1 Q At or about the time that you signed the assignment
2 application on January 6, 1992, you spoke with David Gardner
3 about the numbers reflected in the expense certification, did
4 you not?
5 A Yes.
6 Q At the time of that conversation, the certification
7 had already been signed by David Gardner, hadn't it?
8 A Yes.
9 Q Part of that conversation, you and David had not
10 discussed the figure for legal fees set forth in the
11 certification, had you?
12 A Would you repeat the question?
13 Q Prior to the time of your conversation with David
14 Gardner, you and he had not discussed the figure for legal
15 fees set forth in the certification, had you?
16 A We had not discussed previously that specific
17 amount.
18 Q Nor had you and David discussed the figure for
19 engineering fees set forth in the certification?
20 MR. BECHTEL: If it pleases the Court, is this a
21 memory test or can he have the document be put in front of him
22 to look at the figures?
23 MR. HOLT: I'd be happy to put the document in front
24 of him.
25 JUDGE CHACHKIN: Does he have the document in front

1 of him now?
2 MR. HOLT: No, I don't believe he does.
3 JUDGE CHACHKIN: I -- be here somewhere --
4 MR. HOLT: I think you can find it, Mr. Sandifer, on
5 page --
6 MR. BECHTEL: It's David Gardner, 227, page 20, in
7 your, in your book.
8 BY MR. HOLT:
9 Q Do you have that certification before you now, sir?
10 A Yes, sir.
11 Q Do you recall my question?
12 A If you could repeat the question, please.
13 Q Certainly. Isn't it true that you and David had not
14 discussed the figure for the engineering fees set forth in the
15 certification during that, at any time prior to this
16 conversation?
17 A I don't recall that we discussed this exact dollar
18 amount, although we had previously discussed a generic fee.
19 Q And you had no understanding at the time you signed
20 the application as to how those, the figures specified in the
21 certification had been arrived at, isn't that true?
22 A Could you repeat the question, please?
23 Q You had no understanding at the time that you signed
24 the assignment application as to how the figures specified in
25 the certification of expenses had been arrived at, isn't that

1 a fact?
2 A Whether I knew exactly how these dollar amounts were
3 arrived at, I'm not going to state that I had no understanding
4 as to what the process may have been.
5 Q You understood that there had been an allocation
6 made, is that correct?
7 A I, I understood that allocations were made in this
8 certification.
9 Q But you had no understanding as to how these figures
10 were arrived at, is that what you're saying?
11 A We had not specifically discussed these figures
12 prior to the time that I signed the application, but I was
13 generally aware of the type of expenses we'd, we'd incurred
14 and the possible allocation methods.
15 Q You made no independent review of the figures
16 specified in the expense certification to determine whether
17 they were accurate or not, isn t that right?
18 A I made no independent investigation into these
19 figures, other than relying on David Gardner's representation.
20 Q If I could direct your attention to the document
21 that's been marked for iden--, actually it's been received
22 into evidence as TBF Exhibit 292.
23 A Is that -- Okay.
24 Q You have that? If you would turn to page 6 of that
25 exhibit. Do you have that document before you?

1 A Yes, sir.
2 Q Okay. The invoice makes reference in several places
3 to a Ms. Bishop. That reference is to Ms. Erica Bishop,
4 correct?
5 A Yes.
6 Q And, she was a station manager of Raystay's low
7 power station in Dillsburg at and around the time of this June
8 4 invoice, isn't that correct?
9 A Yes.
10 Q And she had no responsibilities with respect to the
11 construction and operation of Raystay's unbuilt construction
12 permits, did she?
13 A I have no knowledge of what her responsibilities may
14 have been.
15 Q You had no supervisory responsibility for Ms.
16 Bishop?
17 A I did not.
18 Q Who had supervisory responsibility for Ms. Bishop?
19 A Ultimately, George Gardner did. I don't know who
20 she may have reported to at this, I mean I can make
21 assumptions, but I don't know personally who she reported to.
22 Q Were you familiar with the operation of TB 40 at the
23 station license in Dillsburg?
24 A During which time period?
25 Q During the period around the time of this June 4,

1990 invoice?

A I was not.

MR. HOLT: If I could ask for your indulgence, --

JUDGE CHACHKIN: -- we'll go off the record for a moment.

(Off record at 9:45. Back on the record at 9:46)

MR. HOLT: I, have no further questions.

JUDGE CHACHKIN: We're back on the record. You have no further questions, counsel, is that correct?

MR. HOLT: Correct, yes, Your Honor.

JUDGE CHACHKIN: Do you have any cross?

MR. SCHONMAN: Yes, Your Honor, just a few.

CROSS EXAMINATION

BY MR. SCHONMAN:

Q Mr. Sandifer, can you turn to TBF Exhibit 273?

A Yes, sir.

Q Do you know who drafted that page?

A It's in the handwriting of David Gardner.

Q Do you have any knowledge as to how those figures on the page were arrived at?

A I have a general knowledge.

Q Can you share that general knowledge with us?

A During this period of time, fall of 1991, I'd asked David Gardner to start accumulating cost information regarding the LPTV construction permits. And I was aware that he had,

1 through some assistance with our accounting department, had
2 reviewed records and had access to invoices that I assume were
3 used in the preparation of this summary.
4 Q So, in other words, to your knowledge, David Gardner
5 looked at available invoices in order to compile these number?
6 A Yes.
7 Q Were you aware of, did you have that general
8 knowledge in October, 1991?
9 A I had that general knowledge either in late October
10 or early November, 1991.
11 Q And how did you gain that knowledge?
12 A The general knowledge?
13 Q The knowledge you just explained to us.
14 A As I said, our discussions with David Gardner
15 regarding potential transfer activity the company was involved
16 in, I was, I understood that he was gathering these invoices
17 and this is represented to me that this was his preliminary
18 work on the matter.
19 Q Now, there's that total at the bottom, $15,464. In
20 October, 1991, when Mr. Gardner gave this page to you with
21 these numbers, what did that total figure represent to you?
22 A It represented the partial costs that the company
23 had incurred in the cost involved with this LPTV construction
24 permits.
25 Q What do you mean by it represented partial costs?

1 A At the time, about the time when David Gardner and I
2 may have discussed this, I just asked him to have
3 conversations with Mort Berfield to determine if these costs
4 were complete and what other types of costs that the company
5 might be able to accumulate here.
6 Q All right, now I want to understand this scenario.
7 David Gardner prepared this page and then gave it to you, is
8 that correct?
9 A Because of the notation on the top, I'm aware that I
10 received it. I don't know who else he may have given it to.
11 Q After you received it, you had conversations with
12 David Gardner about it, is that correct?
13 A In the period of time from late, excuse me, mid to
14 late October and early November, 1991, I had several
15 conversations with David Gardner and Mr. Berfield regarding
16 accumulation of, a document of all the expenses.
17 JUDGE CHACHKIN: That's not the question. The
18 question is, somehow, you were given a copy of this, -- you
19 believe by the notation.
20 WITNESS: Yes, sir
21 JUDGE CHACHKIN: The question is, when you were
22 given a copy of this, did you discuss thhs particular document
23 with any, and I'm not talking about general conversation --
24 this time, I'm talking about this particular document, -- is
25 referring to which is dated 10/17/91. Did you discuss that

1 with either of the Gardners?
2 WITNESS: I remember discussing this particular
3 document with David Gardner.
4 BY MR. SCHONMAN:
5 Q And what was the substance of the discussions you
6 had with David Gardner about this document?
7 A As I recall, the substance of the conversation had
8 to do with extending the search for additional costs and
9 contacting Mr. Berfield regarding any other capturable legal
10 costs.
11 Q Why did you ask Mr Gardner to investigate whether
12 there might be other capturable costs?
13 A Primarily because we have done a lot of work with
14 FCC counsel and I wanted to know if any of, of it in
15 subsequent periods may have pertained to these applications.
16 Q Did it occur to you that that $15,000 plus dollar
17 figure was too low?
18 A It occurred to me that I though it might be
19 incomplete.
20 Q Why did you think that?
21 A I think this was presented to me as being a
22 preliminary outline of the costs.
23 Q Lets go line by line Mr. Sandifer. Did you perceive
24 any problem with the filing fees of $1,875?
25 A No.

1 Q So that number was, in your mind at that time,
2 October, 1991, complete?
3 A I personally knew of no other fees, whether it was
4 complete or not, you know, I can't say.
5 Q Lets take the next line. Bob Hoover, $7,275. Were
6 you satisfied with that number?
7 A I was satisfied that this was a documentable number
8 but I asked David Gardner to review for other related
9 engineering costs.
10 Q Did you suspect there might be other costs that Mr.
11 Gardner had not included on this page, for Mr. Hoover?
12 A I considered that a possibility.
13 Q What was your basis for believing that there was a
14 possibility that there might be other costs for Mr. Hoover
15 that were not reflected on this page?
16 A I, I was not certain that Mr. Hoover was the only
17 consultant that we've used for engineering related activities
18 on the preparation of the application of the LPTV construction
19 permits or any maintenance of records since the time that we
20 filed them.
21 Q Do you know how David Gardner came up with the
22 number of $7,275?
23 A It's my understanding that he came up with this
24 number from review of specific invoices in our accounting
25 records.

1 Q How did you come to have that understanding? Did he
2 tell you that?
3 A I commissioned him to undertake the summary of costs
4 and I was aware that he was working with our accounting
5 department and undertaking the search.
6 Q So you suspected, then, that he might have missed an
7 invoice or two?
8 A I think it's a possibility.
9 Q Were you shown any of the invoices at any time on or
10 before October 17, 1991, which would have supported that, the
11 Bob Hoover number.
12 A I don't recall being shown any invoice prior to the
13 preparation of this summary.
14 Q Did you see any Bob Hoover invoices subsequent to
15 October 17, 1991?
16 A I have seen invoice during a number of periods, but,
17 do you want any particular time period?
18 Q I'd like to know when you first saw Bob Hoover's
19 invoices.
20 A I think the first time I saw the actual invoices
21 were sometime in the last year.
22 Q That would be well after the assignment application
23 was granted?
24 A In terms of seeing the actual invoices, I think
25 that's correct.

1 Q Mr. Sandifer, was it ever explained to you prior to
2 the grant of the Red Lion application, the assignment
3 application, that the Bob Hoover number of $7,275 represented
4 an allocation of expenses?
5 A It was never represented that this number of $7,275
6 was an allocation.
7 Q Was it represented to you at any time before the
8 grant of the assignment application that the number $7,275 was
9 the sum of expenses incurred by Raystay for Bob Hoover's work
10 on the five low power applications?
11 A It was represented to me that this was a major
12 portion of his costs that pertained to the five low power
13 construction permits that were at three sites.
14 Q Now, you explained earlier that you had not seen any
15 of Mr. Hoover's -- prior to the grant of the Red Lion
16 assignment application. My question for you is, did you have
17 any understanding, prior to the grant, of the Red Lion
18 assignment application as to how that figure of $7,275 was
19 arrived at?
20 A From this document and from a letter form Berfield
21 to our firm, it was represented to me by David Gardner and
22 Mort Berfield that this was the bulk of cost of our work with
23 Mr. Hoover.
24 Q Do you know if that $7,275 figure was the result of
25 one invoice or multiple invoices from Mr. Hoover?

1 A I did not know at the time, how many invoices might
2 be involved.
3 Q And by the time, you mean prior to the grant of the
4 Red Lion assignment application? Is that the time you're
5 referring to?
6 A That's the time I'm referring to.
7 JUDGE CHACHKIN: I don't know why we're wasting time
8 with this question. Nobody's argued, as far as no including
9 the bureau, that Hoover's cost was $7,275. As far as I know,
10 we're discussing whether it was a proper allocation of a
11 portion of it. But as far as his total expenses, there are
12 invoices showing what his costs were, so who cares what he
13 understood or what he didn't understand. There's no argument
14 about what Mr. Hoover's engineering expenses were. His
15 understanding is irrelevant whether he knew what the total was
16 or not, had an understanding as to whether it was an
17 allocation or not. There's no question about the expenses.
18 MR. SCHONMAN: Your Honor --
19 JUDGE CHACHKIN: So why are we spending time on
20 $7,275 as if that's a critical figure? I mean, do you have
21 any evidence showing that Mr Hoover charged less than $7,275?
22 MR. SCHONMAN: Your Honor, that, that's not why I'm
23 pursuing this line of questioning.
24 JUDGE CHACHKIN: Well, I don't know why you're
25 pursuing it, then, the seven thousand. Whether he had an

1 understanding or, I mean, that is a figure that as far as I
2 know is accepted as the amount of that Mr. Hoover charged.
3 MR. SCHONMAN: Well, I think you're right, Your
4 Honor.
5 JUDGE CHACHKIN: Then why do we, then what do we
6 care where he got it from, or what he got it from, or whether
7 he understood? If we've agreed with that figure, then who
8 cares? That's not, that's not an issue, that figure.
9 MR. SCHONMAN: Your Honor, I certainly don't want to
10 belabor the matter, I was merely trying to inquire what Mr.
11 Sandifer's understanding --
12 JUDGE CHACHKIN: What difference does it make? We
13 agree with the figure, what difference does it make?
14 MR. SCHONMAN: I can move on.
15 JUDGE CHACHKIN: There's no controversy over the
16 figure. Just for curiosity?
17 BY MR. SCHONMAN:
18 Q Mr. Sandifer, do you know how David Gardner arrived
19 at the figure of $5,222 for the services provided by Cohen and
20 Berfield?
21 A At the time that I reviewed this summary, it was
22 represented that that was his initial review of Cohen and
23 Berfield's invoices that pertained to this matter.
24 Q And when you reviewed this letter, were you
25 satisfied with that number?

1 A No.
2 Q Why is that?
3 A My previous conversations with Mr. Berfield, in
4 which he indicated that he had, he had, at the time of my
5 conversations which I believe are around October 8, that he
6 had not completed his review of invoices within his file.
7 Q Mr. Sandifer, do you have before you TBF Exhibit
8 232, which is a November 7, 1991 letter from Mort Berfield to
9 David Gardner?
10 A Yes, sir.
11 Q Have you ever seen this letter before?
12 A Yes, sir.
13 Q Do you recall when you first saw this letter?
14 A Sometime in November 1991.
15 Q David Gardner showed you the letter?
16 A A copy was routed to me. I can make assumptions as
17 to where it came from.
18 Q And you'll notice in the first paragraph, Mr.
19 Berfield writes to David Gardner that the law firm's records
20 that the legal fees and expenses for the five low power
21 stations, that is construction permits, rather, total $15,000
22 plus dollars. Do you see that?
23 A Yes, sir.
24 Q And the date of that letter is November 7, 1991,
25 just a few weeks after you reviewed David Gardner's summary of

1 expenses to you on page 6 of your direct testimony.
2 JUDGE CHACHKIN: So, what's the point?
3 MR. SCHONMAN: Well, I want to make sure Mr.
4 Sandifer has it before him.
5 WITNESS: I have it before me.
6 BY MR. SCHONMAN:
7 Q Did you compare the $15,000 plus dollar figure that
8 Mr. Berfield state's in his letter with the $5,000 plus figure
9 that David Gardner had provided to you just weeks earlier?
10 A I was aware of, of the difference. I, I don't know
11 what you mean by compare.
12 Q You noted the distinction between $5,000 and
13 $15,000?
14 A Yes, sir.
15 Q Did you discuss the distinctions in those two
16 numbers with anyone?
17 A I discussed the distinctions in the two numbers with
18 Mr. Berfield on more than one occasion. One time before he
19 prepared the letter and one time after he prepared the letter
20 and a memo.
21 Q All right, well, let's take the discussion you had
22 with him the first time, before he prepared his November 7,
23 1991 letter. Can you share with us the substance of that
24 discussion?
25 A On October 8, I talked to Mr. Berfield regarding

1 conversations I'd had with Mr. Grolman about his
2 representation that we could only recover, documented out of
3 pocket costs for the transfer of the construction permit. And
4 at that point in time, this is a conceptual conversation which
5 I had with Mr. -- about the possible allocation of certain
6 expenses as well as the need for his firm to review their
7 files and, in conjunction with David Gardner on costs that
8 could be attributable to the LPTV construction permits.
9 Q Now, during that discussion, you discussed the
10 distinction between these two numbers?
11 A No, sir.
12 Q All right, lets move on to the second discussion
13 that you had with Mr. Berfield That was after Mr. Berfield
14 had prepared and sent the November 7, 1991 letter. Is that
15 when the second conversation took place?
16 A It could have, it took place during this period. It
17 could have taken place even before he mailed the letter, or he
18 sent the letter. But I was aware of his, of the
19 representations that he made here.
20 Q Share with us the substance of that second
21 discussion with Mr. Berfield
22 A Mr. Berfield just outlined some of the types of
23 legal costs that he thought were attributable to this process
24 and that he felt that there was the ability to allocate those
25 costs to certain permits in, in a reasonable manner.

1 Q Well, did you tell him that you, it was your
2 understanding from David Gardner's hand written note that the
3 legal expenses totaled about $5,000.
4 JUDGE CHACHKIN: Now, wait a minute. He never said
5 that. It was his opinion when Mr., when Mr. Gardner gave him
6 his figures that this counts as partial expenses. He never
7 said these were total legal expenses. I mean, as far as I
8 know, there's no evidence in the record that the $15,000 that
9 Cohen and Berfield claimed as their legal expenses wasn't, in
10 fact, incurred. This counts as partial expenses based on
11 invoices which they had up to that time. The subsequent
12 letter includes a total expenses. Now, do you have any
13 evidence to the contrary, please tell me about it.
14 MR. SCHONMAN: Very well, Your Honor.
15 JUDGE CHACHKIN: Well, stop spending this, as far as
16 I know, there's no, we do have the invoices of Mr. Cohen, we
17 do have his statements. They add up to what they add up to.
18 We were talking about the allocation. As far as I know,
19 there's been no questions raised by anybody, including TBF,
20 that Mr. Cohen, in fact, did not incur, that that was not the
21 legal costs of $15,000.
22 MR. SCHONMAN: Your Honor, if I could have a moment
23 just to go over my notes.
24 JUDGE CHACHKIN: All right. We can go off the
25 record.

1 (Off the record at 10:13. Back on the record at 10:14.)
2 BY MR. SCHONMAN:
3 Q Mr. Sandifer, during any discussions you had with
4 Mr. Berfield prior to the grant of the Red Lion assignment
5 application, did Mr. Berfield ever advise you that there were
6 any legal precedents for allocating expenses in a manner other
7 than a pro rata method?
8 JUDGE CHACHKIN: Now, who says that that's proper?
9 The pro rata method?
10 MR. SCHONMAN: Your Honor, at this point, I'm not
11 saying whether it's proper or improper, I'm just asking you
12 whether he had any conversations, whether there was legal
13 precedents.
14 JUDGE CHACHKIN: All right. For what Mr. Berfield
15 was doing? I must say that I had another chance to
16 reintegrate it and I read it a little more closely. And I
17 don't think what I said in my Order, setting these issues, was
18 entirely correct. Because I don't think this case necessary
19 stands for the proposition that the commission approve the
20 one-third allocation. Because if you reintegrate it and you
21 see what the next sentence says and then talk about the
22 Bureau, in fact, the case deals with the largest single
23 expense and I have a copy here. And I've had a chance to look
24 at it more closely and it talks about the largest single
25 expense was $8,664.84 for legal fees.

1 United Artists had three applications at that time and
2 they wanted to take one-third of the total billing for legal
3 fees and service in connection with all three applications.
4 The next sentence says the Bureau opposed it on the grounds
5 that it was not properly identified with costs in connection
6 with the preparation and prosecution of the Boston
7 application.
8 United Artists submitted a second affidavit from its
9 counsel, which alleged that the time records had been searched
10 and that one-third of the total cost was a proper allocation
11 and that the figure $8,664.84 had, in fact, been expended in
12 connection with the Boston application. If you read that
13 closely, now, it doesn't necessarily say that you can allocate
14 one-third to each application. Although, I must say I did
15 agree with TBF that that's what the case stood for. Because
16 the Commission did say that the actual figure was, in fact,
17 expended. They didn't say that one-third was a proper
18 allocation. They, it was only on the basis because of the
19 Bureau's objections, I might add, it was on the basis of
20 counsel's submitting a subsequent document saying that that
21 particular amount had actually been expended on behalf of
22 Boston.
23 So I think we should set the record straight that
24 integrated does not necessarily stand for the proposition that
25 TBF urged, it stood for. I think I did just set the record

1 straight now that I've reread the case and nowhere do I find
2 that the Commission said that it's proper to allocate one-
3 third if you have three applications. Particularly when you
4 have such despaired applications as broadcast stations which
5 involve entirely different problems and are really not common
6 costs to start with.
7 As far as I know, no broadcast applications are common
8 costs in three different communities. So, I think we're
9 dealing with an entirely different animal in this case than we
10 are, first of all, was involved in integrated, and secondly,
11 no where do I find anything in integrated which divulges from,
12 from the, the ordinary principle that you have to show
13 reasonable and fair expenses. Go ahead.
14 I brought this up because you use the word allocation and
15 any case precedence. I wanted to make sure that as far as I
16 could see, integration, as far as I read it now, it is not
17 case precedence, but dividing it up into fifths as suggested
18 by TBF, or for any other amount, because the Commission there
19 specifically frown on the basis of a subsequent document that
20 these were the actual expenses that were expended.
21 BY MR. SCHONMAN:
22 Q Mr. Sandifer, during any conversations you had with
23 Mr. Berfield prior to the grant of the Red Lion application,
24 did Mr. Berfield advise you that in computing the, the
25 expenses incurred for the Red Lion CP, that it would be

1 appropriate to allocate expenses among the five CP's?
2 A If you could just repeat that.
3 Q I'll do my best. At any time prior to the grant of
4 the Red Lion assignment application, did you, did Mr. Berfield
5 advise you that it would be proper to use an allocation method
6 of arriving at the expenses, in determining the expenses for
7 the Red Lion assignment?
8 A Yes.
9 Q To the best of your recollection, can you share with
10 us what it is Mr. Berfield told you?
11 A Mr. Berfield, as I said in this conceptual
12 conversation that we had, we talked about how there were,
13 while there were five construction permits, there were only
14 three sites. So that certain amount of the costs would be
15 allocated on a site basis. One-third to each site, or some
16 other manner. And that there were, of course, some costs that
17 would be allocated directly on a proportional basis and that,
18 that there was a reasonable basis for allocating a greater
19 percentage of certain costs to any one construction permit,
20 most notably Red Lion.
21 Q He told you that there was a reasonable, a
22 reasonable basis for allocating the costs? Did I understand
23 you correctly?
24 A Yes, that's what I said. I don't remember exactly
25 what he said, but that's the jest of how I understood our

1 conversation.
2 Q Did he tell you if there was a legal basis for doing
3 so?
4 A He represented to me that he thought allocations
5 were appropriate. I don't know whether he discussed that
6 there was a, a legal basis for it.
7 Q Mr. Sandifer, can you turn to TBF Exhibit 275,
8 please? You were asked some questions earlier about the
9 paragraph which begins the revised agreement. Do you have
10 any, in December, 1991, did you have any knowledge as to why
11 the agreement was revised?
12 JUDGE CHACHKIN: I though we went over this. Didn't
13 we go over this fully.
14 MR. SCHONMAN: I don't think he was --
15 JUDGE CHACHKIN: Knowledge about the revision, this
16 particular revision, and I thought he was asking a multitude
17 of questions about this.
18 MR. SCHONMAN: He was, Your Honor, he was asked if
19 he had any discussions with people, but I, with other
20 individuals, but I don't think he was asked if he personally
21 knew why.
22 JUDGE CHACHKIN: He asked about, he was asked about
23 the, all he knew upon the subject, I mean, how he, that he,
24 when he got the document that contained this language,
25 whatever prior discussions he had, what more do you want?

1 MR. SCHONMAN: Your Honor, I'll withdraw the
2 question and the Bureau has no further questions.
3 JUDGE CHACHKIN: Any redirect?
4 MR. HOLT: Your, Your Honor, before counsel begins
5 redirect, I neglected to move TBF Exhibit 275 for identifi-
6 cation into evidence and I'd like to do so at, at this time.
7 JUDGE CHACHKIN: I thought it was, wasn't it. Any
8 objection to 275?
9 MR. BECHTEL: None, sir.
10 JUDGE CHACHKIN: All right. TBF Exhibit 275 is
11 received.
12 (Whereupon, the document referred to
13 as TBF Exhibit No. 275 was hereby
14 received into evidence.)
15 JUDGE CHACHKIN: Any redirect?
16 MR. BECHTEL: None, sir.
17 JUDGE CHACHKIN: You're excused. All right, we'll
18 take a ten minute recess. Who's the next witness going to be?
19 MR. BECHTEL: George Gardner.
20 (Whereupon, a recess was taken from 10:25 a.m. to 10:35
21 a.m.)
22 JUDGE CHACHKIN: All right. Let, let's go back on
23 the record, Mr. Bechtel.
24 MR. BECHTEL: I'd call to the witness stand George
25 F. Gardner, please.

1 Whereupon,

2 GEORGE F. GARDNER

3 having first been duly sworn, was called as a witness herein

4 and was examined and testified as follows:

5 DIRECT EXAMINATION

6 BY MR. BECHTEL:

7 Q For the record, sir, would you state your name and

8 business address.

9 A George F. Gardner, 469 East West Street, Carlisle,

10 Pennsylvania.

11 Q Now, sir, do you have in front of you Glendale

12 Exhibit 226, okay, I think the book you brought in.

13 A Yes, I have.

14 Q And are you the George Gardner referred to in that

15 exhibit?

16 A Yes.

17 Q The witness is available for cross examination.

18 JUDGE CHACHKIN: Go ahead, Mr. Holt.

19 MR. HOLT: Thank you, Your Honor.

20 CROSS EXAMINATION

21 BY MR. HOLT:

22 Q Mr. Gardner, I'd like to begin by directing your

23 attention to a document dated October 10, 1991 which has been

24 received into evidence as TBF Exhibit 272. It's in a volume

25 of exhibits that I've provided to you. Do you have that

1 document before you?
2 A Yes, I have.
3 JUDGE CHACHKIN: Before we go on, --
4 (Off the record. Back on the record.)
5 JUDGE CHACHKIN: All right. Let's go back on the
6 record.
7 BY MR. HOLT:
8 Q Do you have the the document before you?
9 A Yes, I have the document.
10 Q If you'll turn to page 2 of the document, and refer
11 to the first paragraph, it references a telephone conversation
12 that occurred on October 10 between Mr. Grolman and Mr.
13 Sandifer. The letter states that the $10,000 asking price
14 being agreeable, and I think the record reflects that this is
15 the date of that $10,000 price was agreed upon by Raystay for
16 the sale of the Red Lion construction permit. My question for
17 you is, prior to the date of this letter, you were advised,
18 were you not, that Raystay had received an offer of $10,000
19 from Mr. Grolman for the sale of the Red Lion CP, right?
20 A I, I don't recall when I was aware of the $10,000
21 price, no.
22 Q Let me refer your, direct your attention to your
23 deposition transcript. Do you have that before you?
24 A I have it, yes.
25 Q If you would turn to page 21, I refer you to line