

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

APPLICANTS: HONORABLE SODY CLEMENTS,)
an Individual and Oklahoma Resident on behalf of)
herself and others similarly situated: LT. GENERAL)
(Ret.) RICHARD A. BURPEE, an Individual and)
Oklahoma Resident on behalf of himself and others)
similarly situated; JAMES PROCTOR, an Individual and)
Oklahoma Resident on behalf of himself and others)
similarly situated; RODD A MOESEL, an Individual and)
Oklahoma Resident on behalf of himself and others)
similarly situated; RAY H. POTTS, an Individual and)
Oklahoma Resident on behalf of himself and others)
similarly situated; BOB A. RICKS, an Individual and)
Oklahoma Resident on behalf of himself and others)
similarly situated.)

CAUSE NO. PUD 201500344

RELIEF SOUGHT: VACATE OR MODIFY OKLAHOMA)
CORPORATION COMMISSION ORDER NO. 341630,)
CAUSE NO. PUD 260; AND REDETERMINE ISSUES)
FOLLOWING INTRINSIC FRAUD)

FILED
JAN 13 2016
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CORPORATION COMMISSION
OF OKLAHOMA

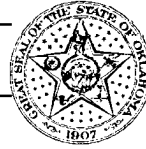


Deposition of William J. Free, Esq. taken in Cause No. PUD 890000662

Oklahoma Corporation Commission
P.O. BOX 52000
OKLAHOMA CITY, OKLAHOMA 73152-2000

300 Jim Thorpe Building
Oklahoma City, OK 73105
Telephone: (405) 521-2261
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Bob Anthony, Commissioner



From: _____@cox.net
Sent: Thursday, January 07, 2016 8:34 AM
To: Bob Anthony
Subject: [NEWSENDER] - Open Records Request- Bell Bribery Case - Message is from an unknown sender

Commissioner Bob Anthony,

I have read with interest the articles in the Oklahoman newspaper concerning the AT&T/Bell Bribery case.

The issues regarding public corruption, bribery, perjury, etc. have been raised by the Oklahoma Supreme Court and the Oklahoma Corporation Commission.

I would like to know more about this case and as a Open Records Request I ask that you send me, in electronic form, copies of any depositions given in the 1990's commission cases by Bell attorneys Glen Glass and Bill Free.

Thank you for your time and consideration.

To: _____@cox.net

Re: Open Records Request- Bell Bribery Case

This response is given to your "Open Records Request- Bell Bribery Case" that was received by email on January 7, 2016.

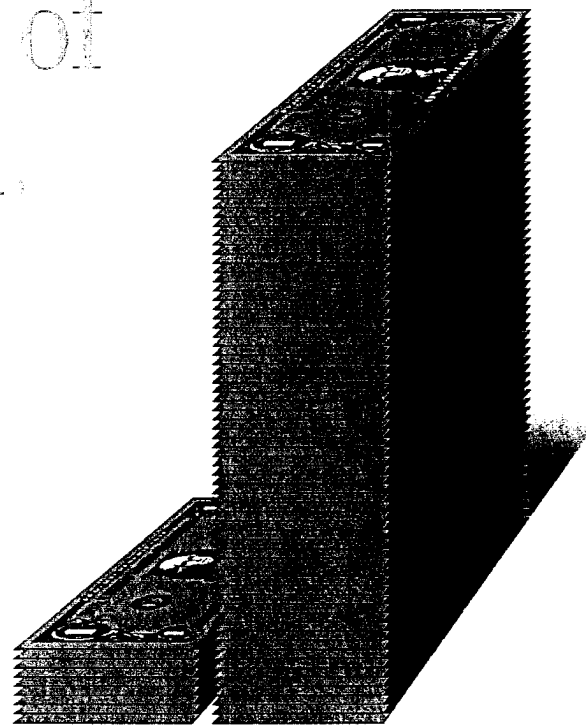
Links provide electronic images of 1993 depositions by Bell attorneys Glen Glass and Bill Free. "Filed under seal" information readily available and certain other information is provided as well (see also David H. Miller deposition).

Respectfully yours,

A handwritten signature in cursive script that reads "Jackie Hollinhead".

Jackie Hollinhead
Executive Assistant to Commissioner Bob Anthony
Oklahoma Corporation Commission

Southwestern Bell
builds value. Your \$100
investment has grown to
\$733 in 10 years. And we
are ready for another
decade of
growth.



\$100
January 1,
1984

\$733*
December 31,
1993



Southwestern Bell
Corporation

Officers and Executives of Southwestern Bell Corporation and its Subsidiaries

Southwestern Bell Corporation



Edward E. Whitacre Jr., 52, chairman of the board and chief executive officer since 1990. Served as president and chief operating officer 1988 to 1989; vice chairman and chief financial officer 1986 to 1988; held various operating positions 1963 to 1986. B.S., industrial engineering, Texas Tech University, 1964.



James R. Adams, 54, group president (international subsidiaries and cable television businesses) since 1992. Served as SWBT president and chief executive officer 1988 to 1992; held various Southwestern Bell and AT&T operating positions 1965 to 1988. M.B.A., statistics and business finance, University of Texas, 1965; B.A., mathematics and physics, Texas A&M University, 1961.



Robert A. Dickemper, 50, senior vice president-staff/administration since 1993. Served as senior vice president-administration 1992 to 1993; held various strategic planning and regulatory positions 1969 to 1992. B.S., business administration, Southeast Missouri State University, 1965.



William E. Dreyer, 56, senior executive vice president-external affairs since 1993. Served as president, SWBT of Texas, 1992 to 1993; held various AT&T and Southwestern Bell operating positions 1959 to 1992; B.A., history, William Jewell College, 1960.



James D. Ellis, 50, senior executive vice president and general counsel since 1989. Served as senior vice president and general counsel 1988 to 1989; held various legal positions at Southwestern Bell, AT&T and Bellcore 1972 to 1988. J.D., University of Missouri, 1968; B.B.A., University of Iowa, 1965.



Charles E. Foster, 57, group president (national subsidiaries) since 1990. Served as SWBT executive vice president 1990; held various operating positions 1961 to 1990. B.S., mechanical engineering, University of Oklahoma, 1961.



Richard A. Harris, 53, senior executive vice president-human resources since 1990. Served as group president 1986 to 1990; held various regulatory positions 1962 to 1986. B.A., economics, William Jewell College, 1962.



James S. Kahan, 46, senior vice president-strategic planning and corporate development since 1993. Served as senior vice president-corporate development 1992 to 1993; held various AT&T and Bell System positions 1967 to 1992. M.B.A., University of North Carolina, 1972; B.S.E.E., Purdue University, 1969.



Donald E. Kiernan, 53, senior vice president, treasurer and chief financial officer since 1993. Served as senior vice president-finance and treasurer 1990 to 1993; was managing partner and held various operating positions in Ernst & Young 1970 to 1990. M.B.A., Florida State University, 1970; B.S., accounting, Boston College, 1962.



Robert G. Pope, 58, SWBT president and chief executive officer since 1993 and SBC vice chairman since 1986. Served as chief financial officer 1988 to 1993; vice chairman for corporate development 1986 to 1989; held various operating and management positions 1958 to 1986. B.S., mechanical engineering, Southern Methodist University, 1958.



Larry J. Alexander, 52, senior vice president-external affairs since 1993. Served as senior vice president-corporate communications 1990 to 1993; held various advertising and public relations positions 1967 to 1990. B.J., radio/TV, University of Missouri at Columbia, 1965.



Liam S. Coonan, 59, senior vice president and assistant general counsel since 1988. Served as vice president-general attorney for SBC Washington, Inc., 1984 to 1988; held attorney positions with Southwestern Bell 1976 to 1984 and with the U.S. Department of Justice 1968 to 1976. L.L.B./J.D., Seton Hall University Law School, 1968; B.S., Rutgers University, 1964; Pre-medical degree, Trinity College, Dublin, 1956.



William J. Free, 50, senior vice president and assistant general counsel since 1991. Served as SWBT vice president and associate general counsel 1991; held various legal and regulatory positions with Southwestern Bell and AT&T 1969 to 1991. J.D., University of Oklahoma, 1969; B.A., University of Michigan, 1966.



Ronald M. Jennings, 52, vice president-corporate development. Served as vice president, Southwestern Bell Yellow Pages (Telmex Operations) 1991 to 1994; held various AT&T and Southwestern Bell staff and operating positions 1981 to 1990.



Judith M. Sahm, 48, secretary of the Corporation since 1992. Served as managing director-administrative services 1990 to 1992; held various administrative positions 1963 to 1992.

Southwestern Bell Telephone Company Officers



Royce S. Caldwell, 53, president-customer services since 1993. Served as president-services 1992 to 1993; held various staff and operating positions 1963 to 1992. B.B.A., Abilene Christian University, 1961.



J. Cliff Eason, 46, president-network services since 1993. Served as president (Midwest) 1991 to 1992; held various operating positions 1970 to 1991. B.S., electrical engineering, University of Arkansas, 1970.



Edward A. Mueller, 46, senior vice president since 1993. Served as SBC senior vice president-strategic planning 1992 to 1993; held various operating positions 1969 to 1992. M.B.A., Washington University, 1988; B.S., civil engineering, University of Missouri at Rolla, 1969.



Cassandra C. Carr, 49, president-Texas since 1993. Served as vice president-external affairs (Texas) 1991 to 1993; held various finance and operating positions 1967 to 1991. M.A., University of Texas at Austin, 1973; B.A., Vanderbilt University, 1966.



Susan B. Fox, 46, president-Kansas since 1993. Served as SBC managing director-investor relations and shareholder services 1991 to 1993; held various finance and regulatory positions 1979 to 1991. Ph.D., St. Louis University, 1980; M.A., University of Missouri at St. Louis, 1972; B.A., St. Louis University, 1970.



Michael T. Flynn, 45, president-Arkansas since 1991. Served as vice president-network (Texas) 1988 to 1991; held various AT&T and Southwestern Bell operating positions 1970 to 1988. B.S., industrial engineering, Texas A&M University, 1970.

ANDERSON & WADDELL, P.C.
ATTORNEYS AT LAW
2212 N. W. 50th, SUITE 163
OKLAHOMA CITY, OKLAHOMA 73112

WILLIAM L. ANDERSON, ATTORNEY
CODY B. WADDELL, ATTORNEY

February 5, 1991



OFFICE (405) 843-1000
FAX (405) 843-9090

Mr. William J. Free
Vice President,
Southwestern Bell Telephone Company
1010 Pine Street
St. Louis, Missouri 63101

Dear Bill:

I enjoyed your visit week before last in Oklahoma. It brings back fond memories of better times insofar as Southwestern Bell's relationship in regulatory matters, when you and I were representing Bell. I wish the visit could have been under more favorable circumstances and hope you can come back sometime for us to just sit and talk "old times."

Bill, you have asked me to frankly give you my opinion as to the situation insofar as Southwestern Bell's regulatory problems in the State of Oklahoma at this time. As you know, I have participated in most of the major rate matters involving Southwestern Bell in Oklahoma since 1957. During the early part of that time I was General Counsel of the Corporation Commission, and since 1970, I have participated as an attorney for Bell in most of the rate matters.

During most of that period, both while I was at the Commission and since I left, Bell had a reputation for integrity, honesty and reasonableness in their requests, and the relationship with the adversary parties, such as the Commission's Staff, the Attorney General and the Consumer Public, was very good. We did not always get all we asked for, but, on the whole we received reasonable treatment and were able to leave the Hearing with some good will on all sides and the feeling that we might have left a "little money on the table," giving us room to come back again when it was absolutely necessary.

At those times, we did not push for the last dollar, and recognized that there was some merit on the side of the Commission's Staff, the Attorney General and Protestants, as well as on the side of Bell, and that somewhere between those extremes was that nebulous thing called justice and were able to arrive at solutions which enabled us to survive and make a reasonable profit and furnish a good grade of service, yet, leave a good feeling with all of the parties.

Mr. William J. Free
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I am sorry to say that in the last four years, things have really deteriorated at Bell. Bill, when you were here, thanks to you, John Parsons, Tom White, Charlie Sutter, Bob Stafford, Frank Morrison and several others, we had a company that was generally liked and respected and above all, both the Commission and its staff and the Attorney General, respected our integrity and basic honesty and did not feel like we were trying to "pull a fast one" on them, or, that we were being overbearing, or "high handed." That same relationship generally existed between Bell and the Independent Telephone Companies.

Today, and I am sorry to say it, with the exception of Charlie Sutter, Bob Stafford and Glen Glass, you do not have any people, and I mean any, that deal on a day to day basis with the Commission, or appear before them, that are liked, respected and trusted by the Commission's Staff, as well as many members of the Commission. The same thing goes insofar as the relationship with the Independents. As you and know, at one time our relationship with the Independent Telephone Industry was pretty good. We had a few "sore heads" that were against Bell on anything, but, a large nucleus of them, including my four Independent clients, thought that Bell had treated the Independents fair and were willing to work out any differences on some amicable basis. However, with the retirement of Frank Morrison, and placing new Independent Company relations people in his place, we saw a decided change in sentiment over the years, whereby, today, there probably is not one Independent Telephone Company in Oklahoma that has got any trust in Bell and has any liking for the people assigned to deal with them on a day to day basis.

The same thing has developed with the Staff of the Commission. Tom White was the key to good relations with the auditing staff of the Commission. Tom has retired. As long as Tom was there, the Commission Staff knew that Tom was going to tell them the exact truth and be reasonable and aware of the Commission's views and respect those views, and more times than not come to some accommodation that was fair to all parties. The Attorney General also felt the same way about Tom. Tom's successor may be technically a good man, and mean well, but, the truth is that at least two of the accounting people that deal most with Bell, do not trust the man and feel that he has not "shot" fair with them, and all of them feel that he has an arrogant attitude that makes it hard to be able to get along.

I have conveyed this information to Bell's management, both as to the trouble with the Independent Telephone Companies and the care that should be made in picking a successor for Tom White. But, apparently they felt that they knew best and persist

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in sending people to the Commission, or dealing with the Independents that are not well received by either the Independents or the Attorney General.

Bill, I have always felt that the larger a company is, the ~~more modest and fair it should be. Or, at least it should have~~ the appearance of being modest and fair. Right now you have people in high places in Bell Telephone Company, and you know who I am referring to, who appear to be overbearing, overreaching and awful demanding. I have found that people will do more for you if they like you and respect you, but that free Americans will do damn little for you just because they fear you.

In the past, you and I always recognized that the primary obligation of the Commission was to protect the consumer. It seems to me that some of the present people in Bell have not kept that criteria in mind, but, rather expects the Commission to exercise a role that first, promoting the financial well-being of Bell and only incidentally the interest of the ordinary consumer.

If we expect fair treatment from the Commission, we have got to recognize their true function and depend on their keen sense and good judgment to keep us financially able to furnish a good grade of service.

Right now, at the top, and apparently you have management who countenances or at least encourages this arrogant, overbearing attitude of many of the people that Bell sends to the Commission, which at sometimes reaches more than just an over zealous presentation of Bell's position, but, includes an actual misrepresentation of the facts. There is one man, and you know who I am talking about, that an aide to a Commissioner advised you in my office, that he had just recently misrepresented things to the Commissioner, and had followed a persistent pattern of conduct of arrogance and bad manners in his dealings there, and was frankly, not welcome. That same man, as I understand it, has made some misrepresentations to certain Independent Companies, who, heretofore had been friendly to him, and, I know from personal knowledge that he did not keep an agreement that he and I had made on behalf of Bell Telephone Company, which I kept, and, it cost me several thousands of dollars, because, I'm old fashioned in belief in keeping my agreement. The present top management of Bell knows about that agreement, and it was not kept, and presumably knows about the misrepresentation to one of the Commissioners, but persists in maintaining him in his position with the company, exercising authority, and I can only assume that this action in thinking represents the attitude of the top management of Bell Telephone Company, in Oklahoma, but, certainly,

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not that of many of the thousands of good, loyal employees.

Bill, right now, Bell called in all of its politically "due bills" and then some, in the tax docket, when we secured Authority to invest the excess earnings in rural upgrade, rather than refund. Now, in our earnings review, we are in a situation where we've got few, or any, friends at the Corporation Commission, including the members of the Commission and a very bitter, able and forceful, antagonistic Attorney General of Oklahoma, as well as certain consumers groups. All Bell can hope for right now in Oklahoma, in my opinion, is to cut their losses, or keep them at a minimum, and hope to come out of it with the foundation laid to promote some good will to get back the standing that we had a few years ago.

I will be so presumptuous as to make a suggestion to you as to what we should do towards trying to recapture some of the lost prestige and standing that we had for years. First, we must remember that when we have a product to sell, and it's a hard product to sell, we should have a salesman that is knowlegable, liked by the customers, and, more than that, trusted by them. Except for Bob Stafford, Charlie Sutter and Glen Glass, and possibly, Fred Lowrey, I do not think you have an individual from Bell in Oklahoma, that approaches the Commission that can meet that criteria. I would suggest this for your and the management's consideration that in the earnings review now pending before the Commission that you endeavor to employ Tom White to come back, especially for this case, to handle all of the auditing, accounting matters, including testimony and in the negotiations with the Commission's Staff. They know that Tom is more familar with the accounting problems of South-western Bell Telephone Company in Oklahoma, than any man alive, and above that, they believe him and like him. If you would get Tom back, and let Tom, Bob Stafford, Charlie Sutter, Glen Glass and I sit down and develop an overall strategy for presenting our accounting data and rate of return so as to arrive at revenue requirements and determine the best policies for cross-examining and rebuttal testimony for the Attorney General and other competing groups.

Then, on a day to day basis, since Glen will be tied up and busy with many other duties, have Cody Waddell, from our office, work with Tom White, Bob Stafford and Charlie Sutter on the daily dealings with the Commission's Staff, since Cody and Tom are liked and respected by the Commission's Staff. Then, Glen and I try the lawsuits in a low key, but firm manner, honestly presenting our views, with respect to the views to other people and make a good record, where, if necessary we can appeal, but at the same time not be so antagonistic as to get everybody "up in arms" with us.

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We are faced with a different Commission today than you dealt with. There are three entirely new ones. It is my understanding that two of them, right now would be inclined to vote against Bell, all things being equal. I know that a lot of this has been brought on by the attitude and conduct of certain Bell people. The third Commissioner is an "unknown quantity" at this time. However, I think all three of these Commissioners, if we approach them on a low key, realistic and practical mind, would endeavor to come up with some kind of a decision, but leave us economically viable and provide for a good telephone industry, both Bell and the Independents and leave the door open for us to come in in the future for any necessary relief and smooth the path of the day to day workings with the Commission.

We have an ambitious Attorney General, who, as I understand it, wants to run for United States Senate two years from now. He is intelligent and has a capable assistant, Robert Butkin, who is handling utility matters. Mr. Butkin is well trained, a hard worker and persistent. However, I think if a right, realistic approach were made to Mr. Butkin that some accomodation could possibly be worked out. If that is done, the approach, in my opinion, should be limited to Glen Glass and nobody else -- and I mean nobody else connected with Bell, since he does not like them, but he does have a certain respect and affection for Glen, and I would be glad to help him in anyway I can. You might not want to pursue this, but, I wouldn't discount the influence of the Attorney General, not only in the Hearing before the Commission, but in the Supreme Court in the event there was an Appeal.

I know, Bill, that you have a hard job. Glen Glass has a hard job. I feel sorry for Glen. He is a loyal Bell employee, but I think he can see the path they are going and that the effect of it is beginning to "snowball" and he feels helpless in stopping it. If Glen were left to his own devices, I don't think we would be in the situation we are in now. What with the people that management sends out to the Commission and their requirement that he have Dave Miller at his side for advice on most legal matters, when Miller would not recognize a legal issue if he saw it walking down main street at high noon, is certainly frustrating.

Bill, for over twenty years I have been proud representing Bell Telephone Company. Two of my boys work for Bell Telephone Company. Bell Telephone Company has been good to the Anderson family, and I like to hope that I have made you some money in the past, and do know that without my efforts you probably would not have been authorized to reinvest the tax over earnings on one-party upgrade rather than refund. However, I am at the point where there is not much I can do to help you as long as every turn I try to make, I find people in Bell making life long friends I have at the Commission and the Attorney General's office, mad

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and their actions driving away friends they had in the Independent Industries, such as Sonny Bright in Sulphur and Jack Mitchell of Alltel, who through the years had defended Bell and been voices of reason in the Independent Telephone Association.


I know Mr. Adams has a hard job as President of the Company and Oklahoma is only a small part of the operation. I know he owes certain loyalty to management he has placed here or placed here by his predecessor; but, at the same time he owes a bigger loyalty to the stockholders of Bell Telephone Company and more than that to the customers, who through good times and bad, have depended on "Ma Bell" to furnish a good grade of telephone service.

Things can be turned around in Oklahoma, but, they won't be overnight, and will certainly require some drastic changes.

Suggestions that I have made may not be worth the paper they are written on, but, they are from the bottom of my heart and what I honestly believe. I hope you will take them in that vein.

If there is ever, at any time I can do anything for you or your family, please let me know because I'll always have an affection for you and Jeannette and the kids and have enjoyed my association with you more than you will ever know. Let me hear from you, I am,

Sincerely yours,


WILLIAM L. ANDERSON

WLA:lr

1 BEFORE THE CORPORATION COMMISSION OF THE
 STATE OF OKLAHOMA

IN THE MATTER OF THE)
APPLICATION OF HOWARD W.)
MOTLEY, JR., FOR AN INQUIRY)
INTO THE RATES AND CHARGES OF)
SOUTHWESTERN BELL TELEPHONE)
COMPANY.)

COPY

No. PUD 890000662

DEPOSITION OF WILLIAM J. FREE, ESQ.,
taken on behalf of the Oklahoma Attorney General,
pursuant to agreement of the parties, on
Wednesday, August 11, 1993, at the
law offices of Crowe & Dunlevy, 1800 Mid-America
Tower, Oklahoma City, Oklahoma, before me,
Maynard E. Peterson, Certified Shorthand Reporter
within and for the State of Oklahoma.

12 A p p e a r a n c e s:

13 For the Applicant:

14 No appearance

15 For the Respondent:

16 ANDREW M. COATS, Esquire
RICHARD C. FORD, Esquire
17 Crowe & Dunlevy
1800 Mid-America Tower
18 20 N. Broadway
Oklahoma City, OK 73102
19 and
MELANIE S. FANNIN, Esquire
20 800 North Harvey, Room 310
Oklahoma City, OK 73102

22 For Public Utilities Division
Oklahoma Corporation Commission:

23 DONNA D. McLAIN, CPA
24 Assistant General Counsel
Oklahoma Corporation Commission
25 2101 N. Lincoln, Suite 400
Oklahoma City, OK 73105

MAYNARD PETERSON & ASSOCIATES
308 ONE LEADERSHIP SQUARE, OKLAHOMA CITY (405)232-9909

1 A p p e a r a n c e s (Cont'd):

2 For the Oklahoma Attorney General:

3 RICK D. CHAMBERLAIN, Esquire
 4 Office of the Attorney General
 5 State Capitol Building
 2300 N. Lincoln Blvd., Suite 112
 Oklahoma City, OK 73105-4894

6 I N D E X

7 WITNESS Page

8 WILLIAM J. FREE, ESQ.
 9 Direct Examination by Mr. Chamberlain 4
 Cross Examination by Ms. McLain 31
 Cross Examination by Mr. Coats 37

10

11 EXHIBITS NONE

12

13

14 MR. COATS: It is 9:35. Let the record
 15 reflect that we are furnishing and providing
 16 witnesses in accordance with the Court order of July
 17 27th, for the depositions that were contemplated. I
 18 am appearing for the company as well as for the
 19 witnesses and others who have appeared but are not
 20 here have been given notice for these proceedings
 21 and have chosen for one reason or another not to
 22 appear.

23 MR. CHAMBERLAIN: Counsel, when you said
 24 you are appearing for the company, is that
 25 Southwestern Bell Telephone Company?

1 MR. COATS: Yes, they are the ones that are
2 in there. If I need to appear for the corporation,
3 I will also do that.

4 MR. CHAMBERLAIN: Okay.

5 MR. COATS: But I am appearing for
6 everybody that had to do with the company and I am
7 also appearing for the witnesses with the consent
8 and at the request of both the witnesses and the
9 companies.

10 MR. CHAMBERLAIN: And am I correct in my
11 understanding that you are not going to produce any
12 documents?

13 MR. COATS: Yes. The Attorney General has
14 requested that these witnesses produce certain
15 documents and gave us a letter indicating which
16 documents, categories of documents he or she
17 wanted. We believe the Court's order did not
18 contemplate document production and have thus
19 declined to produce any documents and we have
20 advised the witnesses that they need not produce any
21 documents, that this was our understanding this was
22 intended in a very limited manner to ascertain the
23 knowledge of the witnesses as to Commissioner
24 Anthony's activities with the FBI during the
25 investigation of Southwestern Bell and that the

1 Court did not require nor make any provision for
2 document production.

3 MR. CHAMBERLAIN: And I will state for the
4 record that obviously the Attorney General disagrees
5 with Bell's characterization of the order. The
6 order did not preclude document production.
7 Certainly, whenever you do depositions, it is
8 implicitly assumed, I think, that you could ask the
9 witnesses to bring documents. That's what we have
10 done. Bell has refused to comply with that and we
11 have filed a motion with the Special Master asking
12 that Bell be compelled to produce those documents
13 and we will take that up with the judge at a later
14 time.

15 WILLIAM J. FREE,
16 being produced, sworn and examined on behalf of the
17 Oklahoma Attorney General, deposeth and saith as
18 follows:

19 DIRECT EXAMINATION

20 BY MR. CHAMBERLAIN:

21 Q. Would you state your name, please.

22 A. William J. Free, F-r-e-e.

23 Q. Mr. Free, my name is Rick Chamberlain, and
24 I am representing the Attorney General here today.
25 I understand that you are represented by Mr. Coats

1 today; is that correct?

2 A. That is correct.

3 Q. How long have you been represented by
4 Mr. Coats in this matter?

5 A. My best recollection is that it would have
6 been since approximately May of 1992.

7 MR. COATS: Let the record reflect it
8 depends what you mean "in this matter." I had some
9 representation of Mr. Free on matters generally
10 tangential to this particular proceeding prior to
11 that time, but I have represented Mr. Free
12 throughout this proceeding as well.

13 MR. CHAMBERLAIN: Okay. I'm confused,
14 then. I'm speaking specifically of your
15 representation in this proceeding, and I am trying
16 to ascertain when your representation in this
17 proceeding of Mr. Free began.

18 MR. COATS: And it began at the time he was
19 asked to come and testify in this case.

20 THE WITNESS: Yes. In this particular
21 case, that's correct.

22 Q. (BY MR. CHAMBERLAIN) Asked by the Attorney
23 General to come and testify?

24 A. Yes.

25 Q. Did you meet with any other Bell

1 representatives prior to this deposition?

2 A. I had one meeting and it was with
3 Mr. Coats, Ms. Fannin with Toppins, Melanie Fannin,
4 and Liam Coonan.

5 Q. Okay. Just the four of you, then?

6 A. Yes.

7 Q. All right. Did you review any documents in
8 preparation for this deposition today?

9 A. No, sir.

10 Q. Were you instructed not to review any
11 documents?

12 A. I was at the meeting, I told them I hadn't
13 done any preparation whatsoever, I hadn't looked at
14 any documents, and I was told I didn't need to.

15 Q. Okay. What else was discussed at that
16 meeting?

17 A. Generally, I was told that I had to give my
18 deposition, and I was told that the deposition
19 involved three issues that Judge Myers had asked to
20 be addressed, and I was asked my knowledge as to
21 really two of those three issues and I told them
22 facts regarding those issues.

23 Q. Were you instructed to avoid discussing any
24 matters?

25 A. I may well have been so instructed; I don't

1 recall.

2 Q. So you may have been, you just don't recall
3 if you were?

4 A. Yes. The fact of the matter is, I haven't
5 discussed it with anyone other than my counsel,
6 whether or not I was advised to do that or not, I
7 don't know.

8 Q. Are you currently employed by Southwestern
9 Bell Telephone Company?

10 A. No, sir.

11 Q. By whom are you employed?

12 A. Currently employed by Southwestern Bell
13 Corporation.

14 Q. And that is the parent corporation of
15 Southwestern Bell Telephone Company, correct? If you
16 know.

17 A. Southwestern Bell Corporation owns a
18 hundred percent of Southwestern Bell Telephone
19 Company, yes, sir.

20 Q. Okay. What is your title with Southwestern
21 Bell Corporation?

22 A. I am Senior Vice President, Assistant
23 General Counsel and Assistant Secretary.

24 Q. I take it you are a lawyer, then.

25 A. Yes, sir.

1 Q. You have my condolences.

2 A. I accept them.

3 Q. How long have you been employed in that
4 position?

5 A. Since approximately July of 1992.

6 Q. Okay.

7 A. I'm sorry, July of 1991.

8 Q. And by whom were you employed prior to that
9 time?

10 A. Southwestern Bell Telephone Company was my
11 immediate prior employer.

12 Q. Okay. Why don't we do it this way, it will
13 be less confusing. Let's begin in about 1988 and
14 work up to the present time, and if you can just
15 tell me who you worked for, --

16 A. Okay.

17 Q. -- what your responsibilities, your title
18 was, that sort of thing.

19 A. Okay.

20 Q. Let's begin, by whom were you employed in
21 1988?

22 A. In 1988, I was employed by Southwestern
23 Bell Telephone Company. My title was vice president
24 Revenue & Public Affairs - Texas, and I officed in
25 Austin, Texas.

1 Q. And what were your responsibilities,
2 generally?

3 A. Generally, I was responsible for all
4 legislative activities in the State of Texas, all
5 regulatory activities in the State of Texas, all
6 relationships between Southwestern Bell Telephone
7 Company and the numerous independent telephone
8 companies in the State of Texas, and I had the civic
9 responsibilities for Austin and the surrounding
10 areas.

11 Q. Okay. And how long did you hold that
12 position?

13 A. My recollection is that I took that job in
14 about '86, and I was there until the end of 1990.

15 Q. Okay. And what happened in the end of
16 1990?

17 A. In 1990, I was transferred to Southwestern
18 Bell Telephone Company's general headquarters
19 operations in St. Louis, Missouri, where I assumed
20 the title and responsibilities of Vice President,
21 Associate General Counsel for Southwestern Bell
22 Telephone Company.

23 Q. All right. How long did you hold that
24 position?

25 A. For approximately six months.

1 Q. Okay. So in June of '91, mid-'91?

2 A. Yes. As I indicated earlier, in mid-'91,
3 I think it was July 1, I moved to the corporation.

4 Q. Okay. And you took the position that you
5 now hold at that time?

6 A. I took the position that I now hold, a
7 slightly different title.

8 Q. During the time period '86 to 1990, when
9 you were vice president of Revenue & Public Affairs
10 in Texas, did you have occasion to participate in
11 any of the regulatory proceedings in Oklahoma?

12 A. No, sir.

13 Q. Okay. Did you participate in any
14 legislative or other types of activities in
15 Oklahoma?

16 A. No, sir.

17 Q. Okay. At any time throughout your career
18 with Bell, have you participated in any regulatory
19 or legislative activities in Oklahoma?

20 A. Yes, sir.

21 Q. Okay. Could you tell me when that was?

22 A. Yes, sir. From 1969 to 1974, I was an
23 attorney for Southwestern Bell Telephone Company in
24 the Oklahoma City area office. And at that time I
25 had some minor regulatory responsibility. In

1 addition, from 1979 through 1986, I was general
2 attorney for the state of Oklahoma. And in that
3 position, I had overall responsibility for
4 regulatory activities for the state.

5 I might add when I said overall regulatory
6 responsibilities, I mean it from the lawyer's
7 standpoint, I handled all the legal work in front of
8 the regulatory agencies.

9 Q. Okay. During the period 1969 to 1974, to
10 whom did you report?

11 A. Mr. Robert Allen.

12 Q. How about the time period from 1979 to 1986
13 when you were the general attorney for Oklahoma, who
14 did you report to?

15 A. Subject to check, I think Wayne Babler was
16 the Vice President and General Counsel of
17 Southwestern Bell Telephone Company, and I reported
18 to him.

19 Q. Okay. During the period 1986 to 1990, to
20 whom did you report?

21 A. I reported to the President of the
22 Telephone Company's Texas operations, and that was
23 Jim Adams for some of that time and Paul Roth for
24 the remaining portions of my tenure in Texas.

25 Q. Okay. To whom do you report now?

1 A. I presently report to the Senior Executive
2 Vice President and General Counsel of Southwestern
3 Bell Corporation, Mr. Jim Ellis.

4 Q. And that is James B. Ellis?

5 A. That's correct.

6 MS. FANNIN: D.

7 MR. CHAMBERLAIN: I'm sorry?

8 MS. FANNIN: D.

9 MR. COATS: James D.

10 A. James D. Ellis.

11 MR. COATS: Yes, deposition Ellis.

12 MR. CHAMBERLAIN: Yes.

13 Q. (BY MR. CHAMBERLAIN) During your career
14 with Southwestern Bell, have you had contact or
15 communications with any of the current Corporation
16 Commissioners?

17 A. Refresh my memory. Who are the current
18 Corporation Commissioners?

19 Q. Bob Anthony.

20 A. No, sir.

21 Q. Cody Graves?

22 A. No, sir.

23 Q. J.C. Watts?

24 A. Yes, sir.

25 Q. Okay. You have had contact with J.C.

1 Watts. Could you tell me what kind of contact you
2 have had with him?

3 A. Yes, sir. Many years ago, when I was in
4 Oklahoma, I coached a Pop Warner football team and
5 we were looking for a speaker for our festivities at
6 the end of the season and so we went to the most
7 famous OU football player at the time who was still
8 playing I think for the University of Oklahoma, and
9 called him and asked him to be the speaker at our
10 banquet. And I had the pleasure of going down and
11 picking him up at OU and taking him to a banquet and
12 taking him back home after the banquet, and he was a
13 phenomenal speaker.

14 Q. Thank you.

15 A. That's the only contact I have had with
16 him.

17 Q. Okay. How about contact or communications
18 with Bob Hopkins or Jim Townsend?

19 A. Jim Townsend was a sitting commissioner
20 when I was general attorney for the state of
21 Oklahoma, and I had frequent contacts with him. I
22 have never had any contacts with Bob Hopkins.

23 Q. Okay. So then you have never had any
24 contact or communication with Bob Anthony?

25 A. No, I have not.

1 Q. During the time period 1988 to the present,
2 did you know or were you aware that contributions
3 were being made to the Oklahoma Corporation
4 Commissioners?

5 A. The only thing I know is what I have read
6 in the papers about allegations of contributions to
7 commissioners.

8 Q. Okay.

9 A. Since -- from '88 to present.

10 Q. Were you -- I'm sorry?

11 A. Since reading about those, I have also had
12 some discussions with my attorneys regarding the
13 allegations.

14 Q. And those are attorneys other than
15 Mr. Coats?

16 A. Well, either with Mr. Coats or with
17 Mr. Coonan, both of whom representing me and are my
18 attorneys.

19 Q. Were you aware that David Miller was
20 contacted by the FBI in early 1991?

21 A. No.

22 Q. Okay. Were you aware that Mr. Miller and
23 other employees met with federal authorities during
24 the period March to April of '91?

25 A. '91? No.

1 Q. All right. You mentioned that you were
2 represented by Mr. Coonan. How did you first come
3 to know Mr. Coonan?

4 A. I have known Mr. Coonan for years. I
5 really can't tell you when I first got to know him.
6 His path and my path have crossed both in my
7 telephone company jobs and at the corporation. Of
8 course, he presently is employed by the corporation
9 and offices on the same floor I do and holds the
10 same title, other than the assistant secretary
11 portion, that I do. I have known Liam in a
12 professional context for many years and I just don't
13 flat remember when I first met him.

14 Q. Okay. When did your representation by
15 Mr. Coonan begin?

16 A. For what matter?

17 Q. Any matter.

18 A. Any matter?

19 Q. Have you been represented by him many
20 times?

21 A. I've been represented by him on more than
22 one occasion, yes, sir.

23 Q. Okay. Are you talking two occasions, ten
24 occasions?

25 A. My recollection is probably four occasions.

1 Q. Okay. During the period 1988 through 1992,
2 when were you represented by Mr. Coonan during that
3 time period?

4 A. The first representation by Mr. Coonan was
5 on or about -- well, during the month -- it began in
6 the month of either February or March of 19 -- let
7 me get my dates correct here -- '92.

8 Q. Okay. And what was that regarding, that
9 representation, in general?

10 A. I had received in February of '92 a notice
11 that Mr. Anderson's telephone had been tapped and
12 that wasn't under my responsibility, so I put a note
13 on it to Mr. Coonan saying this is for your
14 information and sent it on and didn't really think
15 any more about it until maybe a couple weeks later,
16 Liam came in and told me that he would like to
17 understand what, if anything, I was aware of in
18 connection with that wiretap. He told -- he asked
19 me if I was willing to have him represent me in any
20 proceedings that might arise out of that activity or
21 if I preferred somebody else. And I told Mr. Coonan
22 that I would be more than pleased to have him
23 represent me in that proceeding.

24 Q. Okay. So he asked you if you wanted him to
25 represent you?

1 A. Yes.

2 Q. Now, let me back up here. This is in
3 February or March of '92, and at that point in time
4 you were in your present position; is that correct?

5 A. That's correct.

6 Q. Okay. So at that time both you and
7 Mr. Coonan were employees of Southwestern Bell
8 Corporation?

9 A. That is correct.

10 Q. Okay. Did Mr. Coonan tell you at that time
11 that he was representing other clients?

12 A. We didn't talk -- the answer is I don't
13 recall him telling me or not telling me. At that
14 time, he simply scheduled a meeting for me to get
15 with him and some other attorneys and tell them
16 everything I knew about dealings in Oklahoma
17 involving Bill Anderson.

18 Q. Okay. And who are the other attorneys you
19 met?

20 A. I knew you were going to ask me that. I
21 don't know. We went to visit a law firm in
22 Washington, D.C., I think it's -- I want to say
23 Moore & Crowland, but that's a pure guess. We flew
24 up there and spent a couple of hours with them and
25 flew back, and I apologize, I don't recall their

1 names.

2 Q. Okay.

3 A. I can get them for you, I'm sure.

4 Q. Was it only you and Mr. Coonan that went up
5 at that time?

6 A. (Affirmative head nod).

7 Q. Okay. And then what occurred next after
8 you met with the law firm in Washington, D.C., then
9 what occurred?

10 A. The next thing that occurred was I was
11 asked to appear at a Grand Jury here in Oklahoma
12 City.

13 Q. Okay. Were you subpoenaed?

14 A. Yes.

15 Q. And approximately when was that?

16 A. I don't recall when the subpoena was
17 issued, but the Grand Jury was in early December, I
18 believe, of 1992.

19 Q. Okay. So then sometime later in '92 you
20 were subpoenaed and then in late '92 you actually
21 testified before the Grand Jury?

22 A. I appeared before the Grand Jury and
23 testified, yes, sir.

24 Q. Okay. Now, you had said that Mr. Coonan
25 represented you on at least four different

1 occasions, I believe, and then we started talking
2 about the 1988-'92 time period, did all those
3 representations occur in that time period or were
4 there some before '88?

5 A. There were none before '88. They all
6 occurred in the '88 through '92 period.

7 Q. Okay.

8 A. Yes, sir.

9 Q. Okay. So we have talked about one when I
10 guess he asked if you wanted to be represented and
11 you -- are you counting that as one time?

12 A. Yes, sir.

13 Q. Okay.

14 A. He was my attorney; I asked him to
15 represent me.

16 Q. All right.

17 A. So that's one time and that's one incident,
18 yes, sir.

19 Q. All right. When was the second time?
20 Would that be before the Grand Jury?

21 A. The second time -- no. As we got close to
22 the grand jury appearance, I retained as co-counsel
23 Mr. Andy Coats who also represented me at the Grand
24 Jury.

25 Q. Okay. Was your representation by

1 Mr. Coats, was that memorialized in an engagement
2 letter; do you recall?

3 A. I don't recall.

4 Q. How about your engagement of Mr. Coonan,
5 was that memorialized at all in a written document?

6 A. I don't believe so.

7 Q. How did Mr. Coonan communicate with you
8 during this time period, or did he communicate with
9 you during that time period?

10 A. In regards to his representation of me in
11 the matter we have just discussed, we had some
12 infrequent communications.

13 Q. Okay. Was that --

14 A. He would do so as my attorney.

15 Q. Were those communications by telephone, by
16 letter, by fax?

17 A. No. He would come into my office or ask me
18 to come into his and we would talk. It was very
19 infrequent.

20 Q. Okay. So then the only communications that
21 you had with Mr. Coonan during that time period were
22 face to face --

23 A. Yes.

24 Q. -- oral meetings, oral conversations?

25 A. Yes.

1 Q. Okay. Why did you retain Mr. Coats as
2 co-counsel?

3 A. I felt that Mr. Coats's knowledge of
4 Oklahoma and his experience in Grand Jury matters
5 qualified him as someone that I would like to
6 represent me, plus I have known Mr. Coats for
7 years. I knew him when I was here in Oklahoma, I
8 have the highest regard and respect for Mr. Coats.
9 All of those caused me to retain him as my counsel.

10 Q. What did you understand Mr. Coonan's role
11 to be during this time period?

12 A. During that time period, as far as I'm
13 concerned, Mr. Coonan was my attorney. His role was
14 to represent me in regards to any matters associated
15 with what started as a wiretap notice that I got on
16 Mr. Anderson's phone.

17 Q. Okay. And I believe you indicated that you
18 didn't know whether or not he was representing
19 anyone else at that time?

20 A. At that time, I did not know.

21 Q. Okay. When did you become aware that he
22 was representing other clients?

23 A. Oh, as we got closer to the Grand Jury
24 date, I learned from either Mr. Coonan or Mr. Coats
25 that they represented other individuals who either

1 were employed by the Telephone Company or had been
2 employed by the Telephone Company.

3 Q. And were all of those individuals
4 subpoenaed to testify before the Grand Jury, if you
5 know?

6 A. I don't know.

7 Q. Did Mr. Coonan ever tell you that he was
8 conducting an investigation into the matter?

9 A. Into what matter?

10 Q. Into any of the matters revolving around
11 the wiretap notice or Mr. Anderson's relation with
12 the company?

13 A. I was generally aware that Mr. Coonan was
14 involved as an attorney representing the Telephone
15 Company and SBC in an investigation into the general
16 allegations.

17 Q. How did you come by that general awareness?

18 A. I don't have any specific recollection of a
19 conversation or a point in time, but I'm sure that
20 Mr. Coonan and/or others would have either told me
21 about it or I would have heard about it.

22 Q. So you had an awareness at some point in
23 time, you don't recall where that came from?

24 A. Well, I had -- yes, that is correct, and it
25 would have been sometime after the first quarter of

1 1992, because I wasn't aware of anything until I got
2 this notice in February of '92.

3 Q. Did you provide Mr. Coonan with any
4 documents?

5 A. In connection with the grand jury
6 appearance -- I think the only documents I provided
7 him was a note and a release of that note.

8 Q. Promissory note?

9 A. Promissory note.

10 Q. Okay.

11 A. And a release of that note. I provided him
12 no other documents, that I recall.

13 Q. Okay. Could you tell me, generally, what
14 the note involved?

15 A. It dealt with a financial transaction
16 between Mr. Anderson and me back in the earlier
17 period of my employment in Oklahoma.

18 Q. I'm sorry?

19 A. That dealt with a financial transaction
20 back in the earlier period of my employment when I
21 worked in Oklahoma.

22 Q. Okay. And was that an instance where you
23 were loaning money to Mr. Anderson or he was loaning
24 money to you?

25 A. He was loaning money to me.

1 Q. Okay. Do you recall the amount?

2 MR. COATS: I am going to interpose an
3 objection at this point in time. I have let it go
4 pretty far afield, but a transaction of that kind at
5 that time has nothing to do with the issues in this
6 case, and I advise the witness he need not go
7 further in that area.

8 MR. CHAMBERLAIN: Okay.

9 Q. (BY MR. CHAMBERLAIN) Those are the only
10 two documents that you recall providing to
11 Mr. Coonan?

12 A. Yes, sir.

13 Q. Okay. After you became aware that when Mr.
14 Coonan was representing other clients in connection
15 with the grand jury investigation, were you at all
16 concerned that there might be a conflict of interest
17 between your interest and those of Mr. Coonan's
18 other clients?

19 A. No, sir.

20 Q. Okay. And why were you not concerned about
21 that?

22 A. I had all the faith in the world in both
23 Mr. Coonan and Mr. Coats to advise me if there was
24 such a conflict.

25 Q. Okay. Did they mention to you the

1 possibility that a conflict of interest might arise?

2 A. We discussed that fact, but it was their
3 judgment and again I respect their judgment, that
4 there was no conflict.

5 Q. Did you consent to Mr. Coonan and
6 Mr. Coats' representation of other clients besides
7 yourself?

8 A. I had no objection to their representation
9 of any other clients.

10 Q. Okay. That was not my question. Did you
11 consent?

12 A. My consent wasn't requested. I was told of
13 it and they asked if I wished them to continue
14 representing me. I did, after being assured that
15 there was no conflict.

16 Q. Okay. During your relationship with
17 Mr. Coonan, did he provide you with legal advice?

18 A. Yes, sir.

19 Q. Did Mr. Coonan ever bill you for his
20 services?

21 A. No, sir.

22 Q. Did you ever meet with the Federal Bureau
23 of Investigation?

24 A. No.

25 Q. Were there any internal meetings or

1 discussions involving the Federal Grand Jury
2 investigation?

3 A. I had discussions with my attorneys
4 regarding my appearance in front of the Grand Jury,
5 yes.

6 Q. Okay.

7 A. Were there other discussions? Not that I
8 was a party to.

9 Q. Okay. After you testified before the
10 Federal Grand Jury, did that terminate Mr. Coonan's
11 representation of you?

12 A. In that matter, my understanding is that
13 Federal Grand Jury has acted and I have no reason to
14 believe that I will need him any further in that
15 proceeding. If I do, he will continue to represent
16 me, along with Mr. Coats.

17 Q. Okay. I think we have talked about two
18 instances in which he represented you?

19 A. I have only talked about one.

20 Q. Okay. What are the other -- the one being
21 the wiretap notice, which culminated in your
22 testifying before the Federal Grand Jury.

23 A. Yes, sir.

24 Q. Correct?

25 A. That's correct.

1 Q. When was the second instance that
2 Mr. Coonan represented you?

3 MR. COATS: Again, I am going to interpose
4 an objection at this point in time unless any of
5 these other instances of representation have
6 anything to do with the any of these proceedings.

7 THE WITNESS: The second one is this
8 proceeding.

9 MR. COATS: All right. Go ahead.

10 THE WITNESS: And Mr. Coonan advised me
11 that I had to be here in this deposition. And as I
12 previously testified to you, I met with both Mr.
13 Coonan, Mr. Coats and Melanie, and that's the second
14 time that I considered Mr. Coonan as representing
15 me. The other two have nothing to do with this.

16 Q. (BY MR. CHAMBERLAIN) Okay. So I'm
17 confused then. Mr. Coonan called you up and said,
18 "You have been asked to attend a deposition"?

19 A. Yes.

20 Q. Okay. And, again, did you request that he
21 act as your lawyer?

22 A. He suggested that he act as my lawyer --

23 Q. Okay.

24 A. -- and I agreed with that.

25 Q. Okay. And was this in the last week or so?

1 A. Oh, last couple of weeks, yes. I mean I
2 have trouble -- this is a different proceeding than
3 the grand jury proceeding. Your earlier question
4 was has he represented me on more than one occasion,
5 since it's a different proceeding, I consider his
6 representation in response to your question as a
7 separate representation.

8 When I became aware that someone had to
9 take my deposition in regards to an order from Judge
10 Myers involving three questions, I actually saw
11 Mr. Coonan now and said, "Will you continue to
12 represent me in this matter?" And he allowed as to
13 how he would.

14 Q. In August of '92, were you aware that the
15 FBI was questioning friends and relatives of current
16 and former Southwestern Bell employees?

17 A. No, I don't think so. I hate to tie it
18 down and my memory is not good enough to tell you
19 precisely what month, but I really wasn't much
20 aware -- I wasn't aware of much of what was going on
21 in Oklahoma until I was advised I had to appear
22 before a Grand Jury. And that was -- my appearance
23 was in December. I hadn't even met with the
24 attorneys until mid-year, I don't think I was aware
25 of much of anything in -- I think you said August.

1 Q. Right. And, perhaps, I phrased my question
2 poorly. From what I understand, the month of August
3 of '92 is when the FBI began questioning --

4 A. Oh.

5 Q. -- these friends and relatives, and I guess
6 my question to you is did you at some point become
7 aware of that?

8 A. Yes, at some point I became aware of that
9 and it would have been immediately prior to my
10 appearance before the Grand Jury.

11 Q. Okay. And do you recall how you became
12 aware of this?

13 A. I was generally advised of the nature of
14 the grand jury investigation by Mr. Coats and
15 Mr. Coonan. And as I inquired from them what the
16 circumstances were, I became aware that employees of
17 the Telephone Company and others had been talked to
18 by the FBI and, generally, began to understand the
19 nature of the grand jury investigation.

20 Q. I may have asked you this. Were you the
21 only one present at that meeting beside Mr. Coonan
22 and Mr. Coats?

23 A. No, I believe there was one other attorney
24 with Mr. Coats's firm that was in and out of that
25 meeting. Other than that, yes, we were the only

1 ones present.

2 Q. Okay. When did you first learn that
3 Commissioner Anthony was cooperating with the FBI?

4 A. We received press clippings at the office,
5 the first time I became aware of them was when I
6 read a press clipping from, I think, the Daily
7 Oklahoman, which would have been probably October of
8 '92.

9 Q. Now, during this time period, I think we
10 have established it was during the time period of
11 '88 to '92, you were outside of Oklahoma.

12 A. Yes, sir.

13 Q. Okay. I believe you indicated that you
14 have had no communication with Commissioner
15 Anthony.

16 A. That's correct, I have not.

17 Q. Now, given your position at that point in
18 time and the responsibilities which you had, would
19 you expect to have known if Mr. Anthony was
20 cooperating with federal authorities?

21 A. Well, I didn't know until I read it in the
22 paper.

23 Q. Okay.

24 A. So I guess the -- I can't answer on what I
25 would expect to know. But I didn't know about it

1 until I read it in the paper.

2 Q. I guess my question goes to the fact that
3 you are outside of Oklahoma during that time
4 period. Would you agree that it is going to be
5 unlikely that you would become aware of something
6 like that?

7 A. I don't know how to answer the question.

8 Q. Let me ask it this way. Would it be
9 possible for someone else within the Southwestern
10 Bell Telephone Company or Southwestern Bell
11 Corporation to have known of Mr. Anthony's
12 activities other than yourself?

13 A. That would be possible, yes, sir.

14 Q. And do you know or have an opinion of who
15 that person might be?

16 A. I'm not aware of anyone who knew anything
17 about it. The first knowledge I had was, again,
18 when I saw it in the news clips that crossed my
19 desk.

20 MR. CHAMBERLAIN: Mr. Free, that's all I
21 have.

22 CROSS EXAMINATION

23 BY MS. McLAIN:

24 Q. I just have a few questions. I get
25 confused and, obviously, I haven't been here.

1 Maribeth Snapp, generally, representing the
2 Corporation Commission. When I was first starting
3 to take notes this morning, you made a comment that
4 you worked for approximately six months in 1990 as a
5 Vice President and Associate General Counsel for
6 Southwestern Bell Telephone Company; is that
7 correct?

8 A. That's right. That is correct, yes, ma'am.

9 Q. And then from that position, so I will
10 presume late 1990 until what time, what was your
11 position?

12 A. From approximately July 1, --

13 Q. Of 1990?

14 A. -- 1990 until current, I am Senior Vice
15 President and Associate General Counsel of
16 Southwestern Bell Corporation.

17 Q. Okay. Then that's where there was a
18 conflict in my notes, because I thought you had said
19 since July of 1991, you had been Senior Vice
20 President, Assistant General Counsel and Assistant
21 Secretary.

22 A. Then I'm sorry if I misspoke. I went to --
23 and I wish my memory were better, but I went to
24 general headquarters approximately July 1 -- I mean
25 January 1 of 1991. Okay? I was Vice President and

1 Associate General Counsel until approximately the
2 end of June 1991, and then I went with the
3 Corporation.

4 Q. Okay. So at one point in time you were
5 with the Telephone Company and then you were with
6 the Corporation, --

7 A. Yes, ma'am.

8 Q. -- but in the same period of time you were
9 still in St. Louis?

10 A. Yes.

11 Q. Okay.

12 A. Yes. My job stayed in St. Louis, I moved
13 from one building to another building and then later
14 we moved to San Antonio, Texas, when Southwestern
15 Bell Corporation relocated there.

16 I apologize if I confused you.

17 Q. It very well may be my notetaking. You
18 also indicated that you were represented by
19 Mr. Coonan beginning in either late February, well,
20 March of 1992 after you received the letter that the
21 FBI had tapped your phone, and that he was
22 representing you, you were both employees of the
23 Southwestern Bell Corporation and it appeared that
24 you were lateral employees or on the same level
25 corporately.

1 A. We were on the same level. Your statement
2 is correct, although I actually got an IRS notice as
3 opposed to a letter, but other than that, what you
4 said is true.

5 Q. Okay.

6 MR. COATS: Let the record reflect it was
7 not Mr. Free's phone that was tapped, it was
8 Mr. Anderson's.

9 THE WITNESS: No, it was not my phone.
10 Thank goodness.

11 Q. (BY MS. McLAIN) Then who do you think was
12 representing the Corporation if Mr. Free was
13 representing?

14 A. Mr. Coonan --

15 Q. I mean Mr. Coonan.

16 A. -- was representing me and Mr. Coonan also
17 was representing the Corporation.

18 Q. And so you had no problem with the dual
19 representation?

20 A. I not only had no problem with it, I fully
21 supported Mr. Coonan representing me and the
22 Corporation.

23 Q. And then it was approximately two months
24 later that you retained Mr. Coats?

25 A. Yes, yes, two or three months. I really

1 don't know when I retained Mr. Coats, but when it
2 became clear that there was a grand jury
3 investigation and that I had been asked to appear is
4 when I retained Mr. Coats.

5 Q. Do you remember when you received a
6 subpoena for the grand jury investigation?

7 A. I don't. I remember I appeared in
8 December, so I assume the subpoena came a month or
9 so before then, but I don't remember.

10 MR. COATS: The record might reflect that
11 the counsel received the subpoena for him. He never
12 actually received the subpoena. We accepted it for
13 him.

14 THE WITNESS: That's why I didn't know
15 that, when I received it.

16 Q. (BY MS. McLAIN) So you retained Mr. Coats
17 when you learned about a grand jury investigation?

18 A. Yes, ma'am.

19 Q. And then the Grand Jury was made aware that
20 Mr. Coats was your attorney and that is why
21 Mr. Coats received the subpoena?

22 A. That is correct, yes, ma'am.

23 Q. You mentioned that you realized that
24 Mr. Coonan and Mr. Coats represented others at the
25 Telephone Company besides yourself. Did you realize

1 that they may have represented others at the
2 Southwestern Bell Corporation?

3 MR. COATS: Well, the question seems to
4 state facts not in evidence. I don't think there
5 was anybody else in the Corporation that was --

6 THE WITNESS: I'm sitting here trying
7 think, I am not aware of their representation of
8 anyone else at SBC.

9 Q. (BY MS. McLAIN) Okay. So then in the
10 alternative, you realized they represented
11 Southwestern Bell Corporation, they represented you,
12 an employee of Southwestern Bell Corporation, and
13 they also represented employees of Southwestern Bell
14 Telephone Company?

15 A. Some employees, yes, ma'am, that's my
16 understanding.

17 Q. Thank you. And did you ever receive a bill
18 from Mr. Andy Coats for his representation of you in
19 these matters?

20 A. I received no bill, personally, no.

21 Q. Did you receive a bill from Mr. Coats' law
22 firm, Crowe & Dunlevy?

23 A. I personally received no bills from
24 Mr. Coats or his law firm.

25 MS. McLAIN: I have no further questions

1 CROSS EXAMINATION

2 BY MR. COATS:

3 Q. I just have a few, I want to clear up some
4 things to be sure we have this clearly on the
5 record. At some point in time, did you learn
6 Commissioner Anthony had been a secret, covert
7 investigator, informant for the FBI in an
8 investigation of Southwestern Bell and others for a
9 period of approximately four years in late '88 to
10 October 1992?

11 A. Yes, sir.

12 Q. All right. When and how did you learn it?

13 A. I first learned it when some news clips
14 came across my desk somewhere in the October '92
15 time frame. One of those clips was out of the
16 Oklahoma paper that made the announcement that
17 Mr. Anthony had said he was an informant.

18 Q. Do you now know of any fact or facts from
19 which you should have known of his FBI activity?

20 A. No, sir.

21 Q. Do you know of anyone at Southwestern Bell
22 who did know of Commissioner Anthony's activities
23 prior to any of the October announcement?

24 A. No, sir.

25 MR. COATS: That's all I have. He will

1 want to read and sign the deposition. So if you
2 will get it to us, we will send it down to him and
3 get it back and we have got to do it in pretty short
4 order because this matter is set for hearing on
5 August 26th.

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WILLIAM J. FREE, ESQ.

COUNTY OF OKLAHOMA)

 day of , 1993.

Notary Public, State of Oklahoma

My commission expires _____.

C E R T I F I C A T E

STATE OF OKLAHOMA)
) ss.
COUNTY OF OKLAHOMA)

I, Maynard E. Peterson, a Certified Shorthand Reporter within and for the State of Oklahoma, do certify that the witness in the foregoing deposition, WILLIAM J. FREE, ESQ., was duly sworn to testify the truth, the whole truth and nothing but the truth, in the within-entitled cause; that said deposition was taken at the time and place herein named; that the deposition is a true record of the witness's testimony as reported by me and thereafter transcribed into typewriting by computer.

I do further certify that I am not counsel, attorney or relative of either party, or clerk or stenographer of either party, or otherwise interested in the event of this suit.

I do further certify that I am a duly qualified and acting Certified Shorthand Reporter within and for the State of Oklahoma, Certificate No. 00325.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my CSR stamp at my office in Oklahoma City, Oklahoma, this 11th day of August, 1993.

Oklahoma Certified Shorthand Reporter

COSTS: \$ _____

Paid by Oklahoma Attorney General