in the conversation you

1 had with Mr. Levine, he confirmed what Mr. Hurtgen had said?

2 A. Yes.

3 Q. But, at that point, he did not give you a name?

4 A. He did not, nor did he ever.

5 Q. Okay.

6 Now, let me direct your attention, if I may, to the  
7 binder, Tab 26.

8 A. I'm sorry, 40?

9 Q. Tab 26.

10 MR. DUFFY: And, your Honor, I would like the jurors  
11 to go to Tab 26.

12 THE COURT: Okay.

13 Ladies and gentlemen, please turn to Tab 26.

14 MR. DUFFY: And, your Honor, this is, again, another  
15 short call that I'd like to play.

16 THE COURT: You may play it.

17 (Whereupon, said tape was played in open court.)

18 BY MR. DUFFY:

19 Q. Mr. Cari, this call is on April 26, '04, between you and  
20 Mr. Levine?

21 A. What was the tab?

22 Q. I apologize. Tab 26.

23 Did you not have that?

24 A. I'm fine.

25 Okay, I have it.

1 Q. Were you listening to the recording?

2 A. I was listening, yes.

3 Q. If you need -- I'll ask you some questions. But if you'd  
4 like me to replay it, let me know.

5 A. No problem.

6 Q. Okay.

7 Page 1 on Tab 26, it's an April 26th, '04, call  
8 between you and Mr. Levine.

9 Do you see that?

10 A. Yes, sir.

11 Q. And on the first page, sir, Lines, basically, 11 through  
12 20, when he's referring to "the consultant," he's referring to  
13 JER; is that --

14 A. Correct.

15 Q. And, on Page 2, the discussion then turns on Line 10 by  
16 you to the State of New York; isn't that correct?

17 A. Correct.

18 Q. And now we're talking about something different; is that  
19 right?

20 A. Totally different.

21 Q. All right.

22 And the reference by you on Line 10, "One quick other  
23 thing, in terms of trying to get things done with the  
24 Comptroller of New York," at that point, sir, were you  
25 referring to a specific fund that Mr. Levine was trying to --

1 A. Glencoe.

2 Q. Glencoe. All right.

3 And, on Line 14, you say, "I can't -- I can't --  
4 explain how Carl cannot get this done"; is that right?

5 A. Correct.

6 Q. And by "Carl," that's your partner, Carl McCall, at  
7 HealthPoint?

8 A. Correct.

9 Q. And by "getting it done," that is why -- what did you mean  
10 by that?

11 A. That Glencoe wasn't successful in getting an allocation,  
12 given the parameters of the fund and the fact that Carl had  
13 relationships with staff to move it along through the process  
14 of verification and things like that.

15 Q. All right.

16 And when you're talking about Carl and Glencoe in New  
17 York, you're not talking about any improprieties here; are  
18 you, sir.

19 A. Not at all.

20 Q. You're just talking about a fund trying to be introduced  
21 and have Glencoe go through the due diligence process at New  
22 York and be considered for an allocation; is that correct?

23 A. Correct.

24 Q. And you say, "I was giving some thought to -- I know that  
25 for -- Bob Torricelli has been able to move some substantial

1 funds through there."

2 Do you see that, sir?

3 A. Yes, sir, I do.

4 Q. Who was that individual?

5 A. A friend of mine, a former member of the U.S. Senate.

6 Q. And when you said he's "been able to move some substantial  
7 funds through there," what were you referring to?

8 A. That Bob has represented different private equity funds in  
9 their presentations and working with the staff and getting  
10 allocations completed.

11 Q. And would it be fair to say that you were describing  
12 Mr. Torricelli's conduct here as one as, like, a consultant or  
13 a finder?

14 A. Correct.

15 Q. All right.

16 And, again, there's nothing inappropriate with that,  
17 was there?

18 A. No.

19 Q. And you go on to say, "He's a good friend. I just wanted  
20 you to think about it, whether you wanted to try a different  
21 conduit."

22 Do you see that?

23 A. Yes, sir.

24 Q. And the different conduit would be forget -- don't use  
25 Mr. McCall, but maybe use someone else?

1 A. Correct.

2 Q. And you go on to say, "I'm always trying to rack my brains  
3 to continue to try to get things done. And I just -- I don't  
4 -- just because these things -- this didn't turn out as well  
5 as I had hoped doesn't mean we shouldn't give -- give -- up on  
6 it."

7 Do you see that, sir?

8 A. Yes, sir.

9 Q. Okay.

10 And I think what you're saying here to Mr. Levine is,  
11 "I am trying to help you, Mr. Levine"; is that correct?

12 A. Yes.

13 Q. Okay.

14 And I guess the question is why on April -- I'm  
15 sorry, why on May -- on April -- 26th are you still trying to  
16 help Mr. Levine with the State of New York?

17 A. Again, a variety of reasons, including I have a law  
18 partner asking me to help -- Mr. Vinson -- reminding me that  
19 Mr. Levine is a law partner -- or is a -- I'm sorry. Mr.  
20 Levine is a client of Sam's -- of Mr. Vinson's. And it was  
21 obvious to me by the conversations that Mr. Vinson's in and  
22 out of this thing all the time, saying, "I know Stuart. It's  
23 important to Mr. Levine. Please keep helping him." So,  
24 that's part of the reason.

25 Q. Okay.

1 A. The other part of the reason is to stay in the good graces  
2 of Mr. Levine.

3 Q. And why would you want to remain in his good graces?

4 I'll withdraw that and rephrase that for you.

5 At this point in time, we just had a phone call, did  
6 we not, a few -- a phone call before this -- where Mr. Levine  
7 is telling you about some good news with ISBI.

8 Do you remember that?

9 A. Yes, sir.

10 Q. The surprise news?

11 A. Yes, sir.

12 Q. And he was telling you earlier in April that he thought he  
13 could help you with ISBI; isn't that right?

14 A. Correct.

15 Q. And that would be a reason to stay in his good graces?

16 A. Yes, sir.

17 Q. All right.

18 And, then, on Line 30, Mr. Levine says, "Well, the  
19 problem with Torricelli is then he has to be included."

20 Do you see that?

21 A. Yes.

22 Q. And by that, you knew that Mr. Levine meant Mr. Torricelli  
23 would have to be paid a fee for his services?

24 A. Correct.

25 Q. All right.

1                   And on Page 3, sir, you say to him, "I'm not pushing  
2 this."

3                   And by that, you mean -- I'm sorry, sir, Page 3 of  
4 the same tape.

5 A. Yes, sir.

6 Q. Okay.

7                   On Line 3, you say, "I'm not pushing it."

8                   Do you see that, sir?

9 A. Yes, sir.

10 Q. And you weren't pushing this investment in New York; were  
11 you, sir?

12 A. No.

13 Q. You were just trying to be accommodating?

14 A. Correct.

15                   Nor was I pushing Bob Torricelli.

16 Q. Correct.

17                   Now, I'll direct your attention, if I may, to your  
18 calendar of April 27th, 2004.

19 A. Yes, sir.

20 Q. Do you have that date?

21 A. I do.

22 Q. Okay.

23                   Do you recall on April 27th, 2004, you have a meeting  
24 with Mr. David Wilhelm in your office?

25 A. I do not recall that, no.

1 Q. All right.

2 It would not be unusual for you, in April of 2004, to  
3 meet with David Wilhelm?

4 A. Not at all.

5 Q. It would not be unusual, sir, for you -- for Mr. Wilhelm  
6 to stop by your office, would it?

7 A. Not at all.

8 Q. Particularly, since his wife worked there?

9 A. Correct.

10 Q. All right.

11 Now, in late April of '04, you are having  
12 conversations with Mr. Levine where he is trying to get you  
13 and Mr. McCall to assist him with JER; is that right?

14 I'll rephrase.

15 A. Please.

16 Q. He is trying to -- he's asking you to contact Mr. McCall  
17 in connection with JER; is that right?

18 A. Yes. But I know he also had direct contact with  
19 Mr. McCall.

20 Q. I understand that. I understand.

21 A. But "Yes" to your answer.

22 Q. We had seen and played two tape recordings, and in both  
23 recordings prior to this date, Mr. Levine had referenced the  
24 consultant for JER?

25 A. Correct.

1 Q. Okay.

2 Did you ever share with Mr. Wilhelm the request by --  
3 the conversations you had with Mr. Levine about this  
4 consultant situation at JER?

5 A. No.

6 Q. And if you turn to the next exhibit, sir, Cari 54 -- do  
7 you see that?

8 A. Yes, sir.

9 Q. Is that yet, again, another request for -- by you to  
10 Mr. McCall, for -- an update for Mr. Levine?

11 A. Yes.

12 Q. And that was because you were going to be having a meeting  
13 with Mr. Levine that day, is that right, possibly?

14 A. Possible. Or we were going to talk by phone.

15 Q. Okay. All right.

16 And you anticipated that the subject matter of New  
17 York would come up?

18 A. Yes.

19 Q. Now, if I can direct your attention to April 28th, sir,  
20 your calendar. And it would be in this binder. It would be  
21 Defendant Exhibit Cari 56.

22 A. Yes, sir.

23 Q. And do you recall on April 28th, 2004, having a meeting  
24 with Mr. Levine at his office in Deerfield?

25 A. No.

1 Q. And your calendar reflects such an appointment; does it  
2 not?

3 A. Yes.

4 Q. But as you sit here, you don't recall whether you had that  
5 meeting or not?

6 A. I doubt if I did.

7 Q. All right.

8 Do you recall, sir, on April 28th, 2004, that you had  
9 a meeting in Milwaukee, Wisconsin, in the morning?

10 A. I do because it's in my calendar.

11 Q. Okay.

12 And do you recall, at some point in time, you had a  
13 meeting in Milwaukee in connection with HealthPoint seeking  
14 funds from the State of Wisconsin?

15 A. Yes, sir.

16 Q. And do you recall that you met in Milwaukee with the  
17 Secretary, Marc Marotta?

18 A. Correct.

19 Q. Who was Marc Marotta?

20 A. If I recall correctly, he was Secretary of State, I  
21 believe, of Wisconsin; and, a member of the public pension  
22 board, I believe.

23 Q. All right.

24 And do you recall, sir, whether that meeting in  
25 Wisconsin took place on April 28th?

1 A. Yes, it did.

2 Q. Okay.

3 And according to your calendar, you have a meeting  
4 scheduled with Milwaukee in the morning and, then, you have a  
5 meeting scheduled with Mr. Levine's office in Deerfield in the  
6 afternoon; is that right?

7 A. Correct.

8 Q. And you lived and worked in downtown Chicago; isn't that  
9 right?

10 A. I did.

11 Q. But if you were meeting in Milwaukee in the morning and  
12 driving back to Chicago, you would drive by Deerfield,  
13 Illinois; would you not?

14 A. Correct.

15 Q. And do you recall having any conversation with Mr. Levine  
16 prior to you going to Milwaukee on the 28th where he wanted to  
17 meet with you after the Milwaukee meeting to see how the  
18 meeting went?

19 A. I don't recall that, sir.

20 Q. Okay.

21 And although you have that meeting on your calendar,  
22 you don't recall the meeting taking place?

23 A. I doubt if it did.

24 Q. All right.

25 You recall the meeting in Milwaukee; is that right?

1 A. I do.

2 Q. And you probably just came back to Chicago?

3 A. Correct.

4 Q. At some point in time, after the Milwaukee meeting, did  
5 Mr. Levine reach out to you for an update on it?

6 A. I don't recall that.

7 Q. Now, directing your attention, if I can, sir, to Defendant  
8 Cari 58.

9 A. Yes, sir.

10 Q. And did you continue in the month of May to have meetings  
11 in Milwaukee on behalf of HealthPoint?

12 A. Well, by this, I -- I -- had talked to Mr. Severens by  
13 phone and there was a meeting scheduled, and I was verifying  
14 the meeting by correspondence.

15 Q. All right.

16 I didn't want you to have to read from the document.

17 A. Sorry.

18 Q. What I wanted to do was just place you in the month of May  
19 of '04 --

20 A. Yes, sir.

21 Q. -- and see if you recall that you are having meetings  
22 scheduled in May on behalf of HealthPoint with the State of  
23 Wisconsin.

24 A. Yes, sir.

25 Q. Now, if I could turn you to Tab 37 in the transcript

1 binder.

2 MR. DUFFY: Your Honor, the jurors, as well.

3 THE COURT: Yes.

4 Ladies and gentlemen, if you would please turn to Tab  
5 37 in your binders.

6 BY MR. DUFFY:

7 Q. And I will not play this tape, Mr. Cari, but I'll direct  
8 you to Page 2, Line 9.

9 A. Yes, sir.

10 Q. And, of course, this is a conversation with you and Mr.  
11 Levine on May 6th about JER?

12 A. Correct, sir.

13 Q. And he's wanting to know what's going on with JER,  
14 correct?

15 A. Correct.

16 Q. And on Page 2, Line 9, you say, "Well, here's where we  
17 are. She -- that she was talked to, she understood and she  
18 got confused because after Carl talked to the person, the  
19 staff said everything was fine. Carl talked to her the other  
20 day."

21 Do you see that, sir?

22 A. I do.

23 Q. All right.

24 And the "Carl" you're referring to there is Carl  
25 McCall?

1 A. Correct.

2 Q. And the "she" you're referring to is Ms. Harmon?

3 A. Correct.

4 Q. And in this conversation with Mr. Levine, are you sharing  
5 with him your conversation with Ms. Harmon or what Mr. McCall  
6 is telling you?

7 A. What Mr. McCall is telling me.

8 Q. Okay.

9           You had not yet spoken to her; is that right?

10 A. I had not spoken to her yet.

11 Q. Okay.

12           And moving on, if I may, we then get to the meeting  
13 on May 20th, sir. You can look at Defendant's Cari 60.

14           And the meeting on May 20th, you recall that meeting  
15 in your office with Mr. Levine; is that right?

16 A. Yes, I do.

17 Q. Okay.

18           And that is the meeting that you testified to on  
19 direct examination where there were lawyers on the phone from  
20 JER, is that right, if you recall?

21 A. That was part -- yes, I do.

22 Q. Yes.

23 A. That was part of this, yes.

24 Q. Is this the meeting where Mr. Loren came?

25 A. Mr. Loren never came. He participated by conference call.

1 Q. Okay. Okay.

2 And was May 20th the last time -- the last day --  
3 that you had any contact with anybody on behalf of JER?

4 A. I believe so.

5 Q. All right.

6 Now, in the middle of May, sir, May of 2004, as it  
7 related to JER, you were asked by Mr. Levine on several  
8 occasions to follow up on this issue regarding the consultant;  
9 isn't that right?

10 A. Yes.

11 Q. And I think you testified, sir, you were never given the  
12 name of the consultant, were you?

13 A. I don't know the name to this day.

14 Q. And I think you said you, at times, did not really  
15 understand what was going on in connection with the  
16 consultant?

17 A. Correct.

18 Q. And you said that during May, Mr. Levine was becoming more  
19 and more agitated; is that correct?

20 A. Correct.

21 Q. And was he stopping by your office with more frequency?

22 A. Yes.

23 Q. And I think you described him as becoming more and more  
24 threatening; is that right, sir?

25 A. Correct.

1 Q. And when you say "threatening," what are you referring to?

2 A. That it was very clear to me, in no uncertain terms, that  
3 Stuart threatened to pull his legal work from our law firm;  
4 and, that was communicated to me and to Mr. Vinson.

5 Mr. Vinson came in several times concerned about  
6 that.

7 And Mr. Levine's demeanor about getting this contract  
8 signed became more and more demanding, different tone.

9 Q. Do you recall, sir, whether -- and I think you used the  
10 term "menacing" at one time; did you not?

11 A. Yes.

12 Q. And by "menacing," what were you referring to?

13 A. Menacing. I mean --

14 Q. Speaks for itself?

15 A. Yes, sir.

16 Q. Did he ever raise his voice with you on the subject?

17 A. Yes, several times.

18 Q. And that was in your office, as well?

19 A. Yes.

20 Q. When this was going on in May, did you ever reach out to  
21 Mr. Wilhelm and describe -- and tell him about Levine's  
22 behavior?

23 A. No.

24 Q. Did you ever call Mr. Rezko and tell him?

25 A. No.

1 Q. Or Mr. Monk?

2 A. No.

3 Q. Mr. Kelly?

4 A. No.

5 Q. And the first time that you spoke -- you spoke with  
6 Ms. Harmon once; isn't that right? Or was it more than once?

7 A. I may have spoken with her twice, sir.

8 Q. Okay.

9           And the first time that you spoke with her, you, I  
10 believe, testified that she said she was aware of the issue;  
11 is that right?

12 A. Correct.

13 Q. And she was -- I mean, she was calm; was she not?

14 A. Very.

15 Q. And that she said her attorneys were looking at the issue;  
16 is that right?

17 A. Correct.

18 Q. And I think you said what was important -- what you were  
19 trying to convey to her was that if they were going to use a  
20 consultant, the contract had to be signed and the consultant  
21 had to be disclosed to the public body; is that right?

22 A. Correct. Or if it wasn't signed, it was going to get  
23 pulled.

24 Q. Okay.

25           And that, you were being told by Mr. Levine?

1 A. Consistently.

2 Q. And, then, you also spoke to an in-house attorney named  
3 Dan Ward; is that right?

4 A. Yes, sir, I did.

5 Q. And your conversations with Mr. Ward were similar; were  
6 they not?

7 A. Very civil. It was two lawyers talking.

8 Q. Okay.

9           And the conversations with him, were they similar as  
10 with Ms. Harmon in that they were aware of the situation and  
11 they were looking into?

12 A. He knew exactly immediately why I was calling.

13 Q. And I think you told the jury that it really wasn't until  
14 May 20th that you were having a conversation with the lawyers  
15 from the Thacher firm from New York; is that right?

16 A. I was on a conference call with Mr. Loren, Mr. Ward and  
17 two lawyers from the Simpson, Thacher firm in New York.

18 Q. All right.

19 A. Yes.

20 Q. And was this the first time that someone had mentioned to  
21 you about that they didn't know who the consultant was?

22 A. Yes.

23 Q. And there's something about some connection to the  
24 Caribbean; is that right?

25 A. I was told there was a consulting contract faxed from

1 somewhere in the Caribbean.

2 Q. All right.

3 And was it on this occasion when you, being a lawyer,  
4 told the lawyers on the phone that, "We all have clients and  
5 you should do what you need to do -- do what you feel is best  
6 for your client," or words to that effect?

7 A. Yes, sir. That's how I ended the call.

8 Q. Okay.

9 Now, you had no financial interest in this matter;  
10 did you, sir?

11 A. No.

12 Q. And you were involved in this matter at the insistence of  
13 Mr. Levine, is that fair? And others?

14 A. My actions, I'm responsible for, sir. I was the one who  
15 picked up that phone.

16 Q. No, I understand that, sir.

17 My question, though, is: You were -- I'm not asking  
18 about responsibility. I'm saying you were involved in this at  
19 the insistence of Mr. Levine; were you not?

20 A. Absolutely. And my law partner.

21 Q. And you told the jury that you made demands of people; did  
22 you not?

23 A. Yes, sir.

24 Q. And you agree that you committed a crime?

25 A. Yes, sir.

1 Q. All right.

2 Now, in 2004, you were contacted by the government in  
3 connection with this matter; were you not, sir?

4 A. Yes, sir.

5 Q. And you were interviewed by the government on several  
6 occasions; were you not?

7 A. Yes, sir.

8 Q. And in each of those interviews, you were asked about your  
9 dealings with Mr. Levine; isn't that right?

10 A. Yes.

11 Q. And initially, sir, in your initial interviews with the  
12 government, you told the government that you did not believe  
13 you had committed a crime; isn't that right?

14 A. Yes, sir.

15 Q. And at the time you told that to the government, did you  
16 believe that?

17 A. Absolutely.

18 Q. And it was only later, sir, after several meetings with  
19 the government, did you agree that you had been involved in  
20 criminal activity?

21 A. Yes. And after long dialogue with my attorney, who  
22 explained --

23 Q. And, sir, I'm not going to ask you about any conversations  
24 with your lawyer.

25 A. That was part of --

1 Q. Okay, sir.

2 A. -- my realization of what I did.

3 Q. All right.

4 And if you recall, you had a meeting with the  
5 government on July 28th, '05. Do you remember that date, sir?

6 A. No. I mean, I know I met with them several times. If  
7 that's one of the dates.

8 Q. All right.

9 This was, sir, the occasion -- putting aside the  
10 date, this was the occasion -- where your lawyer asked you a  
11 question in front of the government about whether or not you  
12 had been involved in criminal activity -- he asked you a  
13 specific question -- and you responded that you had.

14 Do you remember that meeting?

15 A. No.

16 Q. All right.

17 Let me ask you this question: Whether you recall in  
18 the government's office you were asked whether you were  
19 involved in criminal activity in connection with JER and you  
20 admitted that you were and you said that you did it on behalf  
21 of Stuart Levine?

22 A. On January 28th?

23 Q. I'm sorry. July 28th. I'm sorry. July 28th, '05.

24 And I can show you a document if that would help.

25 Let me rephrase.

1 A. I thought you were asking me questions about a January  
2 28th meeting with the government.

3 Q. My apology. I can't read my own "7"s from my "1"s.

4 So, let me back up and take you to July --

5 A. Yes, sir.

6 Q. -- of '05. And I apologize for that.

7 Do you recall a meeting with the government in July  
8 of '05?

9 A. I do.

10 Q. Okay.

11 And your lawyer was present, right?

12 A. He was.

13 Q. And you were asked -- your lawyer asked you a specific  
14 question in front of the government?

15 A. Yes.

16 Q. About whether you had engaged in wrongdoing.

17 Do you remember that?

18 A. Correct.

19 Q. And you acknowledged that you had; did you not?

20 A. I did.

21 Q. And you said, though, at this meeting that you did it on  
22 behalf of Stuart Levine; is that right?

23 A. Yes.

24 Q. And that was true; wasn't it, sir?

25 A. Yes.

1 Q. And, sir, the first time that you were asked by the  
2 government --

3 MR. DUFFY: Withdraw that.

4 BY MR. DUFFY:

5 Q. You recall you had several interviews with the government;  
6 is that right?

7 A. Yes, sir.

8 Q. And do you recall in one of the interviews, they asked you  
9 about Mr. Rezko?

10 A. Yes.

11 Q. And do you recall the very first time they asked you about  
12 Mr. Rezko what you had said to them is that you had met him  
13 only once, after Governor Blagojevich had gotten elected.

14 Do you remember that?

15 A. Generally, yes.

16 Q. Okay.

17 A. Yes.

18 Q. And the time -- the first time they asked about Mr. Rezko,  
19 you did not really recall anything other than just meeting  
20 him.

21 Do you recall that, sir?

22 A. No.

23 Q. All right.

24 Do you recall that you could not provide any further  
25 details about your meeting with Mr. Rezko?

1 A. I did provide details.

2 Q. All right.

3 Let me be more precise, sir.

4 I'm going to show you, if I may, a copy of a  
5 government interview.

6 Before testifying here today, have you reviewed your  
7 interviews by the government?

8 A. No.

9 Q. Okay.

10 And the first one I'll direct you to is October 30th,  
11 2004.

12 And you recall that day when the government came to  
13 your residence?

14 A. I do.

15 Q. Okay.

16 And, then, after that occasion, there were several  
17 other occasions where you met with representatives of the  
18 government; is that right?

19 A. Correct.

20 Q. And if I can direct your attention to November 5th, sir,  
21 of 2004?

22 A. Yes, sir.

23 Q. You recall being -- a meeting -- in the U.S. Attorney's  
24 Office with a lawyer named David Mandel?

25 A. Correct.

1 Q. And I would direct your attention to Page 2 and ask you  
2 just to read this paragraph to yourself.

3 THE COURT: Mr. Duffy, is there an exhibit name for  
4 what you are showing him, please?

5 MR. DUFFY: Judge, I will mark this Defendant Exhibit  
6 Cari 302s.

7 THE COURT: Okay.

8 BY THE WITNESS:

9 A. Yes, sir.

10 BY MR. DUFFY:

11 Q. Have you read it, sir?

12 A. Yes, sir.

13 Q. Okay.

14 And does that refresh your recollection that you told  
15 the government when they asked you about Mr. Rezko that you  
16 said you had met him once?

17 A. No.

18 Q. Doesn't refresh your recollection?

19 A. That I remember saying that to the government?

20 Q. Yes.

21 A. Yes. At that --

22 Q. At that interview, yes, sir.

23 A. Yes.

24 Q. Okay.

25 And do you recall telling the government, at that

1 interview, that you met Mr. Rezko -- the one time you met him  
2 was some time after Blagojevich got elected?

3 A. Yes.

4 Q. And, in this interview, sir, you did not have any other  
5 details to provide the government about your meeting with Mr.  
6 Rezko, did you?

7 A. I was responding to questions. So, when I was asked a  
8 question, I truthfully answered it.

9 Q. Okay.

10 And when they asked you on this occasion about your  
11 meeting with -- it is the government, sir, who brought up Mr.  
12 Rezko's name; isn't that right?

13 A. Yes.

14 Q. And they asked you, did you ever meet with him, right?

15 A. Yes.

16 Q. And you told them you met him once; isn't that right?

17 A. Correct.

18 Q. And did they not ask follow-up, sir, about where was this  
19 meeting and what was discussed?

20 A. They did.

21 Q. And, at that time, you didn't recall, did you?

22 A. I did recall when they asked me the specifics about the  
23 meeting.

24 Q. On that occasion, sir?

25 A. On that occasion, I don't believe they asked me.

1 Q. On that occasion, they just asked you if you met with Mr.  
2 Rezko and that was all they were --

3 A. I don't recall all of the nuances and the way the  
4 questions were asked in each of these interviews.

5 Q. I understand.

6 My question to you is: On this occasion, on 11-5-04,  
7 is the only thing that you told the government is that you had  
8 met Mr. Rezko once?

9 A. I don't recall.

10 Q. Okay.

11 THE COURT: Mr. Duffy?

12 MR. DUFFY: I've got a few minutes. Maybe we  
13 should --

14 THE COURT: Okay.

15 We will break for lunch. We will pick up at quarter  
16 to 2:00.

17 (Jury out.)

18 THE COURT: You may step down, Mr. Cari.

19 Please be back here are by about 20 to 2:00.

20 \* \* \* \* \*

21

22 I certify that the foregoing is a correct excerpt from the  
23 record of proceedings in the above-entitled matter.

24

25 \_\_\_\_\_, 2008  
Official Court Reporter