FEDERAL BUREAU OF INVESTIGATION
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FD-302 (REV. 3-10-82)

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/4/89

[redacted] date of birth [redacted] was contacted at his residence of [redacted] in the presence of [redacted] at which time he was advised of the official identities of the interviewing agents and of the fact that he was being contacted regarding an investigation of possible election law violations on the part of individuals connected with AMERICAN CONTINENTAL CORPORATION (ACC) and LINCOLN SAVINGS AND LOAN (LSL) and their subsidiaries. [redacted] was informed that the FEDERAL BUREAU OF INVESTIGATION (FBI) is investigating certain allegations of possible violations of the Federal Election Laws and that he was being contacted as a possible witness in this matter. [redacted] advised that he would cooperate fully with the FBI in this investigation and at this time provided the following information:

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[redacted]

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Investigation on 10/3/89 at Scottsdale, Arizona File # 56C-LA-101615-46

by SA SA [redacted] Date dictated 10/3/89

b6
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56C-LA-101615

 b3 b6 b7C

[redacted]

[redacted] b3 b6 b7C

[redacted] b3 b6 b7C

At the conclusion of the interview, [redacted] was provided with a copy of a Federal Grand Jury Subpoena from the United States District Court, Central District of California calling for him [redacted] to the Federal Grand Jury in Los Angeles, California, on [redacted] was informed that prior to doing this, he should contact Assistant

FD-302a (Rev. 11-15-83)

56C-LA-101615

Continuation of FD-302 of [redacted], On 10/3/89, Page 5

United States Attorney (AUSA) [redacted] at [redacted] stated that the only items that he thought he might have that would be applicable would be [redacted] which he would have to locate in the attic of his house. At this time, the interview concerning the political contributions aspect of this investigation was concluded.

The following descriptive data was obtained:

Name
Home Address

Home phone
Work phone
Current employer
Place of birth
Date of birth
SSAN
Education

Spouse's name
Spouse's employer
Children

[redacted]

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It is noted that the above interview with [redacted] was conducted in the presence of [redacted]

56C-LA-101615-46

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED

NOV 9 1989

FBI - LOS ANGELES [redacted]

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/5/89

[redacted] date of birth [redacted] place of birth: [redacted] Social Security Number: [redacted] LINCOLN SAVINGS AND LOAN (LSL), 2747 East Camelback, Phoenix, Arizona, (602) 955-8833, after being advised of the identity interviewing agents and the purpose of the interview, provided the following information:

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[redacted] advised that he graduated from [redacted] in [redacted] with a [redacted] in [redacted] with a [redacted] He stated that [redacted] is [redacted] and that she [redacted] The [redacted] have [redacted]

[redacted] advised that he was previously employed with [redacted] from [redacted] was hired as [redacted] with a salary of [redacted] In [redacted] became a [redacted] and his salary when he left was [redacted]

[redacted] stated that in [redacted] he interviewed with [redacted] at LSL. [redacted] advised that [redacted] hired him as [redacted] His starting salary at LSL was [redacted] and is presently [redacted] indicated that he received a [redacted] salary increase in [redacted] and another [redacted] increase in [redacted] After LSL was placed in conservatorship, his salary was reduced to [redacted]

[redacted] stated that he had received a [redacted] clothing allowance from LSL in [redacted] advised that [redacted] did not like the way he dressed and told him to buy some cotton shirts. He advised that he also received a [redacted] in early [redacted] for doing a "good job" on some land deals.

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Investigation on 10/3/89 at Phoenix, Arizona File # 56C-LA-101615-47

[redacted] SA [redacted]
SA

Date dictated 10/5/89

[redacted] advised that his responsibilities at LSL consisted of [redacted] He stated that he had no negotiating responsibility from a business standpoint and felt LSL did not always make good real estate deals.

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[redacted] stated that his immediate supervisor was [redacted] until [redacted] Currently, it is [redacted] He stated that [redacted] and other [redacted] told him to be careful and don't trust the "feds". [redacted] indicated that he received all his paychecks from LSL.

[redacted] indicated that he was never told anything about political contributions as being terms of employment. Furthermore, political contributions were never mentioned during the hiring interview.

[redacted] stated that his political affiliation is with the republican party. [redacted] is a [redacted] and advised that he contributed to many candidates over the years including federal, state and local campaigns. As regards to donations while employed at LSL, [redacted] remembered contributing [redacted] to SENATOR McCAIN, [redacted] to SENATOR RIEGLE, [redacted] to RICHARD ROMLEY, [redacted] to CAROLYN WARNER, [redacted] to ART HAMILTON and various amounts to the STATE REPUBLICAN PARTY and HOWARD ADAMS (Phoenix Councilman). [redacted] stated he would have to review his check register and cancelled checks for exact amounts and dates. [redacted] indicated that prior to 1985, his political contributions were much smaller.

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[redacted] advised that [redacted] collected the political contributions for RIEGEL, WARNER and HAMILTON. He stated that [redacted] would approach him about making a political contribution and tell him what other employees are generally donating. [redacted] would state that the candidates are good people and would be good for AMERICAN CONTINENTAL CORPORATION (ACC).

[redacted] felt there was implied pressure to donate because everyone else was and the fact that [redacted] would say what others were generally donating. [redacted] stated that he did refused to donate to DECONCINI because he could not support the man. [redacted] asked [redacted] about donating, but refused and nothing happened. [redacted] stated that he made political contributions while at employed at ACC because the candidates were good and followed the lead of other [redacted] in the office.

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56C-LA-101615

Continuation of FD-302 of [redacted] , On 10/3/89 , Page 3

[redacted] stated that there was never any stated or implied employment conditions while at ACC/LSL in regards to political contributions. Nor was he reimbursed from ACC/LSL in any manner for any of his contributions.

[redacted] advised that he did know it was illegal for ACC/LSL or any other corporation to contribute to federal candidates. He knew there were limitations on personal contributions to federal candidates, but did not know the exact amount.

[redacted] stated that he had numerous talks about political contributions with other ACC [redacted] b6 b7C The discussions centered around the candidate and jokingly about why they donated.

[redacted] advised that not donating to a particular candidate was never a problem. He stated that though people may have questioned the amount of the donation, no one was ever terminated.

[redacted] indicated that he has attended many political fund raisers over the years, both before and while employed at ACC/LSL. He stated that he never received a ticket for a political fund raiser without paying for it. [redacted] advised that the only contribution which was returned was from the RIEGLE campaign in late 1988.

56C-LA-101615-47

SEARCHED ____ INDEXED [redacted]
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FBI - LOS ANGELES [redacted]

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/5/89

[redacted] was contacted at his place of residence [redacted]

Upon being contacted, [redacted] was made aware of the identity of the interviewing agents and the nature of the inquiry.

[redacted] informed the interviewing that he was not prepared, at this time, to discuss [redacted] interviewing agents [redacted] advised that he was currently represented by counsel, an attorney in [redacted] advised that this attorney was a general attorney and was not associated with any criminal matter.

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[redacted] advised that he would have to talk to his attorney and review this matter before he would allow himself to be interviewed. [redacted] advised that he would not be available for interview for the next several days.

At this point, [redacted] was presented with two Grand Jury Subpoenas to appear before a Federal Grand Jury in Los Angeles, California, on [redacted]

At this point, the interview was terminated.

In[redacted]tion on 10/3/89 at Scottsdale, Arizona File # 56C-LA-101615-48

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by SA [redacted] Date dictated 10/4/89

56C-LA-101615-48

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED
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FBI - LOS ANGELES [redacted]

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/10/89

[redacted] date of birth [redacted] place of birth [redacted] who resides at [redacted] was contacted at the offices of the FEDERAL BUREAU OF INVESTIGATION (FBI), Phoenix, Arizona.

Upon being contacted, [redacted] was made aware of the identity of the interviewing agents and the nature of the inquiry. b3 b6 b7C

[redacted]

[redacted]

b3 b6 b7C

Investigation on 10/3/89 at Phoenix, Arizona File # 56C-LA-101615-49

by [redacted] SA [redacted] Date dictated 10/4/89

56C-LA-101615

Continuation of FD-302 of [redacted] , On 10/3/89 , Page 6 b3 b6 b7C

At this point in the interview, [redacted] was presented with a Federal Grand Jury Subpoena to Los Angeles, California which requested that [redacted]

[redacted] advised that he would comply with this subpoena and would contact the respective agent involved in this investigation.

56C-LA-101615-49

SEARCHED [redacted] INDEXED [redacted]
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FBI - LOS ANGELES [redacted]

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FBI - LOS ANGELES [redacted]

56C-LA-101615-51 [redacted]

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59C-LA-101615-53

[redacted] b6 b7C

NOV 9 1989

FBI - LOS ANGEL [redacted]

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/4/89

In an attempt to interview [redacted] Special Agent (SA) [redacted] and SA [redacted] went to her residence at [redacted] An unknown white female who was in the driveway was asked if [redacted] was home. The female asked who was calling and SA [redacted] showed her credentials. The female advised that she [redacted] was home and escorted the agents in the residence.

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[redacted] was advised of the identities of the interviewing agents and expressed surprise that the agents were in the house. SA [redacted] informed her that they were invited in.

[redacted]

SA [redacted] advised [redacted] that she was being served with two Federal Grand Jury Subpoenas. [redacted] asked if they could be served through the attorney. She advised that [redacted] represented her. [redacted] was told that she was being served. [redacted] left the room to make another telephone call. Upon her return, [redacted] was served with two Federal Grand Jury Subpoenas compelling [redacted]

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[redacted]

Investigation on 10/3/89 at Paradise Valley, AZ File # 56C-LA-101615-54

by SA SA [redacted]

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Date dictated 10/3/89

56C-LA-101615-54

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/4/89

[redacted] was contacted at her residence, [redacted] She was advised of the identity of the interviewing agents and that the interview was [redacted] asked if the agents meant [redacted] was advised that was correct. [redacted] initially refused to allow the agents into the house, therefore the interview was initially conducted at the front door. [redacted] asked for clarification as to what the interview was in regards to. She was advised that the interview was regarding [redacted]

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[redacted] invited the agents into the house and then went to answer the phone.

When [redacted] returned she advised that she would have to consult [redacted] before she talked with the agents. [redacted] advised that [redacted] worked for ACC. She refused to tell the agents their home telephone number as their number is unlisted and they have been getting nasty phone calls.

[redacted] was advised that she was being served with two Federal Grand Jury Subpoenas compelling [redacted] refused the subpoenas and advised that she wanted to ask [redacted] The agents wrote their names and numbers on one of the subpoenas. [redacted] advised that she was not going to take the papers and asked that the agents write the information on another piece of paper. It was explained to [redacted] that she was served whether or not she physically touched the subpoenas. [redacted] asked if she would get into trouble if she threw the subpoenas away. [redacted] was advised that she was compelled to answer the subpoenas.

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[redacted] requested that the agents wait while she telephoned [redacted] was overheard saying that FBI agents were present and wanted to leave documents. She also said they were very nice. [redacted] returned and advised that [redacted]

Investigation on 10/3/89 at Paradise Valley, AZ File # 56C-LA-101615-55

by SA [redacted]
SA

Date dictated 10/3/89

56C-LA-101615

Continuation of FD-302 of [redacted], On 10/3/89, Page 2

said it was okay.

[redacted] was asked if she had an attorney. She advised she was not criminally represented but had the company's attorney. b3 b6 b7C

[redacted] advised that her and [redacted] would be out of town until Friday. She agreed to have [redacted] contact the agents. As the agents were leaving, [redacted] advised that as far as the contributions go, [redacted] gave like one would to any other candidate.

56C-LA-0165-55

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/4/89

[redacted] b3

[redacted] telephone [redacted] was interviewed at his place of b6
residence. After being advised as to the identity of the b7C
interviewing agents and the nature of the interview, [redacted]
voluntarily provided the following information:

[redacted]

[redacted] b3
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Investigation on 10/3/89 at Phoenix, Arizona File # 56C-LA-101615-56

by [redacted] SA [redacted] SA [redacted] Date dictated 10/4/89 b6 b7C

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56C-LA-101615

Continuation of FD-302 of [redacted], On 10/3/89, Page 4 b3 b6 b7C

[redacted]

At the conclusion of the interview, [redacted] was served with a Federal Grand Jury Subpoena commanding him to [redacted] to the United States Attorney in Los Angeles, California. b3 b6 b7C

[redacted] provided the following information about himself:

Name
Sex
Race
Date of birth
Place of birth
SSAN
Current address

Current employer
Telephone
Education

Spouse's name
Spouse's employer

[redacted]

56C-LA-107615-56 [redacted]

[redacted]

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56C-LA-101615-57 [redacted]

[redacted]

NOV 9 1989

FBI - LOS ANGELES [redacted]

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/5/89

[redacted] was contacted at his residence and after being advised of the official identities of the interviewing agents was served two Federal Grand Jury subpoenas dated September 28, 1989 for the Central District of California. b3 b6 b7C

[redacted] was advised the first subpoena requested [redacted] as listed on the attachment of the subpoena to be produced before the Grand Jury on [redacted] located at the United States Courthouse, 312 North Spring Street, Los Angeles, California 90012, Courtroom 1346B.

[redacted] was advised the second subpoena required [redacted] the same grand jury at the same time, date, and location as the first subpoena.

[redacted] was further advised he should contact Assistant United States Attorney (AUSA) [redacted] whose telephone number and address appeared at the bottom of the subpoenas if he had any questions.

Investigation on 10/3/89 at Scottsdale, Arizona File # 56C-LA-101615 -57

by [redacted] SA [redacted] SA [redacted] Date dictated 10/4/89 b6 b7C

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/4/89

[redacted] home telephone [redacted] work telephone [redacted] was interviewed at his home regarding [redacted] After the interviewing agents identified themselves, [redacted] provided the following information:

b3 b6 b7C

[redacted]

b3 b6 b7C

Investigation on 10/3/89 at Scottsdale, Arizona File # 56C-LA-101615-58

by SA SA [redacted] Date dictated 10/4/89

b6 b7C

FD-302a (Rev. 11-15-83)

56C-LA-101615

Continuation of FD-302 of [redacted], On 10/3/89, Page 4 b3 b6 b7C

[redacted]

At the conclusion of the interview, [redacted] was served a Federal Grand Jury Subpoena for [redacted] b3 b6 b7C

[redacted] provided the following background information regarding himself:

Full name
Sex
Race
Address

Employment

Date of Birth
Place of Birth
Social Security Number
Education

Spouse
Family

[redacted]

56C-LA-101615-58

SEARCHED [redacted] [redacted]
SERIALIZED
NOV 9 1989

[redacted]

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/6/89

On October 3, 1989, Special Agent (SA) [redacted] served a Federal Grand Jury Subpoena on [redacted] The subpoenas were issued by the Central District of California and required [redacted] at the United States Courthouse, Los Angeles, California, on [redacted] Additionally, [redacted] was served with a subpoena for [redacted]

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Investigation on 10/3/89 at Phoenix, Arizona File # 56C-LA-101615-59

by SA C. [redacted] Date dictated 10/5/89

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FBI - LOS ANGELES [redacted]

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/10/89

The following investigation was conducted by Special Agent (SA) [redacted] in an attempt to locate and interview [redacted] b6 b7C

On 10/3/89, contact was made at the manager's office of [redacted] the address provided on [redacted] Arizona driver's license. The manager checked her files, and advised that [redacted] has not resided in [redacted] since at least prior to [redacted] She had no other information.

On 10/3/89, a check of directory assistance in the Phoenix metropolitan area failed to reveal a phone listing for [redacted]

On 10/3/89, a check of Arizona motor vehicle registrations failed to reveal a current registration for [redacted]

On 10/3/89, a check of the Maricopa County Real Estate records failed to reveal any property in [redacted] name.

On 10/10/89, a check of the Postal records for [redacted] address failed to reveal any forwarding information.

Investigation on 10/3/89 and 10/10/89 at Phoenix, Arizona File # 56C-LA-101615-160

by SA [redacted] Date dictated 10/10/89 b6 b7C

56C-LA-107615-60

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED

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FBI — LOS ANGELES [redacted]

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56C-LA-101616-61

SERIALIZED [redacted] FILED [redacted]

9 1989

FBI - LOS ANGELES [redacted]

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FD-350 (Rev. 5-8-8?)

(Mount Clipping in Space Below)

Cranston Changes Story On Lincoln S&L

By Larry Liebert
Chronicle Washington Bureau Chief

Washington

Senator Alan Cranston has changed his story about his attempts to intervene on behalf of Lincoln Savings and Loan, the Irvine firm seized by federal regulators after its owners allegedly looted it of more than $1.1 billion in assets.

The California Democrat acknowledged for the first time this week that he and three other senators "may well have" quizzed the top regulator of the savings and loan industry about a rule that limited Lincoln's riskier investments.

It is a significant change from his earlier responses on this issue. He insisted previously that the senators' sole purpose was to seek a speedy conclusion to a long-running investigation of the savings and loan, and angrily rejected a conflicting account by the regulator, Edwin Gray.

Lincoln was seized last April by federal regulators. Last month, the government filed a civil suit that accused former owner Charles Keating Jr. and associates of "illegal, fraudulent and imprudent" schemes that will force taxpayers to pay for a multibillion-dollar rescue of the troubled savings and loan.

The explosive political question is what role Cranston and other recipients of Keating's campaign contributions may have played in frustrating federal attempts to police the operations of the high-flying Lincoln operation.

Crucial Meeting

The debate revolves around a meeting in April 1987, when top federal savings and loan regulator Gray was summoned to the Capitol by Cranston and three other senators who had received large contributions from Keating and his associates.

The senators have denied Gray's allegation that they improperly pressured him to drop a regulation limiting Lincoln's investments in speculative land deals, junk bonds and other risky ventures.

But Cranston did not offer his usual flat denial when asked in an interview this week whether the senators had discussed the regulation with Gray.

"There may well have been some discussion of the reg. I believe so. I think it's logical that there would have been (discussion of the regulation), but I don't recall it," Cranston said in an interview with the San Diego-based Copley News Service.

Cranston said that discussing the new restriction on risky savings and loan investments with Gray was "logical," because "it had just happened and it was causing a commotion." Keating bitterly opposed the regulation.

Referring to a lawsuit Keating had filed to block the restriction, Cranston said, "I think it was not improper to explore whether or not it should be delayed until the lawsuit determined the situation."

San Francisco Chronicle
(Indicate page, name of newspaper, city and state.)
Santa Ana, California

Date: 10/4/89
Edition:

Title: Cranston Changes Story On Lincoln S+L

Character:
or
Classification: 56C-LA-101615
Submitting Office:
Santa Ana Resident Agency
Indexing: L.A. Divisio

58C-LA-101615-122

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Cranston stood by his past contention that the senators did not exert improper pressure on Gray. He also denied Gray's contention that the senators brought an offer from Keating to spend more of Lincoln's money on traditional home mortgages if the "direct investment" regulation was dropped.

"It would have caught my attention if there was a suggestion of a deal, and there was no suggestion of a deal in my presence," Cranston said.

A spokesman for Senator Dennis DeConcini, D-Arizona, who organized the meeting with Gray, echoed that theme yesterday. Bob Maynes, DeConcini's press secretary, agreed that the senators may have discussed the direct investment rule but said the senators remained "adamant" that there was no "quid pro quo" conveyed from Keating.

In a statement issued last night, Cranston confirmed his comments to the Copley News Service but said he had not "personally" discussed the repeal of the regulation at the meeting with Gray, as the Copley account of the interview reported.

Until now, Cranston and his top aides have bitterly denounced Gray's contention that the senators pressed him to suspend the regulation limiting risky "direct investments." Instead, Cranston had emphatically insisted that the senators meeting with Gray were asking only for some resolution to a long-running investigation of Lincoln by the regulators.

In May, for example, Cranston angrily told reporters, "I don't know what that guy Gray is talking about. .... I did not intervene with regulators. ... We were just telling them 'make a decision.' We never told them what to say."

As recently as last week, Cranston scoffed that Gray had either fabricated his account of the meeting or "misunderstood what occurred in that room."

Keating has maintained that he is the innocent victim of harassment by regulators.

The other senators at the April 1987 meeting did not respond to telephone calls last night.

2*

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/16/89

[redacted] was contacted at his employment, was advised of the identities of the interviewing agents, and thereafter provided the following information:

[redacted] provided the following identifying information:

Name
Home address

Home telephone #
Employer

Work telephone #
Place of birth
Date of birth
SSAN
Education

Spouse's name
Spouse's employer
Children

[redacted]

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[redacted]

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Investigation on 10/4/89 at Phoenix, Arizona File # 56C-LA-101615-63

by SA SA [redacted] Date dictated 10/5/89

[redacted]

56C-LA-101615

Continuation of FD-302 of [redacted], On 10/4/89, Page 3

[redacted] b3 b6 b7C

[redacted] b3 b6 b7C

[redacted] was thereafter presented a Federal Grand Jury Subpoena for [redacted]

FD-302 (REV. 3-10-82)

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/12/89

[redacted] was contacted at his residence. [redacted] advised that the [redacted] previously lived at that address. The home was purchased from the [redacted] in approximately [redacted] advised that the [redacted] are living in [redacted] with an address of [redacted] phone number [redacted] stated that he has had no contact with the [redacted] since the purchase of the residence.

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Investigation on 10/3/89 at Scottsdale, Arizona File # 56C-LA-101615-69

by SA [redacted] SA Date dictated 10/4/89

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/5/89

[redacted] was contacted at his residence, [redacted] He was advised of the identity of the interviewing agents and that the agents were attempting to locate [redacted] provided the following information: b6 b7C

[redacted] advised that he purchased his residence from [redacted] approximately [redacted] ago. [redacted] had never met [redacted] and had only talked to [redacted] who was previously employed by AMERICAN CONTINENTAL CORPORATION (ACC) over the telephone. [redacted] thought that [redacted] moved to [redacted] to go to school.

[redacted] explained that he has no connection to ACC other than [redacted] is a [redacted] is employed as [redacted] with COMPUTING INFORMATION SERVICES, INCORPORATED, 11225 North 28th Drive, Suite B-206, Phoenix, Arizona 85029, (602) 993-5811.

Investigation on 10/4/89 at Phoenix, Arizona File # 56C-LA-101615-65

by SA SA [redacted] Date dictated 10/5/89 b6 b7C

58C-LA-101615-65

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/5/89

In an effort to locate and interview [redacted] the agents went to his residence, [redacted] A young white female answered the door and identified herself as [redacted] She was advised of the identities of the interviewing agents and that they needed to speak to [redacted] She advised that he was in Washington, DC and would not be home until Sunday. She was given a business card of [redacted] and asked to provide that to [redacted] and ask him to contact the agents.

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Investigation on 10/4/89 at Paradise Valley, AZ File # 56C-LA-101615-66

by SA [redacted]
SA

Date dictated 10/5/89

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56C-LA-121165-66

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/6/89

[redacted] was contacted at her place of residence and served two Federal Grand Jury (FGJ) subpoenas. b3 b6 b7C

The subpoenas commanded [redacted] the FGJ scheduled on [redacted] at the U.S. Courthouse, 312 North Spring Street, Los Angeles, California 90012.

Investigation on 10/4/89 at Paradise Valley, AZ File # 56C-LA-101615-67 b6 b7C

by SA [redacted] SA [redacted] Date dictated 10/5/89

59C-LA-101615-67

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED
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56C-LA-101615-68

SEARCHED [redacted]
SERIALIZED [redacted]
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[redacted]

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FD-302 (REV. 3-10-82)

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/6/89

[redacted] was interviewed in his office, LINCOLN SAVINGS AND LOAN (LSL), 2724 East Camelback Road, Phoenix, Arizona. He was advised of the identity of the interviewing agents, Special Agent (SA) [redacted] and SA [redacted] who identified themselves by displaying their credentials. [redacted] furnished the following information:

He has been employed with LSL/AMCOR since [redacted] as [redacted] He was originally interviewed for this position by CHARLES KEATING III and [redacted] His supervisor since [redacted] has been one individual and that is [redacted] When he first came to LSL, he was hired on at the salary of [redacted] Then in late [redacted] he was raised to [redacted] In [redacted] his pay was upped to [redacted] and he is currently receiving [redacted] from LSL. Prior to his employment with LSL, he was employed from [redacted] by [redacted] as an [redacted] receiving a salary of approximately [redacted] per year.

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His only fringe benefit with LSL is a company vehicle from 1985 through 1988 which vehicle was an S-10 Blazer. His only bonus while at LSL was during [redacted] He received a [redacted] Christmas bonus and a couple of years thereafter, he received two week's extra pay at Christmas.

His main duties for LSL was to [redacted] the projects in Arizona, Colorado, Texas, and Florida. He oversaw [redacted] as well as [redacted] As he stated before, he is employed by LSL, therefore all of his pay came from LSL.

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When he was originally hired by LSL, no mention was made of political contributions as to the respect of the employment.

When he was a young adult, he registered with the

Investigation on 10/4/89 at Phoenix, Arizona File # 56C-LA-101615-69

by S[redacted] Date dictated 10/5/89

56C-LA-101615

Continuation of FD-302 of [redacted], On 10/4/89, Page 2

Democrat party as his political affiliation, however, he considers himself an Independent individual. He has contributed to a few local political contributions that is in the amounts from [redacted] to [redacted] to a few individuals, dates, times, and places not recalled. He could only recall one time when he was solicited for a political contribution and that was in early 1987 when he gave to the RIEGLE FOR SENATE COMMITTEE. As he recalled, he may have received a letter and/or a telephone call requesting the contribution. He definitely recalled receiving a telephone call from CHARLES KEATING, JR. [redacted] (phonetic). So far as he could recall, the telephone call was in no way a threat, however, it was a request to contribute inasmuch as the savings and loan industry was having problems and RIEGLE was a friend of the savings and loan industry. This was the only occasion that he was ever solicited for a contribution, therefore, he had never declined to contribute to anyone. b6 b7C

So far as he is concerned, he was not pressured in any way and felt very comfortable in giving the money to RIEGLE for the Senate inasmuch as RIEGLE was head of the house banking committee and was an influential individual. So far as he is concerned, he could have said no to this contribution and would have felt very comfortable with no pressure being applied to him for refusing. There was no threat or implied threat to the fact that the contribution he made was a requirement or a condition of employment at LSL. He denied being reimbursed by anyone from LSL, however, he did receive the money which was returned by the RIEGLE FOR SENATE COMMITTEE. He was not reimbursed for any political contributions by LSL, his employer. If he talked with anyone concerning these contributions, it would have been his fellow employees in his area and small-talk while having coffee or something to eat. The only other individual whom he knows would have contributed would be [redacted] who would have received the same letter and/or telephone call concerning the contribution for RIEGLE FOR SENATE. It is his understanding that senior staff people would have either received the letter and/or telephone call concerning the RIEGLE FOR SENATE COMMITTEE. He has not heard of anyone receiving reimbursements for their contributions. He has never attended any political events while being employed with LSL. b6 b7C

The following is a description of [redacted] as obtained through observation and interview:

Name [redacted]
Home address

Telephone number

FD-302a (Rev. 11-15-83)

56C-LA-101615

Continuation of FD-302 of [redacted] , On 10/4/89 , Page 3

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Work telephone #
Current employer
Place of birth
Date of birth
Sex
Race
Height
Weight
Hair
Eyes
SSAN
Education

Spouse's name
Children

[redacted]

56C-LA-107615-189

[redacted] [redacted]

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9 1989

[redacted]

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/5/89

[redacted] was interviewed in his office at LINCOLN SAVINGS AND LOAN (LSL), 2724 East Camelback, Phoenix, Arizona. He was advised of the identities of the interviewing agents. Special Agent (SA) [redacted] and SA [redacted] displayed their credentials to [redacted] furnished the following information:

During the fall of [redacted] he was interviewed and hired by CHARLES KEATING, JR., as [redacted] MEDEMA HOMES OF UTAH, INCORPORATED, Colorado Springs, Colorado, where he worked for [redacted] When he began working at MEDEMA, he was salaried at [redacted] Within a short period thereafter, he was raised to [redacted] Following his period of employment at MEDEMA in Colorado Springs, he was transferred to Phoenix, Arizona with LSL where he was to [redacted] at LSL and in addition locate any loan possibilities. He was stationed in Phoenix for a short period of time when he was transferred to Tucson, Arizona, where again he was to [redacted] One of his main concerns at AMCOR was Continental Ranch, Tucson, Arizona, where again he was to [redacted] He stayed in Tucson, Arizona, for approximately [redacted] When he came to Phoenix, Arizona from Colorado Springs, Colorado, his salary was raised to [redacted] per year. While in Tucson, Arizona, his salary was raised to [redacted] per year. Then after serving in Tucson, Arizona, he was transferred back to Phoenix where again he was to oversee [redacted] at LSL. During the summer of [redacted] he was assigned to the PHOENICIAN HOTEL complex in order to assure the guaranteed opening. When he returned to Phoenix, his salary again was raised to [redacted] He is currently working at LSL for a salary of [redacted]

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Prior to his employment with LSL, he was self-employed in the development and construction of buildings with the [redacted]

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Investigation on 10/4/89 at Phoenix, Arizona File # 56C-LA-101615-70

by SA [redacted] Date dictated 10/4/89

His only fringe benefit while employed at LSL is he has been furnished a company car to drive. While working at Colorado Springs, he received approximately a [redacted] bonus during [redacted] and [redacted] Then he received a bonus of approximately [redacted] in [redacted] in [redacted] and two week's salary during 1987.

When he first began working during [redacted] for MEDEMA HOMES in Colorado Springs, his supervisor was [redacted] who was the b6
[redacted] When he was transferred to Phoenix, b7C
Arizona, his supervisor was CHARLES KEATING, JR. Thereafter, when he was with AMCOR in Tucson, Arizona, he was under the supervision of [redacted] as well as [redacted] When he came back to the industrial properties division, he was under the supervision of [redacted] (phonetic), who is [redacted] CHARLES KEATING, JR.

Since his employment with LSL, he has had all of his salary direct-deposited and it is his belief that his salary came from LSL/AMCOR.

When he was first interviewed by CHARLES KEATING, JR., no terms nor conditions of employment with respect to political contributions was brought up during the interview. He has never been pressured to make any type of political contributions by anyone in LSL/AMCOR since being employed with this company. He qualified this answer inasmuch as the majority of his time with this company has been either in Colorado Springs and/or Tucson, Arizona and away from the corporate headquarters.

[redacted] considers himself of independent political b6
party affiliation. While he was in Colorado Springs, Colorado b7C
prior to 1985, he made some political contributions to local individuals who were running for local offices in the amounts of from [redacted] Then during 1983 and 1984, it is his belief that he made a [redacted] contribution to a senator who was running for the United States Senate from Colorado. He cannot recall the name of this individual.

Then in March 1987, he received a letter from CHARLES KEATING, JR., stating, in part, that RIEGLE who was currently head of the banking committee and a powerful individual was running for the senate and in general stated that if you could see yourself free to contribute to Senator RIEGLE's campaign, it would be greatly appreciated. The letter was not threatening, but just solicitory in nature. Again, he was not pressured at all to make this contribution. He gave only because he was employed by LSL. Again, no requirance nor condition of employment was made on him

56C-LA-101615

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for political contributions. At no time did anyone ever discuss reimbursing him for this contribution. He was very surprised when he received the [redacted] back from the RIEGLE FOR SENATE Committee.

He was aware that it was illegal for corporations to make political contributions, however, he was of the opinion that this was an Arizona state law and not a federal law.

He could not recall if he ever discussed his political contribution in March 1987 and if he did, it was a low-key discussion during fellow-employee coffee breaks. He does not know of any other employees who made political contributions nor any employees who refused to make political contributions, nor does he know of any terminations of any individuals who declined to make political contributions, nor does he know of any other employees who have been reimbursed for their political contributions. He denied ever attending any fund-raising parties or dinners for candidate appearances.

The following is a description of [redacted] as obtained through observation and interview: b6 b7C

Name
Address

Telephone number
Business telephone #
Sex
Race
Height
Weight
Place of birth
Date of birth
Hair
Eyes
SSAN
Current employer
Education

Spouse's name
Spouse's employer
Children

[redacted]

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SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED

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FBI — LOS ANGELES [redacted]

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/10/89

[redacted] date of birth: [redacted] place of birth: [redacted] Social Security Number: [redacted] AMERICAN CONTINENTAL CORPORATION (ACC), 2745 East Camelback, Phoenix, Arizona, (602) 957-7170, after being advised of the identity of the interviewing agents and the purpose of the interview, provided the following information: b6 b7C

[redacted] advised that he graduated from [redacted] in [redacted] with a [redacted] and in [redacted] with a [redacted] He received a [redacted] and a [redacted] He stated that [redacted] and that [redacted] have [redacted]

[redacted] advised that he was previously employed with [redacted] from [redacted] was hired as [redacted] with a beginning salary of [redacted] left [redacted] in [redacted] with an ending salary of [redacted]

[redacted] stated that in [redacted] he interviewed with [redacted] at ACC. [redacted] advised that [redacted] hired him as [redacted] His starting salary at ACC was [redacted] and is currently [redacted] indicated that he received regular salary increases until [redacted] when his salary was reduced from [redacted] The salary reduction occurred in order to help out ACC during bankruptcy.

[redacted] stated that he had received two or three clothing allowances from ACC ranging from [redacted] He also received six bonuses. [redacted] remembered receiving one for [redacted] and another for [redacted] in [redacted] He indicated that the [redacted] bonus was for job performance and the [redacted] was a Christmas bonus. b6 b7C

Investigation on 10/4/89 at Phoenix, Arizona File # 56C-LA-101615-71

[redacted] SA SA [redacted] Date dictated 10/10/89 [redacted] advised that his responsibilities at ACC consisted of [redacted] stated that his immediate supervisor was [redacted] and received approximately half his paychecks from ACC and half from LINCOLN SAVINGS AND LOAN (LSL). [redacted] was given a copy of ACC'S corporate structure chart. He placed a check for each subsidiary he performed a job function. This chart is attached and incorporated to the end of this interview report. b6 b7C

[redacted] indicated that he was never told anything about political contributions as being terms of employment. Furthermore, political contributions were never mentioned during the hiring interview.

[redacted] stated that his political affiliation is with the republican party. He advised that he contributed to many candidates over the years including federal, state and local campaigns. As regards to donations while employed at ACC, [redacted] remembered contributing to former PRESIDENT REAGAN, SENATOR McCAIN, SENATOR RIEGLE, COLBY, RHOADES, and BOB CORBIN. [redacted] stated he would have to review his check register and cancelled checks for exact amounts and dates. [redacted] indicated that he made political contributions prior to 1985 and believed it was a good thing to do.

[redacted] advised that [redacted] collected the political contributions at ACC. He stated that he donated because the candidates had similar views as he did and had ideals or views which would be favorable to the savings and loan industry and LSL. [redacted] indicated that must of the contributions were made after candidates appeared at ACC as a guest speaker or during fund raisers. [redacted] stated that he refused to contribute to SENATORS DECONCINI and CRANSTON. b6 b7C

He felt there was no pressure, expressed or implied, to donate while employed at ACC. [redacted] indicated that there was never any stated or implied employment conditions while at ACC in regards to political contributions. Nor was he reimbursed from ACC in any manner for any of his contributions. [redacted] did receive a refund check for $1000 from SENATOR RIEGLE in 1988.

[redacted] advised that he did know it was illegal for ACC or any other corporation to contribute to federal candidates. However, he did not know there were limitations on personal contributions to federal candidates.

FD-302a (Rev. 11-15-83)

56C-LA-101615

Continuation of FD-302 of [redacted], On 10/4/89, Page 3

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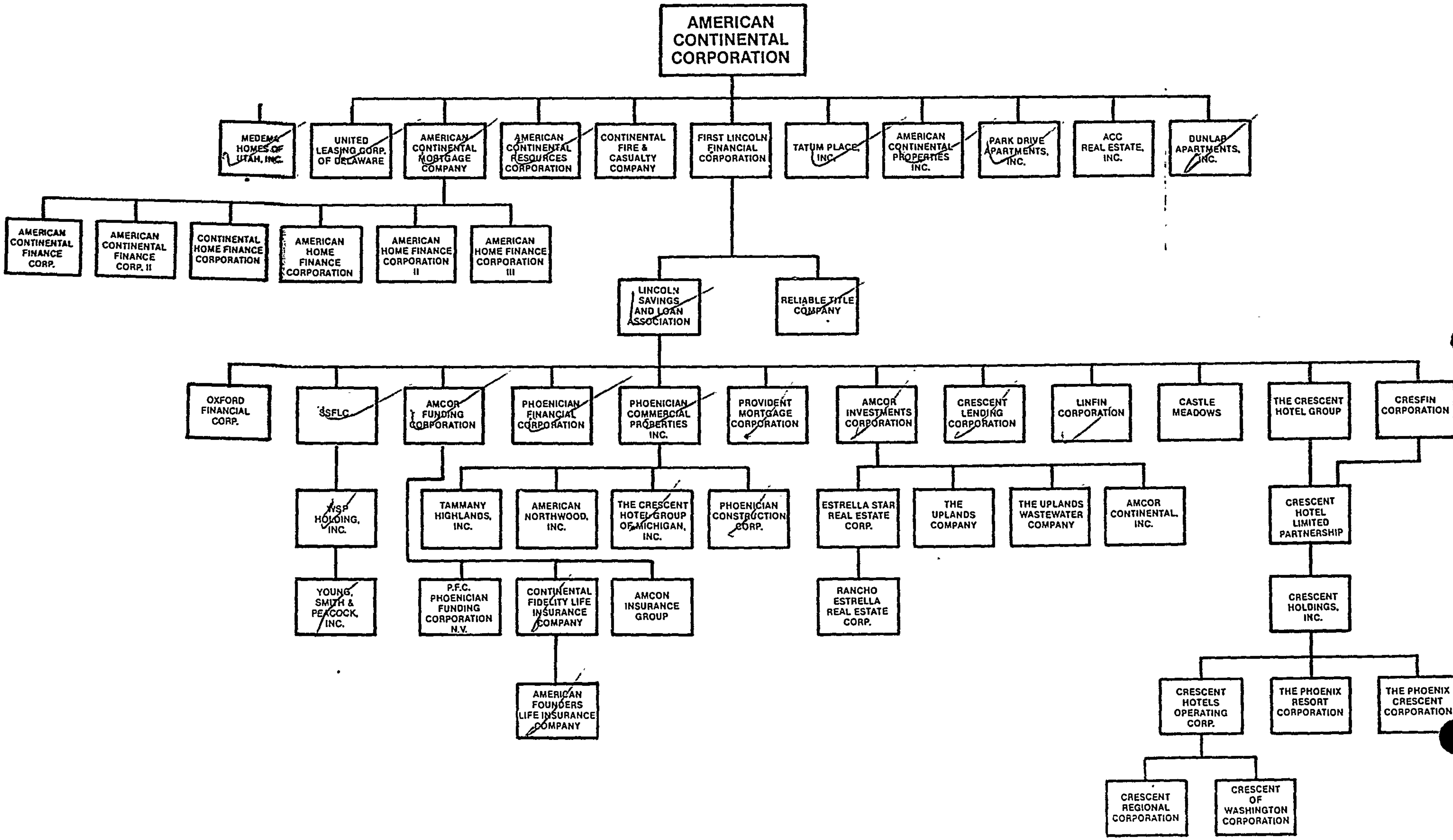
[redacted] stated that he had numerous talks with other employees at ACC regarding the ideals of candidates. He advised that not donating to a particular candidate was never a problem. He stated that no one was ever terminated for not donating.

[redacted] indicated that he once attended a political fund raiser for RHOADES in which he did not purchase a ticket because someone else at ACC who purchased a ticket could not attend.


AMERICAN CONTINENTAL CORPORATION
MEDEMA HOMES OF UTAH, INC.
UNITED LEASING CORP. OF DELAWARE
AMERICAN CONTINENTAL MORTGAGE COMPANY
AMERICAN CONTINENTAL RESOURCES CORPORATION
CONTINENTAL FIRE & CASUALTY COMPANY
FIRST LINCOLN FINANCIAL CORPORATION
TATUM PLACE, INC.
AMERICAN CONTINENTAL PROPERTIES INC.
PARK DRIVE APARTMENTS, INC.
ACC REAL ESTATE, INC.
DUNLAP APARTMENTS, INC.
AMERICAN CONTINENTAL FINANCE CORP.
AMERICAN CONTINENTAL FINANCE CORP. II
CONTINENTAL HOME FINANCE CORPORATION
AMERICAN HOME FINANCE CORPORATION
AMERICAN HOME FINANCE CORPORATION II
AMERICAN HOME FINANCE CORPORATION III
LINCOLN SAVINGS AND LOAN ASSOCIATION
RELIABLE TITLE COMPANY
OXFORD FINANCIAL CORP.
SSFLC
AMCOR FUNDING CORPORATION
PHOENICIAN FINANCIAL CORPORATION
PHOENICIAN COMMERCIAL PROPERTIES INC.
PROVIDENT MORTGAGE CORPORATION
AMCOR INVESTMENTS CORPORATION
CRESCENT LENDING CORPORATION
LINFIN CORPORATION
CASTLE MEADOWS
THE CRESCENT HOTEL GROUP
CRESFIN CORPORATION
WSP HOLDING, INC.
YOUNG, SMITH & PEACOCK, INC.
TAMMANY HIGHLANDS, INC.
AMERICAN NORTHWOOD, INC.
THE CRESCENT HOTEL GROUP OF MICHIGAN, INC.
PHOENICIAN CONSTRUCTION CORP.
P.F.C. PHOENICIAN FUNDING CORPORATION N.V.
CONTINENTAL FIDELITY LIFE INSURANCE COMPANY
AMCON INSURANCE GROUP
AMERICAN FOUNDERS LIFE INSURANCE COMPANY
ESTRELLA STAR REAL ESTATE CORP.
RANCHO ESTRELLA REAL ESTATE CORP.
THE UPLANDS COMPANY
THE UPLANDS WASTEWATER COMPANY
AMCOR CONTINENTAL, INC.
CRESCENT HOTEL LIMITED PARTNERSHIP
CRESCENT HOLDINGS, INC.
CRESCENT HOTELS OPERATING CORP.
THE PHOENIX RESORT CORPORATION
THE PHOENIX CRESCENT CORPORATION
CRESCENT REGIONAL CORPORATION
CRESCENT OF WASHINGTON CORPORATION

56C-LA-101615-71

[redacted] [redacted]

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/11/89

[redacted] was advised of the identity of the interviewing agent and the nature of the interview. b3 b6 b7C

[redacted]

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Investigation on 10/4/89 at Phoenix, Arizona File # 56C-LA-101615-72

by SA [redacted] Date dictated 10/5/89

56C-LA-101615

Continuation of FD-302 of [redacted], On 10/4/89, Page 3 b3 b6 b7C

[redacted]

[redacted] was then given a subpoena to [redacted] a Federal Grand Jury requiring him [redacted]

56C-LA-[redacted]5-72

[redacted]

1989

[redacted]

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/12/89

[redacted] was contacted at the office of b6
the FEDERAL BUREAU OF INVESTIGATION (FBI) in Phoenix, Arizona. b7C
Upon being contacted, [redacted] was made aware of the identity of the interviewing agents and the nature of the inquiry. [redacted] was being contacted concerning his association with the AMERICAN CONTINENTAL CORPORATION (ACC).

[redacted] advised that he was employed with ACC from [redacted] exclusively in one of several insurance companies associated with ACC and its subsidiary, LINCOLN SAVINGS AND LOAN (LSL).

[redacted] advised that while employed with one of the [redacted] the AMERICAN CONTINENTAL INSURANCE GROUP, a shell company for numerous other insurance companies within LSL, he received an order which came from higher up officials in the company to purchase $8.5 million worth of undeveloped land at Rancho Vistoso in Tucson, Arizona. This purchase was to become part of the portfolio of one of the insurance groups with ACC. His responsibility in this purchase was to [redacted] where the insurance companies were chartered.

Rancho Vistoso was owned in partnership with WOLFSWINKEL GROUP. [redacted] advised that he recalled that an independent appraisal company appraised the land which was purchased by
AMERICAN CONTINENTAL INSURANCE GROUP and that the value of the b6
land did not exceed the limitations which would have been placed b7C
on the purchase. [redacted] advised that at one time part of ACC had an interest in this piece of property and he does not recall whether or not this property was bought from another company within the ACC conglomerate or whether it was bought from an outside company.

While employed with AMERICAN CONTINENTAL INSURANCE

Investigation on 10/4/89 at Phoenix, Arizona File # 56C-LA-101615-73

by SA SA [redacted] Date dictated 10/5/89

FD-302a (Rev. 11-15-83)

56C-LA-101615

Continuation of FD-302 of [redacted], On 10/4/89, Page 2 b6 b7C

GROUP, [redacted] advised that he accrued a certain amount of Employee Stock Ownership Plan (ESOP). [redacted] advised that he knew very little about the stock and when he terminated employment, he basically did not know what the value of the stock was and took cash instead of stock.

[redacted] advised that concerning anything to do with the bankruptcy of the ACC or some of its subsidiaries that he was not employed by ACC at the time of this bankruptcy and has little or no knowledge concerning this aspect of company business.

Concerning the [redacted] or WOLFSWINKEL GROUP of investments, he does not know anything about that particular aspect of the dealings of the company other than what he has read and heard that LSL had made over $130 million worth of loans to these groups.

[redacted] advised that he does not have any information concerning the series of hotels owned by ACC.

[redacted] furthermore does not know anything about back dating of LSL documents relating to direct investment rules.

[redacted] advised that concerning the [redacted] that as part of his duties as [redacted] he was involved in [redacted] advised that the insurance groups had one-third of their investment package involved in junk bonds which was just about the limit allowable by the regulators for insurance companies.

[redacted] advised that he considered junk bond purchasing to be very risky with capital earned from insurance and that insurance companies were not to gamble on these types of investments. [redacted] admitted, however, that the purchase of these junk bonds did not violate any law or regulatory agency. b6 b7C

Junk bond purchases, in fact [redacted] advised, was one of the reasons that he was terminated with ACC. His philosophy concerning junk bonds and the philosophy of [redacted] of CHARLES KEATING, JR., were in conflict. [redacted] advised that [redacted] knew very little about investing money and that this particular aspect of the insurance business was done by [redacted] and other people in the company. [redacted] used to complain to [redacted] that ACC had one of the best financial research organizations and that they were touting junk bonds as an investment which would increase the earnings of the insurance companies. Again, [redacted] advised that this was true, but that insurance money should be handled differently than investment money and that insurance money should not be used in a risky gamble in junk bonds which could fall in value.

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[redacted] further advised that the remaining 20% of junk bonds were purchased from GOLDMAN, SACHS, and SOLOMAN BROTHERS.

[redacted] advised that concerning the sale of ACC debenture bonds through LSL to the general public that [redacted] To the best of his knowledge all of the selling of these annuities was done legally. Concerning the ACC debenture bonds that he believed that ACC dealt fairly with the public and investors in these bonds because they were unrated bonds which means they were risky and that everything concerning these bonds, as he recalled, were brought to the attention of the public and the investors.

During the course of the interview, [redacted] advised that he recalled one instance where ACC, through LSL, was involved in what he considered to be a suspicious transaction. [redacted] advised that LSL, in 1986, loaned SOUTHMARK CORPORATION $25 million based upon the assets of one of their life insurances, PACIFIC STANDARD LIFE INSURANCE COMPANY. Approximately a year later, SOUTHMARK CORPORATION turned around and loaned LSL a large quantity of money based upon the assets of AMERICAN CONTINENTAL INSURANCE GROUP. This, in effect, acted as if LSL was loaning itself money through SOUTHMARK and then back to LSL using the insurance companies in both instances as the assets as collateral for these loans. [redacted] advised that he did not know whether this was illegal or not and thought it probably was not illegal but that it was an unusual occurrence.

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At this point, the interview with [redacted] was terminated with [redacted] pledging further cooperation should it be needed.

56C-LA-10161[redacted] 13

[redacted]

9 1989

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b6
b7C

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/5/89

[redacted] b3
[redacted] was contacted at his employment, [redacted] b6
[redacted] and after being advised of the official identity of the interviewing agent was served two Federal Grand Jury subpoenas dated September 28, 1989 for the Central District of California. b7C

[redacted] was advised the first subpoena [redacted] to the subpoena on [redacted] at the United States Courthouse, 312 North Spring Street, Los Angeles, California 90012, Courtroom 1346B.

[redacted] was advised the second subpoena [redacted] the same Grand Jury on the same date, time, and location.

[redacted] was further advised if he had any questions concerning the subpoenas, he should contact Assistant United States Attorney (AUSA) [redacted] at [redacted]

Investigation on 10/4/89 at Scottsdale, Arizona File # 56C-LA-101615-74 b6

by [redacted] SA [redacted] Date dictated 10/4/89 b7C

56G-LA-10[redacted]74

[redacted]

9 1989

LOS ANGE[redacted]

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b7C

56C LA-101615-75

[redacted]

9 1989

LOS ANG

[redacted]

b6
b7C

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/5/89

[redacted] date of birth [redacted] was advised of the identity of the interviewing agents and the nature of the interview. b3 b6 b7C

[redacted] declined to answer questions at this time. [redacted] was served two Federal Grand Jury Subpoenas. The subpoenas commanded her [redacted] the grand jury located at the United States Courthouse, 312 North Spring Street, Los Angeles, California, on [redacted]

Investigation on 10/4/89 at Paradise Valley, AZ File # 56C-LA-101615 -75

b[redacted] SA [redacted] and b6 b7C

Date dictated 10/5/89

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/5/89

[redacted] date of birth [redacted] SSAN [redacted] was advised of the identity of the interviewing agents and the nature of the interview. He provided the following information: b3 b6 b7C

[redacted] advised he had an attorney representing him in this matter and declined to be interviewed. In addition, [redacted] declined to provide the name of his attorney.

At this time, [redacted] was served two Federal Grand Jury Subpoenas. The subpoenas commanded [redacted] the grand jury located at the United States Courthouse, 312 North Spring Street, Los Angeles, California, on [redacted]

Investigation on 10/4/89 at Paradise Valley, AZ File # 56C-LA-101615-76

by SA [redacted] and Date dictated 10/5/89 b6 b7C

5CC-LA - 101615-76

SEARCHED [redacted] ... [redacted]
SERIALIZED [redacted] ...ED

NOV 13 1989

FBI - LOS AN... [redacted]

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FD-302 (REV. 3-10-82)

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/11/89

A Federal Grand Jury Subpoena was served upon [redacted] to [redacted] a Federal Grand Jury, Central District of California, United States Courthouse, 312 North Spring Street, Los Angeles, California, Courtroom 1346B, on [redacted]

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A Federal Grand Jury Subpoena was served upon [redacted] a Federal Grand Jury, Central District of California, United States Courthouse, 312 North Spring Street, Los Angeles, California, Courtroom 1346B, on [redacted]

[redacted] was served the two aforementioned Federal Grand Jury Subpoenas at his residence located at [redacted]

Investigation on 10/4/89 at Tempe, Arizona File # 56C-LA-101615-77

by [redacted] SA [redacted] SA [redacted] Date dictated 10/5/89

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56C-LA-101615-79

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED FILED

NOV 13 1989

FBI — LOS ANGELES [redacted]

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/12/89

[redacted] provided the following information regarding political contributions made since 1985:

[redacted] said that she is not employed with the exception of working for [redacted] at his business, [redacted] was born in [redacted] on [redacted] and is the holder of SSAN [redacted]

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[redacted] said that she was last employed over sixteen years ago for [redacted] has never been employed by AMERICAN CONTINENTAL CORPORATION (ACC) or any of its subsidiaries. She presently works part-time for [redacted] in [redacted]

[redacted] said that her political party affiliation is as a registered Republican, however, she votes the issue and not the politician and splits her votes on occasion.

[redacted] said that in 1986 she donated [redacted] to a city council woman in Scottsdale, Arizona by the last name of BLACK. [redacted] said in 1987 she contributed with [redacted] to Senator RIEGLE of Ohio. [redacted] said that in 1988 she and [redacted] contributed [redacted] to Senator HATCH of Utah.

[redacted] said that she does not recall making any political contribution prior to 1985.

[redacted] said that she was solicited to make these contributions by either a letter or a telephone call, but could not recall. [redacted] said that she attended a party at the CRESCENT HOTEL in Phoenix for Senator HATCH and as a result contributed to his campaign. [redacted] said that she was under no pressure from anyone to contribute to any of the above political entities.

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[redacted] said that [redacted] was solicited for political

Investigation on 10/4/89 at Phoenix, Arizona File # 56C-LA-101615-78

by SA SA [redacted] Date dictated 10/4/89

contributions but they were from the same sources as mentioned above (letters, telephone calls and a political party for Senator HATCH).

[redacted] said that she did not contribute to every politician and cited the fact that she attended a fund-raiser for Senator DE CONCINI in 1981 but did not contribute. [redacted] said that she and [redacted] met Senators RIEGLE and DE CONCINI through [redacted] employment at ACC, however, he never was aware of any pressure placed on him or herself to contribute to any person or political party. b6 b7C

[redacted] said that she contributed to the above individuals because "we believed in them". [redacted] said that she and [redacted] would have contributed to Senator HATCH regardless of [redacted] employment with ACC because she is from the state of Utah.

[redacted] said the only reimbursement for her political contribution was from Senator RIEGLE and he returned the [redacted] after the newspaper articles concerning CHARLES KEATING and meetings held with the Federal Home Loan Board approved. [redacted] said she deposited the refund check in either her VALLEY NATIONAL BANK account or her FIRST INTERSTATE BANK account and paid bills from the reimbursement of Senator RIEGLE.

[redacted] said that when she made her political contributions, she made it directly to the individual or the political committee and never made any contributions to any political person or entity through the ACC. [redacted] said she was not aware if ACC made contributions and she was not aware if it was legal or not legal for a corporation to contribute to a candidate.

[redacted] said that she was aware that there was a $1,000 per candidate per election limitation. [redacted] said that she learned this through TV and the print media. b6 b7C

[redacted] never discussed contributions with any person other than [redacted] and these discussions occurred near the time of the contribution. [redacted] said that conversations normally discussed the fact if she and [redacted] should do it and if they had the money to afford the contribution.

[redacted] said that she does not know of any ACC employee who declined to contribute and is unaware of any employee who was directed to contribute by CHARLES KEATING or ACC.

56C-LA-101615

Continuation of FD-302 of [redacted], On 10/4/89, Page 3 b6 b7C

[redacted] said that she is unaware of any employee who ever complained about making contributions and is unaware of any employee who did make contributions. [redacted] reiterated the fact that she was never employed by ACC or any of its subsidiaries.

[redacted] said that she would provide copies of all her documents relating to her political contributions which included her tax returns to the FBI. [redacted] stated that [redacted] would have these documents at his business and would have them copied on October 5, 1989.

56C-LA-101615-98

SEARCHED [redacted] INDEXED
SERIALIZED [redacted] FILED [redacted]
NOV 13 1989
FBI - LOS ANGE[redacted]

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/16/89

[redacted] date of birth [redacted] was interviewed regarding his knowledge of contribution violations and other violations on the part of employees of affiliates of AMERICAN CONTINENTAL CORPORATION (ACC), LINCOLN SAVINGS AND LOAN (LSL) or CHARLES KEATING, JR. After being advised of the identity of the interviewing agent and the nature of the interview [redacted] provided the following information:

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[redacted] advised that he has resided at [redacted] since [redacted] when he moved here from [redacted] stated that he is currently employed as [redacted] as well as being the owner of [redacted] stated that prior to [redacted] he was [redacted] called [redacted] from [redacted]

[redacted] advised that he met Mr. KEATING personally in 1983 while working at [redacted] advised that KEATING personally asked him to [redacted] for ACC and to move his operation to Phoenix, Arizona.

[redacted] stated that from [redacted] he had worked for ACC and [redacted] advised that his salary has ranged from a base of [redacted] per annum to a high figure of [redacted] per annum with his present salary from ACC averaging around [redacted] per annum. [redacted] advised that the range of the salary was based upon the volume of work and number of projects designated by ACC.

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[redacted] advised that the only "fringe benefits" that he received while with ACC were a supply of uniforms at no cost to his business. [redacted] stated that the bonuses received were limited to Christmas bonuses which usually amounted to an average of one-week's pay.

[redacted] stated although he was hired by CHARLES KEATING,

Investigati[redacted] at Phoenix, Arizona File # 56C-LA-101615-80

by SA[redacted] and SA[redacted] Date dictated 10/12/89

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JR., directly, his official ACC supervisor was [redacted] advised that [redacted] would usually contact him directly to discuss the particulars of a landscaping project at ACC.

[redacted] advised that his paychecks initially came from ACC then they changed to AMCOR and then finally to LSL. [redacted] advised that the discussion of political contributions as terms and conditions of employment was never discussed.

[redacted] advised that he has no particular political affiliation because he does not completely understand the American system of government as it relates to Republican and Democratic parties. [redacted] stated that he and [redacted] would discuss a particular individual and decide whether or not they were going to contribute based upon the candidate and his/her position on a particular issue. [redacted] advised that in the period from 1985 to 1989, he could only recall two political contributions that he or his family had made. It first was in 1987 to Senator RIEGLE in Ohio in which he and [redacted] sent a combined total of [redacted] [redacted] advised that he had met Senator RIEGLE through CHARLES KEATING and believed that he should be supported because he was a friend of Mr. KEATING's. [redacted] advised that in 1988 he and [redacted] made a [redacted] contribution to Senator ORIN HATCH from Utah because they were originally from the state of Utah and that they supported his views on issues. [redacted] advised that he may have made political contributions before 1985, but he did not recall the amount or to whom the contributions were made. [redacted] stated that at no time did anyone from ACC, including CHARLES KEATING, JR., solicit or collect contributions from him during his employment nor was he aware of any other employees who were pressured to contribute or forced to contribute as a condition of their employment.

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[redacted] stated that the only reimbursement that he ever received was the return of his [redacted] check which was uncashed from the Senator HATCH campaign. [redacted] stated that he has a copy of the return check but was unsure as to why it was returned. [redacted] advised that he was unaware that it was illegal for ACC to contribute to federal candidates, nor was he aware of the $1,000 per candidate per election limitation on contributions. [redacted] advised that the only person he had ever discussed his contribution with was [redacted] and the discussion centered on the question of whether or not they should contribute to any particular campaign. [redacted] stated that he was not aware of any ACC employee who had been solicited to contribute funds nor was he aware of anyone who had been terminated for declining to contribute. [redacted] did state, however, that he was sure that

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CHARLES KEATING, JR., had made contributions to political campaigns, but he was not sure when or how much the contributions were for.

[redacted] advised that in the year of 1988 he attended one fund-raising event which he recalled as being the Citizens Against Pornography fund-raiser at the PHOENICIAN. [redacted] advised that the event was attended by various ACC employees but that he could not recall any names other than CHARLES KEATING, JR. [redacted] advised that he purchased his own ticket and that he attended voluntarily because of the agenda of the event.

[redacted] concluded the interview by stating that he does not recall ever being solicited for particular campaign contributions by anyone at ACC, nor was he aware of anyone else being solicited or pressured to make contributions. [redacted] explained that he very seldom had contact with any of the employees or officers at ACC other than CHARLES KEATING, JR., and noted that his knowledge of business transactions at ACC was limited to events regarding the [redacted] of the various ACC properties.

56C-LA-[redacted]80

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/11/89

[redacted] after being advised of the identity of the interviewing agents and the nature of the interview, [redacted] provided the following information:

[redacted] advised that he has been employed as [redacted] since [redacted] was employed by AMERICAN CONTINENTAL CORPORATION (ACC) as a [redacted] from [redacted] declined to provide salary information with respect to his employment with ACC and the PHOENICIAN RESORT. [redacted] stated that he did not feel information about his salary was needed to conduct the criminal investigation. Prior to joining ACC, [redacted] was employed by [redacted] from [redacted] said his beginning salary with [redacted] was [redacted] and he was earning [redacted] when he left to begin his employment with ACC.

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[redacted] stated that during the period [redacted] he received two salary increases from ACC. [redacted] declined to give the dollar amount of the salary increases, but said the two salary increases amounted to [redacted] and [redacted] also received a bonus consisting of a vase with a market value less than [redacted] stated that during the period November 1987 through November 1988, he received a [redacted] bonus on October 1, 1988 representing the date the PHOENICIAN RESORT was opened. [redacted] stated that he has not received any bonuses for the period November 1988 through the present.

[redacted] stated that he never received any clothing or travel allowances from ACC. However, [redacted] received a 1099 for trees that he received from a ACC nursery during the year 1987 through 1988. [redacted] estimated the value of the trees to be less than [redacted]

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[redacted] advised that he was [redacted] within the [redacted] for ACC when he began his employment in [redacted] is currently [redacted]

Investigation on 10/10/89 at Tempe, Arizona File # 56C-LA-101615 -81

by [redacted] SA [redacted] SA [redacted] Date dictated 10/10/89

FD-302a (Rev. 11-15-83)

56C-LA-101615

Continuation of FD-302 of [redacted], On 10/10/89, Page 2

[redacted]

[redacted] stated that his immediate supervisor at ACC was [redacted] is [redacted] for ACC. [redacted] was interviewed and hired at ACC by [redacted] said that political contributions were never mentioned during his hiring interview. [redacted] stated that he was never told that his employment was contingent upon making political contributions. b6 b7C

[redacted] stated that he has received paychecks from both ACC and LINCOLN SAVINGS AND LOAN (LSL). Additionally, [redacted] has received payroll checks with neither the name ACC or LSL printed on the check. These checks contained account numbers which depicts the company that should be charged with the payroll. [redacted] presently receives his payroll check from the PHOENIX RESORT CORPORATION.

[redacted] stated that he does not consider himself affiliated with any political party and considers himself to be an Independent. [redacted] advised that he has never voted in a political election, however, he has registered to vote on occasion. [redacted] said that he has made political contributions on four separate occasions. First, [redacted] contributed [redacted] to Utah Senator ORIN HATCH during November or December 1988. [redacted] said HATCH is a Democrat from Utah. [redacted] stated that he gave a [redacted] check to [redacted] is [redacted] to CHARLEY KEATING, JR., and other ACC executives. [redacted] left the employment of ACC during [redacted]

[redacted] stated that he contributed [redacted] to either Senator DENNIS DE CONCINI or Senator JOHN MC CAIN during Spring 1987. [redacted] said he gave the check to an unknown secretary in the executive administrative department of ACC. [redacted] does not remember specifically to which Arizona senator he made a contribution. [redacted] stated that DE CONCINI is a Democrat and MC CAIN is a Republican. b6 b7C

[redacted] advised that he contributed [redacted] to HOWARD ADAMS during Fall 1987. ADAMS is a city councilman from the Central District of Phoenix, Arizona. [redacted] recalls he gave a [redacted] check to HOWARD at HOWARD's office.

[redacted] advised that he contributed [redacted] to JOHN NELSON during Fall 1987. NELSON is a city councilman representing the West Side of Phoenix, Arizona. [redacted] stated that he gave a [redacted] check to [redacted] while attending a breakfast fund-raiser for

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 b6 b7C

NELSON. [redacted] is [redacted] from the Phoenix area.

[redacted] advised that he made two political contributions to two separate Phoenix City Council candidates. [redacted] does not recall the name of the candidates, but believes he contributed between [redacted] to each candidate.

[redacted] advised that he was solicited for contributions from [redacted] on two separate occasions. [redacted] is [redacted] to CHARLES KEATING, JR. First, [redacted] telephoned [redacted] on behalf of KEATING to solicit a contribution for Senator HATCH. [redacted] contributed [redacted] Second, [redacted] telephoned [redacted] to make a contribution to either the DE CONCINI campaign or the MC CAIN campaign. [redacted] contributed [redacted] to one of the senators campaigns. On both occasions, [redacted] sent a check to [redacted] said that contributions were never solicited from [redacted]

[redacted] advised that he made political contributions to senate candidates because he received a telephone call from [redacted] is [redacted] to CHARLES KEATING, JR. [redacted] said that he did not believe anything negative would happen to him if he failed to contribute. However, [redacted] said that he believed it would look favorable in the eyes of KEATING if contributions were made. [redacted] said that a contribution for Senator HATCH would be appreciated because HATCH is a supporter of the savings and loan industry. [redacted] stated that [redacted] would normally say that, "This candidate is a good person and we would like your support." [redacted] said that it was never stated or implied that contributions were a required condition of employment. [redacted] was never reimbursed in any manner for making political contributions.

[redacted] advised that he was aware that it was illegal for ACC or any other corporation to contribute to federal candidates. [redacted] stated that he was aware that individuals could not contribute in excess of $2,000 per year. [redacted] could not remember specifically how he learned federal election regulations. b6 b7C

[redacted] advised that he had the occasion to discuss political contributions with other ACC employees. [redacted] identified the other employees as [redacted] estimated that over one-half of these individuals contributed upon request. [redacted] stated these other employees also received a telephone call from [redacted] did not know of any of these employees who may have declined to contribute after having been asked to contribute. [redacted] stated that [redacted] did the most complaining about having to make contributions. [redacted]

56C-LA-101615

[redacted] are currently employed in the real estate division of LSL. [redacted] does not know of any employees that were terminated as a result of declining to contribute.

[redacted] advised that he did not attend any political events, fund-raisers, candidate appearances, dinners, while employed by ACC except for a breakfast for Phoenix Council candidate JOHN NELSON during Fall 1987. [redacted] contributed [redacted] to the NELSON campaign.

[redacted] advised that he has not received any refunds from any political candidates.

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[redacted] provided the following descriptive data:

Name
Home address

Home telephone #
Work telephone #
Current employer

Place of birth
Date of birth
SSAN
Education

Spouse's name
Spouse's employer
Children

[redacted]

56C-LA-101625-81

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]
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FBI - LOS ANGELES [redacted]

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/13/89

[redacted] after having been advised of the interviewing agent's identity and the nature of the interview, furnished the following information:

[redacted] advised that although he resides in [redacted] he is employed by [redacted] said [redacted] provides consulting services for the FEDERAL SAVINGS AND LOAN INSURANCE COMPANY (FSLIC), the FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC), labor unions, and others, which have requested assistance in liquidating real estate loans that have failed. b6 b7C

[redacted] advised that he was [redacted] said he resigned his positions at LINCOLN when the sale closed in February 1984. [redacted] added that most of the other key LINCOLN employees left LINCOLN within one or two months after the February 1984 closing, and that all the key employees who worked for [redacted] had left LINCOLN within six months after the February 1984 closing. [redacted] emphasized that after February of 1984, he had no involvement with LINCOLN, and that he stayed away from the new LINCOLN management, and did not even try to find out what was going on at LINCOLN.

[redacted] was asked about the political contributions he made after February 1984. [redacted] stated that these political contributions were made on his own, and were not in any way solicited or encouraged by CHARLES KEATING, JR., or anyone else at LINCOLN or AMERICAN CONTINENTAL CORPORATION. [redacted] stated that the only contribution ever solicited by KEATING was for an anti-pornography cause. [redacted] explained that KEATING had sent him written material about the anti-pornography cause shortly after LINCOLN was sold to ACC, but that [redacted] declined to contribute to the cause. b6 b7C

[redacted] said he had no explanation as to why the Federal Election Commission records showed [redacted] as an employee of LINCOLN after February 1984, and [redacted] added that whenever he made political contributions, he always accurately completed cards showing his current employment.

Investigation on 10/11/89 at Santa Ana, California File # 56C-LA-101615 - 852

by SA [redacted] Date dictated 10/12/89

56C-LA-101615

Continuation of FD-302 of [redacted], On 10/11/89, Page 2* b6 b7C

[redacted] stated that after he resigned from LINCOLN in February 1984, he became [redacted] for [redacted] and in [redacted] became [redacted] of [redacted] stated he then became [redacted] where his primary duty was to [redacted] stated he left [redacted] and then in [redacted] became [redacted]

[redacted] identified [redacted] said he did not know anybody with the name of [redacted]

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/6/89

On October 6, 1989, [redacted] visited the Phoenix Office of the FEDERAL BUREAU OF INVESTIGATION (FBI). After being advised of the identity of the interviewing agents and the purpose of the interview, [redacted] provided the following information:

[redacted] advised that he had been employed by the AMERICAN CONTINENTAL CORPORATION (ACC) (AMERICAN CONTINENTAL MORTGAGE COMPANY) from [redacted] He advised that he was initially hired as [redacted] at a salary of [redacted] by one [redacted] advised that while employed at ACC, he was promoted to [redacted] in the division and eventually [redacted] within the division. As the [redacted] in the division, he was [redacted] AMERICAN CONTINENTAL MORTGAGE COMPANY. [redacted] further advised that he believed his ending salary in [redacted] was between [redacted] and [redacted] also advised that he left this position for a position with LINCOLN SAVINGS AND LOAN (LSL) because he had been advised that they were going to disband the AMERICAN CONTINENTAL MORTGAGE COMPANY.

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[redacted] advised that he worked as [redacted] for approximately [redacted] and received a [redacted] raise at the end of [redacted] From there, he worked as a [redacted] in the department for approximately [redacted] and during that time received raises based on his responsibilities. [redacted] advised that he could not recall the amount of the raises received during that [redacted] period that he worked as [redacted] He did state that when he was promoted to [redacted] he received a [redacted] a year raise at that time. [redacted] also advised that he received no perks such as clothing allowance or vehicle allowance while employed at ACC. He did advise that he would receive an annual bonus usually around Christmas from ACC. [redacted] advised that in 1982 he received approximately [redacted] year end bonus and after that initial bonus he would receive a bonus equivalent to

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Investigation on 10/6/89 at Phoenix, Arizona File # 56C-LA-101615-83

by SA [redacted] and SA Date dictated 10/6/89 one to two weeks of pay at about the same time of year. In addition to this, [redacted] advised that he received a [redacted] bonus from ACC for remaining with the AMERICAN CONTINENTAL MORTGAGE COMPANY until it was finally disbanded/terminated. He stated that his remaining with this company was worked out ahead of time and ACC did pay him the [redacted] bonus as promised. b6 b7C

When employed by ACC, he advised that as [redacted] he was responsible for [redacted] for the company. He, in turn, would report this information to [redacted] who, in turn, would provide the same information to [redacted] of the company [redacted] Throughout his employment with ACC, he received his checks from the company for which he was working (AMERICAN CONTINENTAL MORTGAGE COMPANY).

[redacted] advised that he could recall no exact terms or conditions of employment with respect to any political contributions. While employed at AMERICAN CONTINENTAL MORTGAGE COMPANY, various political figures were brought into the office area and employees were allowed to attend speeches being given by these individuals. Again, at the speech CHARLEY KEATING, JR., would advise that if employees wished to donate either time or monies to these individuals, they should feel free to do so. [redacted] advised that he could recall one time in which he was contacted by a secretary regarding a possible contribution, however, he advised her later that he did not wish to contribute. [redacted] advised that he did not feel that contributions were mandatory in that he was promoted to positions of increasing responsibility within a time frame which he felt was acceptable. [redacted] also added that he did not recall political contributions ever being mentioned during the hiring process. [redacted] added that he had spoken with other individuals that had been contacted regarding possible contributions. None of those individuals seemed to have their advancement within the company affected due to their not wishing to contribute. b6 b7C

[redacted] advised that he may have contributed to various politicians in local or state races, but was unable to recall the amounts and felt that these amounts would have been nominal. He did advise that he did contribute to a re-election campaign for RIEGLE in 1987 and believes that the amount sent was approximately [redacted] He advised that this check was forwarded to the secretary of either CHARLEY KEATING, JR., or [redacted] and the secretary, in turn, would forward the check to the appropriate location. [redacted] did recall that on one occasion a memorandum did cross his desk requesting assistance if able for some candidates attempting to gain re-election, but no specific amounts were mentioned in this memo nor a sense of compliance felt. [redacted] does not recall making any contributions prior to 1985, and if he did, the amounts would have been so small that it would not have been significant. Other than the secretary for CHARLEY KEATING or [redacted] he could not recall any of the individuals that may have tried to solicit or collect contributions while employed at ACC. Additionally, [redacted] was never solicited for contributions for any of the political candidates that visited the ACC offices.

b6
b7C

[redacted] advised that he did not comply and contribute after having been solicited, as did others, and at no time did he feel that he or they were being singled out for doing so. [redacted] stated that he made contributions while employed at ACC because he was in a position to do so and also because he had an opportunity to see these political candidates personally. He also added that he did not feel pressure to contribute by the corporation or any specific individual within the corporation.

[redacted] advised that the only time he was reimbursed for any contribution was by the actual individual that he contributed money to. He advised that he received his [redacted] contribution to RIEGLE back in March 1988. He advised that he received this [redacted] contribution back as a check which he, in turn, returned to his account. He did recall that there was a letter sent with his reimbursement, however, he can only vaguely advise that the candidate felt it was more appropriate for them to return the money at the current time. [redacted] had never heard of any one individual being reimbursed by ACC for their contributions to any political candidate.

[redacted] advised that he was not aware of any of the election laws relating to personal contributions or corporate contributions. He was not aware that a citizen was limited to a $1,000 per candidate per election limitation under these current laws. [redacted] advised that he was not quite sure why he made a check out for the RIEGLE election for [redacted] but feels subconsciously he may have heard that figure from someone. Other than the secretary of CHARLEY KEATING or [redacted] he recalls that [redacted] of one of the land development companies contacted him once regarding a possible contribution. In this case with [redacted] he recalled that he declined to contribute to that specific individual.

b6
b7C

[redacted] advised that he assisted in the MC CAIN campaign by volunteering his time for some of the MC CAIN functions. Other than this, he advised that he attended a fund-raiser which took

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place at the KEATING household in 1982 or 1983. This fund-raiser initially required tickets which would cost between [redacted] per person. However, shortly before this fund-raiser was to take place an announcement was made by ACC (KEATING) that any individual wishing to attend this fund-raiser would be permitted to do so. [redacted] was unable to recall whether or not he was provided with a ticket to attend this fund-raiser, but did state that no one at the entrance was taking down names of individuals attending. He further advised that most of the individuals who attended this fund-raiser were employees from ACC.

[redacted] advised that he was never told by anyone that he should not talk to authorities regarding his employment at ACC, however, he felt there was a general feeling of mistrust of the regulators by most of the employees. He also added that individuals that were terminated by ACC did, in fact, sign agreements in connection with their termination, but he did not believe that their receiving severence pay was based upon signing this agreement. He also added that he did not recall any clauses within this agreement regarding individuals speaking with any law enforcement agency. Additionally, [redacted] stated that he had, in fact, been responsible for firing individuals within ACC during his time at AMERICAN CONTINENTAL MORTGAGE COMPANY. [redacted] advised he has not seen a termination agreement since 1986, but does not b6 feel that they could have changed what was used in the past. He b7C advised that clauses regarding assisting law enforcement agencies as something that would generate controversy with individuals with whom he associates.

[redacted] advised that prior to working for ACC he worked for [redacted] in San Francisco as [redacted] from [redacted] In this position, he was generally utilized as [redacted] in real estate and mortgage banking type situations. His salary while he worked for this company was approximately [redacted]

[redacted] provided the following biographical/descriptive data:

Name
Home address

Home telephone #
Work telephone #
Current employer
Place of birth
Date of birth

[redacted]

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Continuation of FD-302 of [redacted], On 10/6/89, Page 5 b6 b7C

SSAN
Education

Additional education
Spouse's name
Spouse's employer
Children

[redacted]

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/6/89

b3
b6
b7C

[redacted] telephone [redacted] was advised as to the identity of the interviewing agent and the purpose of the interview at which time she advised as follows:

[redacted] advised based on advice of her attorney, [redacted] she declined to be interviewed. [redacted] acknowledged she is still working as [redacted] CHARLES KEATING JR.

[redacted] was served a Federal Grand Jury Subpoena instructing her to appear to testify on [redacted] in Los Angeles, California.

[redacted] was also served a Federal Grand Jury subpoena instructing her to [redacted] in Los Angeles.

Investigation on 10/6/89 at Scottsdale, Arizona File # 56C-LA-101615 - 84

by [redacted] SA [redacted] Date dictated 10/6/89

b6
b7C

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SERIALIZE [redacted] FILED [redacted]

NOV 19 1989

FBI - LOS ANGELES [redacted]

b6
b7C

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/6/89

[redacted] telephone [redacted] was advised as to the identity of the interviewing agent and the purpose of the interview at which time he advised as follows: b3 b6 b7C

[redacted] advised based on advice of his attorney, [redacted] he declined to be interviewed.

[redacted] was served a Federal Grand Jury Subpoena instructing him to appear to testify on [redacted] in Los Angeles, California.

[redacted] was also served a Federal Grand Jury subpoena instructing him [redacted] in Los Angeles.

Investigation on 10/6/89 at Scottsdale, Arizona File # 56C-LA-101615-85 b6 b7C

by [redacted] Date dictated 10/6/89

56C-LA-107615-85

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]
NOV 17 1989
FBI - LOS ANGELES [redacted]

b6
b7C

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/11/89

[redacted] date of birth: [redacted] place of birth: [redacted] Social Security Number: [redacted] after being advised of the identity of the interviewing agent and the purpose of the interview, provided the following information: b6 b7C

[redacted] advised that he graduated from [redacted] in [redacted] with [redacted] He stated that [redacted] is [redacted] and that [redacted]

[redacted] advised that he was previously employed with [redacted] from [redacted] was hired as [redacted] with a beginning salary of [redacted] left [redacted] as a [redacted] in [redacted] with an ending salary of [redacted]

[redacted] stated that in [redacted] he interviewed with [redacted] (phonetic) [redacted] at AMERICAN CONTINENTAL CORPORATION (ACC). [redacted] advised that [redacted] hired him as [redacted] His starting salary at ACC was [redacted] indicated that he received three salary increases while employed at ACC. His highest salary was [redacted] in 1988 which was reduced in January or February 1989 to [redacted] left ACC in [redacted] to work for [redacted] because of the deteriorating condition of ACC and LINCOLN SAVINGS AND LOAN (LINCOLN). b6 b7C

[redacted] stated that he had received five to six bonuses from ACC ranging from [redacted] remembered receiving a [redacted] bonus for job performance and the [redacted] as a Christmas bonus.

Investigation on 10/6/89 at Phoenix, Arizona File # 56C-LA-101615-86

by SA [redacted] Date dictated 10/11/89

FD-302a (Rev. 11-15-83)

56C-LA-101615

Continuation of FD-302 of [redacted], On 10/6/89, Page 2 b6 b7C

[redacted] advised that his responsibilities at ACC and LINCOLN were initially as [redacted] subsidiary of ACC (now known as ACC REAL ESTATE, INC.). Later, [redacted] became [redacted] and then [redacted] at LINCOLN. His supervisor was [redacted] He received his paychecks initially from ACC and then from LINCOLN. [redacted] was given a copy of ACC'S corporate structure chart. He circled each subsidiary for which he performed a job function. This chart is attached and incorporated to the end of this interview report.

[redacted] indicated that he was never told anything about political contributions as being terms of employment. Furthermore, political contributions were never mentioned during the hiring interview.

[redacted] stated that his political affiliation is with the republican party. He advised that he contributed [redacted] to SENATOR RIEGLE in March 1987, but could not remembered how the transaction was handled. [redacted] could not recall if he ever contributed to any state or local candidates. [redacted] stated he would review his check register and cancelled checks for any further contributions. [redacted] could not recall if he ever made any political contributions prior to 1985.

[redacted] advised that [redacted] solicited political contributions while he was employed at ACC. He also remembered receiving a letter from CHARLES KEATING, JR. about contributing to SENATOR RIEGLE. [redacted] reasons for making political contributions were that the candidates were related to the savings and loan industry and the letter from KEATING. [redacted] could not recall ever refusing to make a political contribution. b6 b7C

He felt there was no pressure, expressed or implied, to donate while employed at ACC or LINCOLN. [redacted] indicated that there was never any stated or implied employment conditions while at ACC and LINCOLN in regards to political contributions. Nor was he reimbursed from ACC or LINCOLN in any manner for any of his contributions. [redacted] did receive a refund check for [redacted] from SENATOR RIEGLE in 1988.

[redacted] advised that he did not know it was illegal for ACC or any other corporation to contribute to federal candidates. Furthermore, he did not know there were limitations on personal contributions to federal candidates.

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Continuation of FD-302 of [redacted], On 10/6/89, Page 3 b6 b7C

[redacted] stated that he had discussions with other employees within his department at ACC and LINCOLN regarding how much money each donated. He advised that not donating to a particular candidate was never a problem. He stated that he never heard of anyone ever being terminated for not making a political donation.

[redacted] could not recall ever attending a political dinner or fund raiser. He indicated that he never heard of anyone at ACC or LINCOLN ever being reimbursed for making political contributions.

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SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]
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S[redacted]

NOV 13 1989

[redacted]

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/16/89

[redacted] appeared at the Phoenix Office of the FEDERAL BUREAU OF INVESTIGATION (FBI) for interview. After being advised of the identity of the interviewing agents, [redacted] provided the following information: b6 b7C

[redacted] provided the following identifying information:

Name
Home address

Home telephone #
Current employer
Place of birth
Date of birth
SSAN
Education

Spouse's name
Spouse's employer
Children

[redacted]

[redacted] advised that she was [redacted] prior to being employed at AMERICAN CONTINENTAL CORPORATION (ACC). [redacted] advised that she was hired in [redacted] at ACC. [redacted] advised her starting salary was [redacted] annually. In approximately 1982, ACC acquired a subsidiary. [redacted] approached Chairman CHARLEY KEATING, JR., who granted a request to try to attain a Series 7 stockbroker license. [redacted] subsequently was successful in getting that license. [redacted] was employed by AMERICAN CONTINENTAL PROPERTIES, INCORPORATED (ACPI). [redacted] worked as [redacted] at ACPI. [redacted] supervisor was [redacted] worked closely with [redacted] and with attorneys in [redacted] advised that there was a merit system at ACC for raises in salary. [redacted] advised that she b6 b7C

Investigation on 10/5/89 at Phoenix, Arizona File # 56C-LA-101615-88

by SA SA [redacted] Date dictated 10/5/89

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Continuation of FD-302 of [redacted], On 10/5/89, Page 2

could not specify any specific dates in terms of increases in pay.

[redacted] advised that she obtained a real estate license and earned a Certified Property Management designation after five years of education during her employment with ACC. In January 1989, [redacted] was earning [redacted] salary annually. [redacted] advised that in [redacted] her position changed from [redacted] advised her salary changed from [redacted] annually. [redacted] advised that this created a financial hardship. [redacted] advised that she resigned in [redacted] due to the fact that she had devoted her life to [redacted] and was not willing to work in the [redacted] exclusively.

b6
b7C

[redacted] advised that fringe benefits included participation in the Employee Stock Option Plan (ESOP). [redacted] advised that although ACC had "lunch in" on occasion, ACPI did not have "lunch in" that often.

[redacted] advised that she received a bonus of [redacted] at one point, but does not remember when that was. [redacted] advised that she received a [redacted] bonus in January 1989. [redacted] advised that was before they knew she was leaving. [redacted] advised that she contacted [redacted] after going from [redacted] annually to [redacted] annually and complained of financial hardship. [redacted] exercised her stock options during this period. [redacted] advised that she was transferred from her [redacted] activities to [redacted]

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b7C

[redacted] advised that during her [redacted] activities from 1982 to 1989, six shopping centers were built to include acquisition of the ground, pre-leasing, construction, financing, etc. These projects included Continental Fiesta Plaza, Continental Plaza, Fountain Square Shopping Center, McClintock Fountains, and Union Crossing.

[redacted] advised that when she started with ACC her paychecks were from ACC. [redacted] advised that her paychecks at some point started coming from LSL.

b6
b7C

[redacted] advised that she was interviewed/hired at ACC by [redacted] She interviewed with all three in succession. No mention of political contributions was made at her initial employment interview.

[redacted] advised that she did not sign any termination

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Continuation of FD-302 of [redacted] , On 10/5/89 , Page 3

agreements in connection with her quitting ACC. [redacted] advised that she was aware that [redacted] who is now [redacted] who now resides in [redacted] did sign a termination agreement. [redacted] advised that she was not sure as to whether or not [redacted] who is now [redacted] had to sign a termination agreement before he received severance pay.

[redacted] advised that she was a Democrat. [redacted] advised that she made a political contribution of approximately [redacted] to Senator RIEGLE at an unknown time. [redacted] advised that she thought he had an interesting presentation which he made to ACC employees. b6
[redacted] advised that she did not give to MC CAIN, who CHARLEY KEATING, JR., liked and supported. [redacted] advised that CHARLEY KEATING, JR., typically introduced a speaker. Employees would listen to the speaker. CHARLEY KEATING, JR., would then say he supported RIEGLE and that RIEGLE would help the company. [redacted] advised that then she would have to make a decision that if she supported his position, she would contribute. [redacted] advised that there was no requirement to support Senator RIEGLE. [redacted] advised that her employment was not in danger if she chose not to support Senator RIEGLE. [redacted] advised that political contributions were not solicited from [redacted] b7C

[redacted] advised that she did not contribute to several candidates supported by CHARLEY KEATING, JR. [redacted] advised that the company would know if you would not contribute to a particular candidate. [redacted] advised that she used inter-company mail to transport her check to the candidate. [redacted] advised that "they probably suggested" to send it to a certain person (within the company). [redacted] advised that she made this contribution because RIEGLE spoke at the company and she was probably so moved that she decided to contribute. [redacted] advised that she contributed to RIEGLE because his views paralleled her own views. b6
[redacted] advised that she did not remember what RIEGLE said at his presentation. [redacted] advised that she did not feel pressured to contribute. [redacted] advised that political contributions were never a condition of employment at ACC. [redacted] advised she did not discuss these contributions with anyone at ACC. [redacted] advised she was not reimbursed in any manner for political contributions made and does not know of anyone who was reimbursed by ACC. [redacted] advised that she did not know it was illegal for ACC to directly contribute to political candidates. [redacted] advised that she was not aware of the $1,000 per candidate per election limitation on contributions. b7C

[redacted] advised that [redacted] who works at LSL did not

b6
b7C

always contribute after being asked to contribute. [redacted] advised that she knows of no negative repercussions to [redacted] for not contributing. [redacted] advised that she knows that [redacted] did make political contributions.

[redacted] advised that she recalls no political events such as fund-raisers or candidate appearances which she attended while employed at ACC. [redacted] advised that she did receive a refund from RIEGLE when her contribution was returned.

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SERIALIZED [redacted] FILED [redacted]

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FBI - LOS ANGEL [redacted]

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b7C

PX 56C-LA-101615
[redacted]

In an attempt to locate [redacted] previous resident of [redacted] the following investigation was conducted on October 5, 1989:

Through an inquiry of the United States Post Office, [redacted] determined that there was no forwarding address for [redacted] b6 b7C

A review of the COLE's reverse directory by SA [redacted] revealed that [redacted] was listed at the aforementioned address for the years 1981 through 1986. [redacted] and [redacted] were listed for the years 1987 and 1988. In 1989, there was no listing for the aforementioned address.

IA [redacted] made in inquiry to [redacted] (protect per request) [redacted]

b6 b7C b7D

A review of the marriage license at the Superior District Court, Jefferson Avenue, Phoenix, Arizona by SA [redacted] revealed that [redacted] age [redacted] age [redacted] were married on [redacted] No record of a divorce was found.

A review of the DMV records by [redacted] revealed that Arizona DL [redacted] was issued to [redacted] on March 3, 1986 with the following descriptive data:

Date of birth
Address

Sex
Height
Weight
Hair
Eyes
SSAN
Restrictions
Expiration date

[redacted]

b6 b7C

A review of the DMV records by [redacted] revealed that Arizona DL [redacted] issued on August 26, 1985 was issued to [redacted] with the following descriptive data:

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PX 56C-LA-101615
[redacted]

Date of birth
Address

Sex
Height
Weight
Hair
Eyes
SSAN
Expiration date

[redacted]

An inquiry of Illinois Department of Motor Vehicle regarding [redacted] revealed that Driver's License [redacted] was issued on August 31, 1988 with the following descriptive data: b6 b7C

Date of birth
Sex
Height
Weight
Hair
Eyes
Address

Expiration date

[redacted]

SA [redacted] and SA [redacted] contacted the resident [redacted] She advised that she has resided at that address since [redacted] She rented the property from [redacted] who lives in [redacted] knew that there had been previous tenants, [redacted] confirmed [redacted] address as [redacted] She provided the name of [redacted] of the PROPERTY SHOP, [redacted] as the [redacted] b6 b7C

Inquiry at the PROPERTY SHOP revealed that [redacted] was unavailable until October 10, 1989.

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b6
b7C

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED

NOV 13 1989

FBI — LOS ANGELES [redacted]

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/10/89

On October 5, 1989, [redacted] after being advised of the identities of the interviewing agents and the nature of the interview, provided the following information:

He is currently [redacted] and works [redacted] He was born on [redacted] at [redacted] His SSAN is [redacted] He has a [redacted] His [redacted] is [redacted] They have [redacted] b6 b7C

He retired [redacted] from [redacted] where he was [redacted] His total compensation at that time was [redacted] per year. He was hired by LINCOLN SAVINGS AND LOAN (LSL) in the latter part of [redacted] and was employed for less than [redacted] His salary at LSL was [redacted] per year. Since his resignation from LSL, he has been self-employed. He received no pay increases, fringe benefits, or bonuses.

He was hired by LSL to [redacted] During his preliminary review of audits with [redacted] he foresaw no apparent problems with this transition. At a later date, he realized this was an impossible task and decided to resign.

He did not have a supervisor, however, CHARLES KEATING, JR., was everyone's supervisor. His paychecks came from the same company for which he worked. CHARLES KEATING, JR., interviewed and hired him for this position. During this interview, there was no discussion regarding terms and conditions of employment with respect to political contributions.

When he resigned from LSL, he signed a termination agreement which provided for compensation for the remainder of his three-year contract term. This agreement was not honored. No one at AMERICAN CONTINENTAL CORPORATION (ACC) or LSL has tried to

Investigation on 10/5/89 at Tucson, Arizona File # 56C-LA-101615-91 b6 b7C

by SA [redacted] and SA [redacted] Date dictated 10/6/89 prevent or discourage him from talking to authorities regarding his employment.

He is affiliated with the Republican party. He contributes to the DE CONCINI RE-ELECTION CAMPAIGN every year for approximately [redacted] He has also contributed to the campaigns of DENNIS KOLBE, GEORGE BUSH, ED MOORE, and MORRISON. He cannot recall the exact dates or amounts of contributions, however, he will review his records and provide copies of all political contributions to the FEDERAL BUREAU OF INVESTIGATION (FBI).

If he made any political contributions before 1985, they were probably for local politicians.

No one solicited or collected contributions from him or [redacted] while he was employed at LSL. He never felt pressured to contribute while he was employed there. It was never stated or implied that political contributions were a required condition of employment. He was never reimbursed for any contributions or was ever a party to any discussion regarding reimbursement for contributions. He was aware that it was illegal for ACC to contribute to federal candidates. He is aware of the $1,000 per candidate per election limitation on contributions, as he was involved with the Political Action Committeeat Great America First Savings. He never discussed his political contributions with anyone other than his wife. b6 b7C

He is not aware of any ACC employee who declined to contribute after having been asked to contribute. He is not aware of anyone who complained about contributions. He is not aware of any termination for an employee who declined to contribute. He does not know of any ACC employee who made political contributions, however, he was aware that a number of the officers of the corporation were politically active. He has never heard of any ACC employee being reimbursed for contributions. He never attended any political events such as a fund raiser or candidate appearance. He has never received any refunds from candidates he contributed to.

56C-LA-[redacted]-91

[redacted]

14

b6
b7C

[redacted]

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/16/89

On October 5, 1989, [redacted] after being advised of the identities of the interviewing agents and the nature of the interview, provided the following information: b6 b7C

She advised she is currently not employed. She was born on [redacted] at [redacted] Her SSAN is [redacted] She attended [redacted] She is married to [redacted] who was employed for less than [redacted] LINCOLN SAVINGS AND LOAN (LSL). They have [redacted]

She is affiliated with the Republican party. She does not specifically recall any contributions at this time, however, she will review her records and provide copies of all political contributions to the FEDERAL BUREAU OF INVESTIGATION (FBI). She does not recall making any political contributions prior to 1985.

As [redacted] of a AMERICAN CONTINENTAL CORPORATION (ACC) employee, no one solicited or collected contributions from her for political campaigns. She was never reimbursed for any political contributions she made.

She did not know it was illegal for ACC to contribute to federal candidates. She was aware of the $1,000 per candidate per election limitation on contributions as she had discussed this with [redacted]

She did not discuss political contributions with anyone other than [redacted] She does not know of any ACC employees who made political contributions. She was not aware of any ACC employee being reimbursed for their contributions. b6 b7C

She did not attend any political events, such as fund-raisers or candidate appearances while her husband was employed by ACC. She did not receive any refunds from any candidate which she may have contributed to.

Investigation on 10/5/89 at Tucson, Arizona File # 56C-LA-101615-92

by SA [redacted] and SA [redacted] Date dictated 10/6/89

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[redacted]

b6
b7C

KH

[redacted]

56C-LA-101615-93

[redacted] [redacted] b6 b7C

19

[redacted]

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/12/89

[redacted] was interviewed at his residence. Also present was [redacted] After being advised as to the identity of the interviewing agents and the nature of the interview, [redacted] voluntarily provided the following information: b3 b6 b7C

[redacted]

b3
b6
b7C

Investigation on 10/5/89 at Scottsdale, Arizona File # 56C-LA-101615-94

[redacted] SA [redacted]
SA Date dictated 10/6/89

b6
b7C

56C-LA-101615

 b3 b6 b7C

[redacted]

[redacted] b3 b6 b7C

At the conclusion of the interview, the interviewing agent served [redacted] with a Federal Grand Jury Subpoena commanding him to [redacted] the United States Attorney's Office in Los Angeles, California. b3 b6 b7C

[redacted] provided the following information about himself:

Name
Race
Sex
Date of birth
Place of birth
SSAN
Home address

Home telephone #
Employment
Work telephone

[redacted]

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Continuation of FD-302 of [redacted] , On 10/5/89 , Page 4

b3
b6
b7C

Education [redacted]

Spouse's name
Spouse's employer
Children

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[redacted] [redacted] b6 b7C

19

[redacted]

FD-302 (REV. 3-10-82)

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/13/89

[redacted] telephone number [redacted] date of birth [redacted] was contacted at telephone number [redacted] pursuant to a telephone message left for SA [redacted] on October 4, 1989.

[redacted] agreed that he would come down to the FEDERAL BUREAU OF INVESTIGATION (FBI) to be interviewed, however, [redacted] requested a note from the United States Attorney's Office or the FBI indicating that his personal subpoena would be quashed if he agreed to an interview with the FBI. The writer advised that he would check with the Assistant United States Attorney regarding [redacted] request. In the meantime, a tentative appointment was scheduled for 10:15 a.m. b6 b7C

[redacted] was recontacted and advised that his subpoena for [redacted] would not be quashed and that there was no basis prior to an interview to quash this subpoena. b6 b7C

[redacted] advised that he would consent to an interview if some ground rules for the interview could be established. For example, [redacted] advised that a ground rule example would be that the United States Attorney would quash his subpoena based on particular ground rules.

[redacted] was advised that no ground rules for an interview would be established. [redacted] advised that if he were to be interviewed by the FBI and still have to respond to his subpoena with [redacted] then he may just as well go the one time and make his personal appearance in response to the subpoena. [redacted] was advised that this would be an agreeable arrangement.

Investigation on 10/5/89 at Phoenix, Arizona File # 56C-LA-101615-95

by SA [redacted] Date dictated 10/6/89 b6 b7C

56C-LA-107615-95

b6
b7C

H

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/13/89

[redacted] telephone [redacted] was advised as to the identity of the interviewing agents and the purpose of the interview at which time she advised as follows: b3 b6 b7C

[redacted]

[redacted]

b3 b6 b7C

[redacted]

b3 b6 b7C

Investigation on 10/5/89 at Phoenix, Arizona File # 29D-LA-102009 56C-LA-101615 954 ||

by [redacted] Date dictated 10/6/89

56C-LA-101615

Continuation of FD-302 of [redacted], On 10/5/89, Page 5* b3 b6 b7C

[redacted]

[redacted] was presented with a Federal Grand Jury subpoena requesting [redacted]

56C - LA - 101415 [redacted]

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]

JAN 1 [illegible]

FBI — LOS ANGELES [redacted]

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b7C

FD-350 (Rev. 5-8-81)

The Orange County Register
(Indicate page, name of newspaper, city and state.)
Santa Ana, California

(Mount Clipping in Space Below)

Keating ordered to testify

By Dave Skidmore
The Associated Press

WASHINGTON — The House Banking Committee voted Thursday to subpoena the chairman of American Continental Corp. to testify about the collapse of Irvine-based Lincoln Savings and Loan.

The panel, which plans four hearings beginning next week, voted 41-0 to subpoena Charles H. Keating Jr., whose company owned Lincoln Savings until it was seized by federal regulators in April. Lincoln Savings is expected to be the most expensive S&L bailout, with most estimates of the cost exceeding $2 billion.

American Continental is now in bankruptcy proceedings, putting in question whether the 23,000 individuals who invested more than $200 million in notes will ever see their money. The notes were sold through Lincoln branches in Southern California.

Also subpoenaed were L. William Seidman, chairman of the Federal Deposit Insurance Corp.; M. Danny Wall, director of the Office of Thrift Supervision; William Crawford, California savings and loan commissioner; and others.

Keating issued a statement through a spokesman in Washington saying he had not decided whether to appear voluntarily.

Federal regulators last month filed a $1.1 billion civil lawsuit charging Keating and others with fraud and racketeering.

The hearings are expected to focus on why Wall, as chairman of the now defunct Federal Home Loan Bank Board, rejected a field examination that turned up irregularities, delaying regulatory action from mid-1987 until last April.

Also subpoenaed was Edwin J. Gray, former Federal Home Loan Bank Board chairman, and other regulators who ~~met with~~ five senators in April 1987.

Date: 10/13/89
Edition:

Title: Keating Ordered to testify

Character: or Classification: 56C-LA-P1615

Submitting Office: Santa Ana Resident Agency, LA. Division

Indexing:

56C LA-101659

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b7C

FD-350 (Rev. 3-8-8?)

The Orange County Register
(Indicate page, name of newspaper, city and state.)
Santa Ana, Resident Agency
California

(Mount Clipping in Space Below)

Charles Keating's long reach to Washington

It was the spring of 1987, and Charles H Keating Jr. needed a hand.

Federal regulators were preparing to take Irvine-based Lincoln Savings and Loan away from Keating's company, American Continental Corp.

A major ally, a Lincoln borrower who sat on the Federal Home Loan Bank Board, was embroiled in an ethics fight over his ties to Keating and would soon resign.

Undaunted, Keating tried to use his substantial political influence in Washington in other ways.

He got five US senators together to twice to interrogate regulators about their investigation.

And, the Register has uncovered, Keating was able to win broad congressional support for the man he was backing as the next chairman of the bank board — a Denver businessman with ties to a Lincoln borrower who now is a key player in the unfolding scandal at the US Department of Housing and Urban Development.

Thirty months later, those actions are still in the national political spotlight.

On Tuesday, the House Banking Committee begins a series of hearings into the scandal surrounding the collapse of Lincoln Savings, which was taken over by the government six months ago.

Insuring Lincoln's depositors is expected to cost US taxpayers more than $2 billion, which would make it the most expensive savings and loan bailout. Additionally, the bankruptcy of American Continental in April leaves 23,000 investors with more than $200 million in uninsured corporate notes that appear to be worthless.

Lawmakers are likely to be looking inside the legislative branch as well as the regulatory process for answers.

At the heart of the investigation is how Keating was able to get the bank board to wait two years to seize Lincoln after its San Francisco office had detailed the savings and loan's problems.

Much of the attention will be placed on why members of Congress went to bat for Keating.

"I think in the future I'll give much more scrutiny in the future when a constituent comes running saying, 'I need justice,'" said Sen. John McCain, R-Ariz., whose political career has been stained by his relationships with Keating that include attending the two meetings.

"I think it very obvious that Mr. Keating was very politically aggressive."

Keating, who could not be reached regarding this report, has defended his political sway in the past. At a press conference in April, Keating ~~made~~ no bones about whether his political contributions had bought him influence:

Date: 10/10/89
Edition:

Title: Charles Keating's long reach to Washington

Character: 56C-LA-101615
or
Classification:
Submitting Office: Santa Ana Resident Agency
Indexing: LA Division

56C-LA-101615-97

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14

"I want to ~~say in~~ the most forceful way I can: I certainly hope so."

"With politics, Keating was able to postpone his day of reckoning," said Rep. Jim Leach, R-Iowa, a member of the banking committee. "The facts speak for themselves. ... Congress may have its own Watergate unfolding."

In early 1987, Keating's American Continental Corp. was feeling regulatory heat from federal officials based in San Francisco, who were calling for the government to take control of Lincoln.

Keating and regulators disagreed vehemently on the propriety of the speculative ventures that Lincoln had invested billions in: junk bonds, takeover plays, land development and luxury hotels.

When Edwin Gray, then the bank

Please see LINCOLN/5

board's chairman, moved to cut back the ability of Lincoln and others to use federally insured deposits on such bets, Keating exploded.

He hired various consultants — at one time at least three former congressmen and a former California savings and loan commissioner — to fight the new rules. He sued the bank board.

And in November 1986, Atlanta attorney Lee Henkel was appointed by the Reagan administration to join Gray on the bank board.

Henkel quickly proposed rules that would have helped Lincoln out of its regulatory predicament by putting a "grandfather" clause in the new rules. It was soon learned that Henkel had ties to companies that had borrowed more than $50 million from Lincoln.

That bothered the then-chairman of the Senate Banking Committee, William Proxmire, who asked the Justice Department to investigate. By the end of March Henkel had resigned.

At the same time, it was obvious that Gray would not return to the bank board after his term expired June 30. Two men emerged as the leading candidates to be the nation's top savings and loan regulator.

One was M. Danny Wall, an aide to Sen. ~~Jake Garn~~, R-Utah, ranking minority member of the Senate Banking Committee. Wall got the job.

His chief opponent was Philip Winn, a Denver real-estate developer who recently ended a one-year tour as the US Ambassador to Switzerland.

Winn, according to press reports at the time, had the support of as many of 90 members of the House and Senate.

Keating, Gray said last week, was the man who ~~put~~ Winn's candidacy in motion.

"It was clear that Keating wanted Winn as chairamn," said Gray, now a Florida savings and loan executive. "I was quite concerned."

The congressional endorsements for Winn came despite his links to MDC Holdings, a Denver real estate company. Winn, who once ran for governor of Colorado as a Republican, served as a director of MDC in 1985 and 1986 and as a director on a real estate investment trust managed by MDC until March 1988, when he took the Swiss ambassadorship.

MDC was one of Lincoln's major borrowers. The government has alleged in a suit against Keating and others that MDC helped American Continental book phony profits through complex swaps of properties.

MDC recently settled charges with the Securities and Exchange Commission without admitting or denying that it improperly booked profits on several real-estate deals it made, including ones with American Continental.

"Nothing is coincidence with Mr. Winn," said Rep. Christopher Shays, R-Conn. He is a member of the House Government Operation Committee looking into the scandal in the Department of Housing and Urban Development.

Winn, who served as a ranking HUD official in 1981 and 1982, is at the heart of the agency's problem, Shays said.

At a recent hearing before the House committee, which at the time did not know of Winn's bank board encounter, Winn defended his action involving HUD as a private businessman as proper. The Register was unable to reach Winn for further comment.

The House committee charges that in one 11-month period in 1986 and 1987, Winn and his associates were able to get one-eighth of all approvals for a coveted HUD rehabilitation program.

"He has a lot of friends," said Shays.

Just as Winn's futile campaign for the bank board spot was rolling along, Keating pulled off his most notable political coup: persuading five US senators to lobby regulators twice on behalf of American Continental.

What the San Francisco regulators had uncovered about Lincoln was eventually to form the basis for the charges of mismanagement and fraud contained in a $1.1 billion suit filed against Keating, his family and company officers by the government last month.

But Keating branded the regulators' two-year review of Lincoln's books as vindictive. In assembling the senators, Keating — a staunch Republican — showed how he used political ties that seemed rarely tied to a politician's philosophy.

His campaign funds flowed swifty to those who would aid Keating's cause: to let savings and loans invest their federally insured deposits in whatever business they chose.

One of those tied to the right wing Keating is California's top liberal Democrat, Sen. Alan Cranston. The senator got $47,000 in campaign contributions from Keating and his associates, who also donated $850,000 to three voter-registration organizations, including one headed by Cranston's son.

Also attending were senators McCain; Dennis DeConcini, D-Ariz.; Donald Riegle, D-Mich.; and John Glenn, D-Ohio. All five lawmakers, each who received substantial political campiagn contributions from Keating, have denied any wrongdoing in connection with the meeting.

The first gathering — minus Riegle — was held April 2 at DeConcini's office in Washington late one afternoon with Gray. The second one, which Cranston attended only briefly, was a week later at the same spot with officials from the Federal Home Loan Bank of San Francisco, Keating's adversaries.

"I went to the April 2, 1987 meeting with Ed Gray to get decisive action; to get Ed Gray and the bank board to act — one way or another, sooner rather than later," Cranston said in a statement released Friday after the Common Cause lobbying group called for an ethics investigation of the five senators.

Gray revealed earlier this year that the senators at the first meeting had asked him to change industry rules to benefit Keating. Although the senators vehemently denied this, Cranston recently did an about face regarding his recollection of those meetings — admitting that senators may have acted improperly about the rule change.

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(Indicate page, name of newspaper, city and state.)

DAILY NEWS
SAN FERNANDO, CA

Date: WED., OCT. 18, 1989
Edition: VALLEY PG. 20

Title: U.S. TO WIDEN S&L-SENATORS PROBE

Character:
or
Classification:
Submitting Office: LOS ANGELES

Indexing:

(Mount Clipping in Space Below)

U.S. to widen S&L-senators probe

By MARK BARNHILL
Daily News Washington Bureau

WASHINGTON — The government will expand its investigation into whether political contributions to Sen. Alan Cranston and other lawmakers were illegally funneled from assets at Lincoln Savings and Loan, a key regulator said Tuesday.

"We believe that substantial additional investigation is warranted and may result in the filing of additional civil actions, including fraud actions," said L. William Seidman, chairman of the Federal Deposit Insurance Corp.

"We will be looking at every piece of evidence we can find to determine whether or not laws were violated with respect to political contributions," Seidman said.

Testifying before the House Banking, Finance and Urban Affairs Committee as it opened hearings into the $2 billion collapse of Lincoln Savings and Loan, Seidman also said that the federal bank board had enough evidence in 1986 to take immediate action against Lincoln.

The House panel hopes to determine why federal regulators did not act sooner to take control of the failing institution and curb the activities of Charles H. Keating Jr., chairman of Lincoln's parent company, American Continental Corp.

A central question is whether Cranston and four other senators — all of whom received campaign and other money from Keating — intervened with regulators to shield Lincoln from a federal takeover.

In his testimony Tuesday, Seidman did not accuse any of the senators of wrongdoing.

But he urged Congress to take action that will assure bank examiners are protected in the future from "political pressures."

"The importance of the regulators' independence cannot be overstated. Effective supervision protects the public," he said.

"Staff must be authorized to carry out its mandate of supervision without fear of outside influence," Seidman said.

"They are the essential thin blue line protecting the financial system and the taxpayer from billion dollar insurance losses."

Last week, the watchdog group Common Cause asked the Senate Ethics Committee to open a formal investigation of the five senators who intervened on Lincoln's behalf with banking regulators.

Common Cause also asked the Justice Department to investigate whether more than $1.5 million in political contributions from Keating to the senators "constituted a violation of federal election laws or any other statutes."

The five lawmakers are Sens. Cranston, D-Calif.; Dennis DeConcini, D-Ariz.; John McCain, R-Ariz.; John Glenn, D-Ohio, and Donald W. Riegle Jr., D-Mich.

Cranston solicited about $1 million in contributions from Keating, including $47,000 for his re-election campaign and $850,000 for voter-registration campaigns, including one organized by his son.

Glenn received $34,000 in campaign contributions and $200,000 for a political committee he controlled.

DeConcini received $55,000 in campaign contributions; Riegle collected $76,100 for his campaign and McCain received $110,000 in campaign contributions and $13,000 in gifts.

DeConcini and Riegle have since returned the contributions, and McCain repaid $13,000 for air transportation and other gifts.

Glenn and Cranston have declined to give the money back, saying it would be acknowledging improper behavior.

In April 1987, the five senators met with federal regulators and pressed Lincoln's case at the height of a three-year investigation of the failing institution.

In an unprecedented move later, the Federal Home Loan Bank Board transferred supervision of Lincoln from its San Francisco office to Washington and ordered a whole new investigation.

All five senators have said they urged regulators only to conclude their investigation of Lincoln one way or another — and did not try to influence its outcome.

Seidman said that an evaluation of the institution in March 1986 revealed that Lincoln was not in compliance with accounting standards, had substantial loan losses, had inadequate and missing records and was speculating in junk bonds, he said.

"My staff indicated that had we made such findings in one of our own institutions, we would have sought an immediate cease-and-desist order to stop the hazardous operations," Seidman said.

He refused to speculate whether the senators' intervention caused the delay. But he said quicker action would have prevented most of the estimated loss of $1.5 billion to $2 billion the Lincoln bailout is expected to cost taxpayers.

"The sad fact about this failure is that the warning signs were there and the stop signs posted in time to prevent much of the loss to the insurance fund," said Rep. Henry B. Gonzalez, D-Texas, the banking committee chairman.

"But the Federal Home Loan Bank Board, instead, waved the institution through the stop signals and let it continue racing down the fast lane until it crashed," Gonzalez said.

Gonzalez said he has not ruled out asking the five senators to appear before the committee.

56C-LA-101615-98

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FM DIRECTOR FBI

TO FBI LOS ANGELES (56C-LA-101615)(WCC-4 SARA)/ROUTINE/

FBI PHOENIX/ROUTINE/

BT

UNCLAS

CITE: //0622//

SUBJECT: CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA; UNSUB; PRINCIPALS AND OFFICERS OF LINCOLN SAVINGS AND LOAN (S & L); IRVINE, CALIFORNIA; ELECTION LAW MATTER; OO: LOS ANGELES.

ON OCTOBER 30, 1989, CONGRESSIONAL AFFAIRS, FBIHQ, WAS CONTACTED BY [redacted] TELEPHONE NUMBER [redacted] ADVISED THAT CONGRESSMAN CHARLES PASHAYAN, A SIX-TERM REPUBLICAN FROM THE 17TH CALIFORNIA CONGRESSIONAL DISTRICT, FRESNO,

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56C-LA-101615-99

[redacted]

WCC-4

NOV 6

FBI - LOS ANGELES

[redacted]

TELETYPE

PAGE TWO DE RUEHFB 0102 UNCLAS

CALIFORNIA, AND A MEMBER OF THE RULES COMMITTEE BROUGHT TO HIS ATTENTION THAT HE (PASHAYAN) HAD RECEIVED CAMPAIGN CONTRIBUTIONS FROM AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA. PASHAYAN IS CONCERNED ABOUT THE PUBLICITY WHICH HAS ALREADY OCCURRED REGARDING THE FIVE U.S. SENATORS RECEIVING CAMPAIGN CONTRIBUTIONS.

THE OFFICE OF CONGRESSIONAL AFFAIRS RECONTACTED [redacted] ON OCTOBER 31, 1989, AND ADVISED HIM THAT THIS INFORMATION WILL BE FORWARDED TO THE INTERESTED OFFICES. [redacted] STATED THAT ANY CONTACT WITH THE CONGRESSMAN COULD BE MADE THROUGH [redacted] TELEPHONE NUMBER [redacted] ALSO ADVISED CONGRESSIONAL AFFAIRS THAT SEVERAL OTHER CONGRESSMEN MAY HAVE RECEIVED CAMPAIGN CONTRIBUTIONS FROM AMERICAN CONTINENTAL CORPORATION.

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#0102

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FD-36 (Rev. 8-29-85)

FBI

TRANSMIT VIA:	PRECEDENCE:	CLASSIFICATION:
☒ Teletype	☐ Immediate	☐ TOP SECRET
☒ Facsimile	☒ Priority	☐ SECRET
☐ ______	☐ Routine	☐ CONFIDENTIAL
		☐ UNCLAS E F T O
		☒ UNCLAS

Date 10/19/89

FM FBI, LOS ANGELES (56C-LA-101615)(WCC-4/SARA)(P)

TO DIRECTOR, FBI/PRIORITY/ 11:25 (PST) 10/20/89 IM

FBI, PHOENIX (56C-LA-101615)/PRIORITY/ 11:25 (PST) 10/20/89 RW

BT

UNCLAS

SUBJECT: CHARLES KEATING, JR., CHAIRMAN; AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA; UNSUBS; ET AL; ELECTION LAW VIOLATION; OO: LOS ANGELES.

RE LOS ANGELES AIRTEL TO THE DIRECTOR, DATED 9/27/89.

FOR INFORMATION OF THE BUREAU AND RECEIVING OFFICES AS MENTIONED IN PREVIOUS COMMUNICATIONS DURING THE WEEK OF 10/2/89, APPROXIMATELY 35 INDIVIDUALS WERE INTERVIEWED IN THE PHOENIX, ARIZONA AREA. THE INDIVIDUALS INTERVIEWED WERE THOSE WHO HAD MADE POLITICAL CONTRIBUTIONS DURING THE YEAR 1985 AND 1988. THE INDIVIDUALS WERE ALSO ASSOCIATED WITH AMERICAN CONTINENTAL CORPORATION AND/OR LINCOLN SAVINGS AND LOAN. APPROXIMATELY 52 INDIVIDUALS IN TOTALITY WERE CONTACTED OF WHICH 19 REFUSED TO BE INTERVIEWED. THOSE REFUSING AN INTERVIEW WERE SERVED WITH A

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1 - Los Angeles
(29D-LA-102009)

[redacted]
(1)

56C-LA-101615-160

SEARCHED [redacted] INDEXED
SERIALIZED [redacted] FILED

FBI — LOS ANG [redacted]

Approved: [redacted]

Transmitted Faxat
(Number) (Time)

Per

FEDERAL GRAND JURY SUBPOENA REQUIRING THEM TO APPEAR BEFORE THE FEDERAL GRAND JURY IN LOS ANGELES [redacted] b3 ALL INDIVIDUALS CONTACTED WERE ALSO PROVIDED WITH A FEDERAL GRAND JURY SUBPOENA REQUESTING [redacted] THE FEDERAL GRAND JURY IN LOS ANGELES [redacted]

THE PURPOSE OF THE ABOVE INTERVIEWS WERE TO DETERMINE IF ANY INDIVIDUALS ASSOCIATED WITH THOSE TWO COMPANIES WERE REIMBURSED FOR MAKING POLITICAL CONTRIBUTIONS. INITIALLY IT APPEARS NONE OF THE INDIVIDUALS WHO AGREED TO AN INTERVIEW WERE REIMBURSED FOR POLITICAL CONTRIBUTION WITH ONE EXCEPTION. [redacted] WHO WAS b6 b7C [redacted] CHARLES KEATING, JR., ADVISED SHE VOLUNTEERED TO MAKE A [redacted] CONTRIBUTION TO THE ORIN HATCH COMMITTEE IN 1988. AT THE TIME SHE VOLUNTEERED TO MAKE THE CONTRIBUTION, CHARLES KEATING ADVISED HER HE APPRECIATED IT AND WOULD "MAKE IT UP TO HER." APPROXIMATELY A WEEK AFTER MAKING THE CONTRIBUTION SHE RECEIVED A [redacted] BONUS FROM CHARLES KEATING, JR. [redacted] DID IN FACT CORRELATE THE BONUS WITH THE FACT THAT SHE HAD MADE THE [redacted] POLITICAL CONTRIBUTION. THE BONUS AND CONTRIBUTION WERE NEVER DISCUSSED AGAIN WITH CHARLES KEATING, JR.

MOST OF, IF NOT ALL OF THE INDIVIDUALS WHO REFUSED TO BE INTERVIEWED ARE REPRESENTED BY AN ATTORNEY AND ARE INDIVIDUALS WHO MAY HAVE GIVEN NUMEROUS POLITICAL CONTRIBUTIONS RATHER THAN JUST ONE OR TWO CONTRIBUTIONS. THE RECORDS THOSE INDIVIDUALS AND

THE OTHERS HAVE BEEN REQUIRED TO SUBMIT ARE FINANCIAL RECORDS WHICH MAY SHOW A CORRELATION BETWEEN BONUSES, RAISES, AND THE CONTRIBUTIONS MADE.

IN ADDITION TO THE ABOVE, INVESTIGATION IS NOW FOCUSING DIRECTLY ON THE RELATIONSHIP BETWEEN CHARLES KEATING, JR., AND FIVE UNITED STATES SENATORS WHO APPEARED TO HAVE LOBBIED ON BEHALF OF LINCOLN SAVINGS AND LOAN IN EARLY 1987. AS MENTIONED IN VARIOUS NEWS ARTICLES, THE FIVE SENATORS PERSONALLY MET WITH OFFICIALS OF THE FEDERAL HOME LOAN BANK BOARD. ALTHOUGH AT THIS TIME THE EXACT DETAILS AND PURPOSE OF THE MEETING ARE UNKNOWN IT APPEARS THE SENATORS WERE VOICING VARIOUS COMPLAINTS REGARDING THE INVESTIGATION OF LINCOLN SAVINGS AND LOAN BY THE FEDERAL HOME LOAN BANK BOARD IN SAN FRANCISCO. IT APPEARS THAT IN THIS MEETING AND IN A SUBSEQUENT MEETING WHICH WAS HELD THE SENATORS WERE DIRECTLY REPRESENTING LINCOLN SAVINGS AND LOAN AND ADVISING THE BANK BOARD AS TO VARIOUS CONCESSIONS LINCOLN SAVINGS AND LOAN WOULD MAKE IF THE BANK BOARD AND ITS EXAMINERS WOULD CHANGE THEIR PROCEDURES AND/OR EXAMINATION OF LINCOLN SAVINGS AND LOAN.

IN DISCUSSING THIS MATTER WITH FBI SUPERVISOR [redacted] b6 b7C
AND [redacted] FROM THE PUBLIC INTEGRITY SECTION OF THE DEPARTMENT OF JUSTICE IT APPEARS AT THIS POINT IT IS ABSOLUTELY NECESSARY TO CONTACT [redacted] IN ADDITION AT THE PRESENT TIME A UNITED

STATES HOUSE OF REPRESENTATIVES BANKING COMMITTEE IS MEETING TO DETERMINE DETAILS AND INFORMATION REGARDING THE FAILURE OF LINCOLN SAVINGS AND LOAN. THEY HAVE SUBPOENAED TO TESTIFY VARIOUS INDIVIDUALS CONNECTED WITH LINCOLN AND THE FEDERAL HOME BANK BOARD INCLUDING [redacted] IN ADDITION, THE SENATE ETHICS b6 b7C COMMITTEE HAS ASKED UNITED STATES SENATOR ALAN CRANSTON AND THE OTHER FOUR SENATORS TO DEFEND THE ACTIONS THEY TOOK IN 1987 ON BEHALF OF LINCOLN SAVINGS AND LOAN.

[redacted] HAS BEEN VERY OUTSPOKEN TO THE PRESS REGARDING THE MEETINGS WHICH TOOK PLACE WITH THE SENATORS. [redacted] HAS PUBLICLY STATED HE FELT THE SENATORS WERE ATTEMPTING TO PRESSURE HIM AND THE FEDERAL HOME LOAN BANK BOARD TO ALTER THEIR EXAMINATION. IN ADDITION, HE ADVISED THIS PARTICULAR SERIES OF MEETINGS WERE UNPRECEDENTED REGARDING THE RELATIONSHIP BETWEEN THE FEDERAL HOME LOAN BANK BOARD AND THE UNITED STATES SENATE.

ON 10/18/89, SA [redacted] SPOKE WITH [redacted] WHO b6 b7C OVERWHELMINGLY AGREED TO BE INTERVIEWED BY THE FBI. AT THE PRESENT TIME [redacted] IS OUT OF THE COUNTY AND IS NOT EXPECTED TO RETURN UNTIL 10/30/89. AT PRESENT HE HAS BEEN SUMMONED BEFORE THE HOUSE BANKING COMMITTEE TO TESTIFY ON 10/31/89. [redacted] BELIEVES THAT TESTIMONY APPOINTMENT WILL BE POSTPONED. [redacted] HAS AGREED TO BE INTERVIEWED BY THE FBI IN MIAMI, FLORIDA, DURING THE MIDDLE PART OF THE WEEK OF 10/30/89. [redacted] WILL BE INTERVIEWED REGARDING THE CIRCUMSTANCES SURROUNDING ANY AND ALL MEETINGS HE HAD WITH THE FIVE U.S. SENATORS IN CONNECTION WITH LINCOLN

SAVINGS AND LOAN. HE WILL BE SPECIFICALLY ASKED AS TO APPROACHES WHICH WERE MADE REGARDING THE ALTERING OF ANY EXAMINATION. IN ADDITION, [redacted] WILL BE ASKED TO IDENTIFY ANY OTHER EXAMINERS OR REGULATORS WHO MAY HAVE KNOWLEDGE OR WERE IN ATTENDANCE AT THE MEETINGS WITH THE FIVE SENATORS. [redacted] IS FULLY COOPERATING WITH THIS INVESTIGATION AND IS PROVIDING COPIES OF CORRESPONDENCE BETWEEN HE AND SENATORS CRANSTON, RIEGLE, AND MCCANE. IN ADDITION, HE IS PROVIDING ANY AND ALL NEWS ACCOUNTS HE HAS MAINTAINED GOING BACK TO 1986. IN ADDITION TO BEING INTERVIEWED REGARDING THE MEETINGS AND CIRCUMSTANCES SURROUNDING CONTACT WITH THE FIVE U.S. SENATORS [redacted] WILL ALSO BE INTERVIEWED REGARDING HIS KNOWLEDGE OF THE EXAMINATION ITSELF AND IRREGULARITIES WHICH MAY HAVE TAKEN PLACE BY LINCOLN SAVINGS AND LOAN. AS MENTIONED IN PREVIOUS COMMUNICATIONS THIS INVESTIGATION IS BEING CONDUCTED IN CONJUNCTION WITH THE PHOENIX DIVISION AND IN CONJUNCTION WITH A BANK FRAUD AND EMBEZZLEMENT CASE. REPRESENTATIVES FROM THE PHOENIX DIVISION AND THOSE KNOWLEDGEABLE IN THE BANK FRAUD AND EMBEZZLEMENT ASPECT OF THE CASE WILL BE PRESENT AT THE INTERVIEW WITH [redacted]

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BASED ON NEWS ACCOUNTS OF STATEMENTS MADE BY [redacted] AND THE CIRCUMSTANCES KNOWN TO DATE REGARDING THE MEETINGS WHICH TOOK PLACE BETWEEN [redacted] AND THE SENATORS AND THE STATEMENTS MADE BY [redacted] ON 10/18/89, IT IS ANTICIPATED THE [redacted] INTERVIEW WILL GENERATE ENOUGH PROBABLE CAUSE AND PREDICATION TO INITIATE A

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PRELIMINARY INQUIRY INTO A FEDERAL BRIBERY CASE.

IN ADDITION TO THE ABOVE, ON 11/8 AND 11/9/89, ALL INVESTIGATIVE PERSONNEL FROM SANTA ANA RA AND PHOENIX DIVISION WILL BE MEETING IN PHOENIX FOR A STATUS MEETING ON BOTH THE BANK FRAUD AND EMBEZZLEMENT CASE AND THE POLITICAL CORRUPTION CASE. IT IS SUGGESTED THAT SUPERVISOR [redacted] FROM FBIHQ AND ATTORNEY b6 b7C [redacted] FROM THE PUBLIC INTEGRITY SECTION OF THE DEPARTMENT OF JUSTICE BE PRESENT AT THAT MEETING. IN ADDITION TO THE INVESTIGATIVE PERSONNEL ALL ASSISTANT UNITED STATES ATTORNEYS WORKING THIS MATTER WILL BE PRESENT AT THAT MEETING. IT IS ANTICIPATED THE EXCHANGE OF INFORMATION AND THE STATUS REPORT GIVEN AT THAT MEETING WOULD BE MOST BENEFICIAL TO SUPERVISOR [redacted]

BT

FD-515 (Rev. 5-20-87)
ACCOMPLISHMENT REPORT
(Effective 10/1/85)
(Submit within 30 days from date of accomplishment)

TO: DIRECTOR, FBI

FROM: SAC, LOS ANGELES

SUBJECT:

CHARLES KEATING, Chairman;
ET AL;
ELECTION LAW VIOLATION;
OO: Los Angeles

Bureau File Number

56C LA-101615
Field Office File Number

0670
Squad or RA Number

[redacted]
Agent's Social Security No.

☐ X if a joint operation with:

(identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 10/9/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served 1

Criminal Summons ____

Local Crim. Summons ____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____ ; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions ____ No. of Subj.

Civil Suits	Government Defendant	Government Plaintiff
Amount of Suit	$	$
Settlement or Award	$	$ Enter AFA Payment Here

F. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects Acquitted ____ Dismissed ____

Subject 1 Subject Description Code* —
☐ Felony ☐ Misdemeanor ☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs	Mos	Suspended Yrs	Mos	Probation Yrs	Mos

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs.-8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* —
☐ Felony ☐ Misdemeanor ☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs	Mos	Suspended Yrs	Mos	Probation Yrs	Mos

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs.-8 yrs. susp. = 2 yrs. In-Jail.

Subject 3 Subject Description Code* —
☐ Felony ☐ Misdemeanor ☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs	Mos	Suspended Yrs	Mos	Probation Yrs	Mos

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs.-8 yrs. susp. = 2 yrs. In-Jail.

Subject 4 Subject Description Code* —
☐ Felony ☐ Misdemeanor ☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs	Mos	Suspended Yrs	Mos	Probation Yrs	Mos

Total Fines $
Add consecutive sentences together
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs.-8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than four subjects, and submit a final disposition for (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E or F above, provide name, DOB, race*, sex, POB and SSAN if available.)

On October 3, 1989, [redacted] was served a Federal Grand Jury Subpoena to appear before the Grandy Jury located in Los Angeles, California.

[redacted] is described as a white male, date of birth [redacted] social security account number [redacted]

GRAND JURY MATERIAL
DISSEMINATE ONLY PURSUANT
TO RULE 6 (e)., Fed. R. Crim. P.

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2 - Bureau
3 - Los Angeles (WCC-4/SARA)
(1 - 56C LA-101615)
(1 - ADMIN. STAT. FILE)
(1 - PERSONNEL FILE OF SA. [redacted]

2 - Bureau
2 - Field Office
* See codes on reverse si[redacted]

56C LA-101615-101

56C-LA-101615-103

SEARCHED
INDEXED [redacted]
SERIA[redacted]
FILED[redacted]

b6
b7C

U.S. Department of Justice

[redacted]

b6
b7C

Washington, D.C. 20530

The Honorable Gary A. Feess
United States Attorney
Central District of California
Los Angeles, California 90012

Attention: [redacted]
Assistant United States Attorney

Dear Mr. Feess:

Re: Charles Keating, Lincoln Savings and Loan Association, et al.; Election Laws

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This will refer to a Federal Bureau of Investigation (FBI) Letterhead Memorandum dated September 26, 1989, requesting that the captioned preliminary investigation be upgraded to full field status, and confirm the substance of our conversation on September 29, 1989, with Assistant United States Attorney (AUSA) [redacted] of your office.

In June 1989, we recommended that the FBI conduct a preliminary inquiry to determine the extent to which political contributions in large and ostensibly lawful amounts (i.e., $500 to $1,000) were reported to the Federal Election Commission (FEC) as having been made to federal campaigns by individuals with employment connections to either the Lincoln Savings and Loan Association (Lincoln), or its parent company American Continental Corporation (ACC).

This investigation has now been completed. It has revealed that between 1985 and 1988 in excess of 100 such individuals made federally related political donations at the upper end of the lawful contribution range. Accordingly, we concur with [redacted] that there is a realistic probability that a scheme existed within the management of Lincoln and ACC to illegally divert large amounts of corporate assets to federal candidates, and to conceal that activity from the FEC and the public by laundering the monies involved through ACC and Lincoln employees and their family members.

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[redacted]
Typed: 10/2/89
ACTS #8903578
Records
Election Chron.
[redacted]

As we advised you previously when we authorized the preliminary investigation of this matter, the Federal Election Campaign Act (FECA) prohibits the donation of the treasury assets of corporations and federally insured savings institutions to the campaigns of candidates seeking federal office (2 U.S.C. § 441b). The FECA also limits to $1,000 the amount which any one funding source may contribute to any given campaign in connection with any given election (2 U.S.C. § 441a), it requires that all federal campaign committees report to the FEC each and every contribution received that is in excess of $200 (2 U.S.C. § 434(b)). The FEC, in turn, is required by statute to make contributor information filed by federal campaign committees available to the public (2 U.S.C. § 438(a)(4)), and to initiate appropriate administrative enforcement proceedings to obtain compliance with the Act's contribution limits, source prohibitions and reporting requirements (2 U.S.C. §§ 437d(a), 437g(a)).

Violations of the Act are subject to administrative and civil enforcement penalties imposed by the FEC (2 U.S.C. § 437g(a)). Violations that are committed with aggravated criminal intent are subject to prosecution under the FECA's criminal penalty section, 2 U.S.C. § 437g(d). Importantly, schemes to make large and illegal political contributions to federal campaigns through means that are designed to conceal the illegal nature of the underlying transactions from the FEC can be prosecuted under general federal fraud statutes (i.e., 18 U.S.C. §§ 371, 1001) to the extent that one of the intended consequences of the contribution scheme is to interfere with, or obstruct, FEC's enforcement and public disclosure responsibilities. See, e.g., United States v. Hansen, 770 F.2d 540 (D.C. Cir. 1985 - opinion by Scalia, J.).

We concur with AUSA [redacted] that the facts of the Lincoln/ b6 b7C
ACC matter, as they are known to date, are sufficient to serve as the predicate for a full field investigation of this matter, to prove violations of the FECA, and of 18 U.S.C. §§ 371 and 1001 along the lines summarized above. For that reason, pursuant to 9 U.S.A.M. § 2.133(h), you are authorized to request the FBI to elevate this investigation to full field status.

The next step in an investigation such as this one normally would be to interview each of the identified suspected conduits to determine whether they were in fact reimbursed by any of the subjects for contributions attributed to them in the reports examined in the preliminary phase of this investigation. All "conduits" identified through these interviews should be asked to provide personal bank records and other pertinent financial records (e.g., deposit slips, checks, ledger entries, pay stubs, etc.) documenting the flow of the monies involved from the illegal funding source through their accounts to the recipient campaign committees.

It is the standard policy of the Criminal Division not to prosecute individuals whose only involvement in an illegal campaign financing scheme is that they permitted their names to be used by others to make illegal contributions -- provided, of course, that such individuals cooperate in the criminal investigation. Accordingly, you are authorized to make offers of non-prosecution to the suspected "conduits" whom the FBI is about to interview, as you see appropriate. However, particular care should be exercised not to compromise the independent jurisdiction which the FEC possesses to seek administrative and/or civil penalties from any person involved in this matter. The FECA gives the FEC sole and complete jurisdiction to impose such noncriminal sanctions (see 2 U.S.C. §§ 437d(a)(6), 437d(e) and 437g(a)), and criminal investigators cannot compromise the FEC's enforcement authority when making promises of non-prosecution to conduit-witnesses.

You are also authorized to issue such grand jury process, and to conduct such grand jury proceedings as you deem necessary and appropriate to the successful conclusion of this investigation. However, you should consult with this office prior to requesting a federal grand jury to return indictments charging offenses embracing any of the election crime theories of prosecution summarized above, as is required by 9 U.S.A.M. § 2.133(h).

Finally, we understand that the FBI's investigation to date has uncovered additional evidence that large infusions of Lincoln and ACC capital may have been made through employee-conduits to candidates running for elective office in California, Arizona and other States. We further understand that in some instances similar contribution patterns have been identified to political committees engaged in ostensibly "nonpartisan" registration and get-out-the-vote activities, which committees are believed to be affiliated informally with holders of federal elective office. Contributions to such recipients are not presently regulated by the FECA. The FECA is, rather, confined to contributions which are made "for the purpose of influencing," or "in connection with," the nomination or election of candidates actively seeking federal elective office. Contributions to fund "nonpartisan" activities, such as registration and get-out-the-vote campaigns, are not generally covered by the definition of the vital terms "contribution" and "expenditure" (see 2 U.S.C. §§ 431(9)(B)(ii), 441b(b)(2)(B)). Therefore, we would encourage the FBI to focus, at least initially, on those suspected illegal alienations of Lincoln and ACC capital that went directly to the campaigns of candidates for federal office for active electioneering purposes.

Please keep us advised on the progress of this investigation, and let us know how we can assist you further.

Sincerely,

[redacted] b6

Director, Election Crimes Branch b7C
Public Integrity Section
Criminal Division

0-9 (Rev. 8-18-79)

TRANSMIT VIA: AIRTEL

CLASSIFICATION:

DATE: 10/24/89

FROM: Director, FBI

TO: SAC, Los Angeles (56C-LA-101615) (WCC-4/SARA)

CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA; UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN (S & L); IRVINE, CALIFORNIA; ELECTION LAW MATTER; OO: LOS ANGELES

Reference Los Angeles airtel (FD-761) and LHM to Bureau dated 9/27/89, and telcals of SSA [redacted] FBIHQ, SSA [redacted] Santa Anna RA, and SSA [redacted] Phoenix Division, on 10/23/89. b6 b7C

Enclosed for the Los Angeles and Phoenix Divisions are two copies of a letterhead memorandum addressed to Gary A. Feess, Acting U.S. Attorney, Central District of California, Los Angeles, California, from the Public Integrity Section (PIS), Department of Justice (DOJ).

As indicated in the self-explanatory enclosed communication, the PIS, DOJ, has authorized the conduct of a full field investigation in captioned matter to corroborate evidence of violations of the Federal Election Campaign Act (FECA) and of Title 18, U.S. Code, Sections 371 and 1001. This authorization also includes the use of the grand jury to further investigate this matter.

Los Angeles should submit upon conclusion of this full field investigaton, a closing LHM to FBIHQ for dissemination to DOJ with the summary of facts developed and results of prosecution or other disposition.

Enclosures (2)

56C-LA-101615-104

~~WCC 4~~ SARA #3

[redacted] b6 b7C

[redacted]

FD-36 (Rev. 8-29-85)

FBI

TRANSMIT VIA:
- [x] Teletype
- [x] Facsimile
- [ ] ______

PRECEDENCE:
- [x] Immediate
- [ ] Priority
- [ ] Routine

CLASSIFICATION:
- [ ] TOP SECRET
- [ ] SECRET
- [ ] CONFIDENTIAL
- [ ] UNCLAS E F T O
- [x] UNCLAS

[redacted] Date 11/2/89

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FM FBI, LOS ANGELES (56C-LA-101615) (WCC-4/SARA) (P)

TO DIRECTOR FBI (IMMEDIATE) BNR - 11/3/89 9:55 PST. [redacted]

FBI PHOENIX (IMMEDIATE) 11/3/89 - 10:20

FBI WMFO (IMMEDIATE) 11/3/89 10:05

BT

UNCLAS

SUBJECT: CHARLES KEATING, JR.; CHAIRMAN; AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA; UNSUB; PRINCIPLES AND OFFICERS OF AMERICAN CONTINENTAL CORPORATION; UNSUB; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE, CALIFORNIA; ELECTION LAW VIOLATION; OO: LOS ANGELES. [redacted]

RE TELCALL BETWEEN SA [redacted] AND SUPERVISOR [redacted] ON 10/30/89; TELCALL SA [redacted] AND RELIEF SUPERVISOR [redacted] WMFO ON 11/2/89; LOS ANGELES AIRTEL TO THE DIRECTOR DATED 9/27/89.

FOR INFORMATION OF WMFO, THIS MATTER IS BEING INVESTIGATED IN CONJUNCTION WITH PHOENIX DIVISION AND IN CONJUNCTION WITH LA FILE 29A-LA-102009 ENTITLED DESERT GEM; MAJOR CASE NUMBER 24;

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ASAC [redacted]

1 - 29A-LA-102009

[redacted]

1 - 56C-LA-101615

56C-LA-101615-105

Approved: [redacted] Transmitted ______ (Number) (Time)

SEARCHED ______
INDEXED ______ [redacted]
SERIALIZED [redacted]
FILED ______

[redacted] c-4

BF&E; OO: LOS ANGELES. DESERT GEM PRIMARILY INVOLVES THE BANK FAILURE OF LINCOLN SAVINGS AND LOAN OF IRVINE, CALIFORNIA.

IN JUNE OF 1989, CAPTIONED INVESTIGATION WAS INITIATED AS A SPIN OFF FROM THE LINCOLN SAVINGS AND LOAN BANK FRAUD AND EMBEZZLEMENT CASE. ALLEGATIONS IN GENERAL ARE THAT CHARLES KEATING, JR., IS A HEAVY POLITICAL CONTRIBUTOR THROUGHOUT THE COUNTRY AND HAD REQUIRED VARIOUS EMPLOYEES FROM HIS SUBSIDIARIES TO MAKE POLITICAL CONTRIBUTIONS. ALLEGATIONS FURTHER STATED KEATING HAD REIMBURSED THOSE EMPLOYEES EITHER THROUGH DIRECT REIMBURSEMENT OR THROUGH SALARY BONUSES AND COMPENSATION. INVESTIGATION REGARDING THAT ASPECT OF THE CASE TO DATE HAS INCLUDED INTERVIEWS OF APPROXIMATELY 35 FORMER EMPLOYEES OF AMERICAN CONTINENTAL CORPORATION SUBSIDIARIES. IN ADDITION, DURING [redacted] GRAND JURY PROCEEDINGS b3
WILL TAKE PLACE WHEREBY [redacted] TESTIFY BEFORE THE GRAND JURY. IN ADDITION TO THE ABOVE, INVESTIGATION IS NOW FOCUSING DIRECTLY ON THE RELATIONSHIP BETWEEN CHARLES KEATING, JR., AND FIVE UNITED STATES SENATORS WHO APPEARED TO HAVE LOBBIED ON BEHALF OF LINCOLN SAVINGS AND LOAN IN EARLY 1987. AS MENTIONED IN VARIOUS NEWS ARTICLES, THE FIVE SENATORS PERSONALLY MET WITH OFFICIALS OF THE FEDERAL HOME LOAN BANK BOARD. ALTHOUGH AT THIS TIME THE EXACT DETAILS AND PURPOSE OF THE MEETINGS ARE UNKNOWN, IT APPEARS THE SENATORS WERE VOICING VARIOUS COMPLAINTS REGARDING THE INVESTIGATION OF LINCOLN SAVINGS

AND LOAN BY THE FEDERAL HOME LOAN BANK BOARD IN SAN FRANCISCO. IT APPEARS THAT IN THESE MEETINGS THE SENATORS WERE DIRECTLY REPRESENTING LINCOLN SAVINGS AND LOAN AND ADVISING THE BANK BOARD AS TO VARIOUS CONCESSIONS LINCOLN SAVINGS AND LOAN WOULD MAKE IF THE BANK BOARD AND ITS EXAMINERS WOULD CHANGE THEIR PROCEDURES AND/OR EXAMINATION.

THIS MATTER HAS BEEN DISCUSSED IN DETAIL WITH FBI SUPERVISORS [redacted] AND [redacted] IN ADDITION, THIS MATTER HAS BEEN DISCUSSED IN DETAIL WITH [redacted] FROM THE PUBLIC INTEGRITY SECTION OF THE DEPARTMENT OF JUSTICE IN WASHINGTON D.C. THOSE INDIVIDUALS AND THE ASSISTANT UNITED STATES ATTORNEYS IN PHOENIX AND IN LOS ANGELES ALL AGREE IT IS ABSOLUTELY NECESSARY TO CONTACT [redacted] IN ADDITION AT THE PRESENT TIME, A UNITED STATES HOUSE OF REPRESENTATIVES BANKING COMMITTEE IS MEETING TO DETERMINE DETAILS AND INFORMATION REGARDING THE FAILURE OF LINCOLN SAVINGS AND LOAN. THEY HAVE SUBPOENAED TO TESTIFY VARIOUS INDIVIDUALS CONTACTED WITH LINCOLN AND THE FEDERAL HOME LOAN BANK BOARD INCLUDING [redacted] IN ADDITION, THE SENATE ETHIC'S COMMITTEE HAS ASKED UNITED STATES SENATOR ALAN CRANSTON AND THE OTHER FOUR SENATORS TO DEFEND THE ACTIONS THEY TOOK IN 1987 ON BEHALF OF LINCOLN SAVINGS AND LOAN.

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CONTACT HAS BEEN MADE WITH [redacted] WHO HAS AGREED TO BE INTERVIEWED BY REPRESENTATIVES FROM THE FBI LOS ANGELES AND PHOENIX ON MONDAY, 11/6/89, IN WASHINGTON D.C. [redacted] IS SCHEDULED

TO TESTIFY BEFORE THE HOUSE OF REPRESENTATIVES BANKING COMMITTEE ON 11/7/89. [redacted] WILL BE INTERVIEWED REGARDING THE CIRCUMSTANCES SURROUNDING ANY AND ALL MEETINGS HE HAD WITH THE FIVE U.S. SENATORS IN CONNECTION WITH LINCOLN SAVINGS AND LOAN. HE WILL BE SPECIFICALLY ASKED AS TO APPROACHES WHICH WERE MADE REGARDING THE ALTERING OF ANY EXAMINATION. IN ADDITION [redacted] WILL BE ASKED TO b6 b7C
IDENTIFY ANY OTHER EXAMINERS OR REGULATORS WHO MAY HAVE KNOWLEDGE OR WERE IN ATTENDANCE AT THE MEETINGS WITH THE FIVE SENATORS. [redacted] IS FULLY COOPERATING WITH THIS INVESTIGATION AND IS PROVIDING COPIES OF CORRESPONDENCE BETWEEN HE AND SENATORS CRANSTON, RIEGAL AND MCCAINE TO THE SANTA ANA RESIDENT AGENCY. IN ADDITION TO BEING INTERVIEWED REGARDING THE MEETINGS AND CIRCUMSTANCES SURROUNDING CONTACT WITH THE FIVE U.S. SENATORS, [redacted] WILL ALSO BE INTERVIEWED REGARDING HIS KNOWLEDGE OF THE EXAMINATION ITSELF AND IRREGULARITIES WHICH MAY HAVE TAKEN PLACE BY LINCOLN SAVINGS AND LOAN.

BASED ON NEWS ACCOUNTS OF STATEMENTS MADE BY [redacted] AND THE b6 b7C
CIRCUMSTANCES KNOWN TO DATE REGARDING THE MEETINGS WHICH TOOK PLACE BETWEEN [redacted] AND THE SENATORS, IT IS ANTICIPATED THE [redacted] INTERVIEW WILL GENERATE ENOUGH PROBABLE CAUSE AND PREDICATION TO INITIATE A PRELIMINARY INQUIRY TO A FEDERAL BRIBERY CASE.

IN VIEW OF THE ABOVE, ON 11/5/89, SA [redacted] AND SA [redacted] FROM THE SANTA ANA RESIDENT AGENCY ALONG WITH [redacted] FROM THE PHOENIX DIVISION WILL TRAVEL TO WASHINGTON D.C. IN PREPARATION OF THE [redacted] INTERVIEW. ON 11/6/89, [redacted]

[redacted] WILL BE INTERVIEWED IN WASHINGTON D.C. ON 11/7/89, THE ABOVE SPECIAL AGENTS WILL BE PRESENT AT THE HEARINGS OF THE BANKING COMMITTEE AT WHICH TIME IT IS ANTICIPATED [redacted] WILL TESTIFY ALONG WITH CHARLES KEATING, JR.

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SAC'S LOS ANGELES, PHOENIX, AND WMFO CONCUR WITH TRAVEL.

BT

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/5/89

[redacted] date of birth [redacted] b3
[redacted] b6
was contacted at her residence for the purpose of an interview. b7C
[redacted] decided that he and [redacted] should seek advice of counsel prior to allowing an interview. [redacted] concurred with [redacted] decision and declined to be interviewed at that time.

[redacted] was served with a subpoena [redacted] and a subpoena [redacted] the Grand Jury, Central District of California, on [redacted].

Investigation on 10/3/89 at Scottsdale, Arizona File # 56C-LA-101615-106 b6

by SA SA [redacted] b7C

Date dictated 10/4/89

56C-LA-[redacted] b6
b7C

SEARCHED [redacted] INDEXED
SERIALIZED FILED [redacted]

DEC 12 1989

FBI — LOS ANGELES [redacted]

56C-LA-101615-107

SEARCHED [redacted] INDEXE[redacted]
SERIALIZED [redacted] FILED [redacted]

DEC 12 1989
FBI — LOS ANGEL[redacted]

b6
b7C

56C LA 101615-108

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED FILED
WC
DEC 11 1989
FBI — LOS ANGEL [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

LJM/DFB

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615
Field Office File Number: 3630-0004
Squad or RA Number: [redacted]
Agent's Social Security No.

☐ X if a joint operation with: (identity of other agency)
☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used
Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____; Armed ____

Subpoenas Served: 1
Criminal Summons: ____
Local Crim. Summons: ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions ____ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects ____ Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, ... DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California. b3 b6 b7C

2 - Bureau
2 - Field Office
1-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
[redacted]

56C LA 101615-109

b6
b7C

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED FILED

WCCY

DEC 11 1989

FBI — LOS ANGEL[redacted]

FD-515 (Rev.9-20-89)

Accomplishment Report

(Effective 10/1//89)

(Submit within 30 days from date of accomplishment)

TO: Director, FBI

Date 11/8/89

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING,
CHAIRMAN, AMERICAN
CONTINENTAL
CORPORATION, PHOENIX,
ARIZONA;
UNSUBS; PRINCIPLES
AND OFFICERS OF LINCOLN
SAVINGS AND LOAN, IRVINE
CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: [blank]

56C-LA-101615 — Field Office File Number

3630-0004 — Squad or RA Number

[redacted] — Agent's Social Security No.

☐ X if a joint operation with: ______ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

b6
b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help; 2 = Helped, but only minimally; 3 = Helped, substantially; 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ______; Armed ______

Subpoenas Served 2

Criminal Summons ______

Local Crim. Summons ______

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______

, Missing or Kidnaped Children Located ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions ______ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures: Judicial	Forfeitures: Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ______ Months ______ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ______ Months ______ ☐ Permanent

H. Final Judicial Process: Judicial District ______ District ______ State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects: Acquitted ______ Dismissed ______

Subject 1 — Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, F, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/5/89, [redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1-Los Angeles (Info)

2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes [redacted]

FBI/DOJ

SLC LA 101615-110

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED

WC [redacted]

DEC 11 198 [redacted]

FBI — LOS ANGELES

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix LJM/DPB

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615

Field Office File Number: 3630-0004

Squad or RA Number: [redacted]

Agent's Social Security No.

☐ X if a joint operation with: (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served 1

Criminal Summons

Local Crim. Summons

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/4/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California. b3 b6 b7C

1 - Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

2 - Bureau
2 - Field Office
* See codes on reverse side

(6 [redacted]

FBI/DOJ

56C LA 101615-111

SEARCHED ___ [redacted] INDEXED ___ [redacted]
SERIALIZED ___ FILED ___

WCC4

DEC 11 198 [redacted]

FBI — LOS ANGELES

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number

56C-LA-101615
Field Office File Number

3630-0004
Squad or RA Number

[redacted]
Agent's Social Security No.

☐ X if a joint operation with:

(identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served 1
Criminal Summons ____
Local Crim. Summons ____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions	Civil Suits	Government Defendant	Government Plaintiff
	Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures: Judicial	Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -

☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 Subject Description Code* -

☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 Subject Description Code* -

☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* -

☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1 - Los Angeles (Info)
2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes on reverse side.

(6) [redacted]

FBI/DOJ

56C LA 101615-712

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED

WCC [redacted]

DEC 11 1989

FBI — LOS ANGE [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615

Field Office File Number: 3630-0004

Squad or RA Number: [redacted]

Agent's Social Security No.

☐ X if a joint operation with: ______ (Identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served 1
Criminal Summons ____
Local Crim. Summons ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions	Civil Suits	Government Defendant	Government Plaintiff
	Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures: Judicial	Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/5/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

2 - Bureau
2 - Field Office
* See codes on reverse side.
[redacted]
(6)

FBI/DOJ

56C LA 101615-113

b6
b7C

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED FILED
INCCY
DEC 11 1989 [redacted]
FBI — LOS ANGELES

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1/89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

Bureau File Number: 56C-LA-101615
Field Office File Number: 3630-0004
Squad or RA Number: [redacted]
Agent's Social Security No.

☐ X if a joint operation with: (identity of other agency)
☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Investigative Assistance or Technique Used
Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest. Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ______ ; Armed ______

Subpoenas Served 1
Criminal Summons
Local Crim. Summons

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)
Hostages Held By Terrorists ______; All Other Hostage Situations ______
Missing or Kidnaped Children Located ______

E. Civil Matters

RICO - Civil Convictions	Civil Suits	Government Defendant	Government Plaintiff
	Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions
Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent
Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

H. Final Judicial Process: Judicial District ______ District ______ State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects ______ Acquitted ______ Dismissed ______

Subject 1 — Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	In-Jail Mos.	Suspended Yrs.	Suspended Mos.	Probation Yrs.	Probation Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	In-Jail Mos.	Suspended Yrs.	Suspended Mos.	Probation Yrs.	Probation Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/4/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California. b3 b6 b7C

2 - Bureau
2 - Field Office
* See codes on [redacted]

1 - Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
[redacted]
(6) [redacted]

FBI/DOJ

56C LA 101615 - 104

SEARCHED ___ [redacted] INDEXED ___ [redacted]
SERIALIZED ___ FILED ___
WCC [redacted]
DEC 11 1989
FBI — LOS ANGELES
[redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA:
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615

Field Office File Number: 3630-0004

Squad or RA Number: [redacted]

Agent's Social Security No.

☐ X if a joint operation with: (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

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b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served: 1
Criminal Summons: ____
Local Crim. Summons: ____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____ ; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions ____ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures: Judicial	Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects ____ Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
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b7C

1-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

2 - Bureau
2 - Field Office
* See codes on [redacted]
(6)

FBI/DOJ

56C LA 161615-115

SEARCHED ___ [redacted] INDEXED ___ [redacted]
SERIALIZED ___ FILED ___

INCC4

DEC 11 198[redacted]

FBI — LOS ANG...

[redacted]

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FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

LJm/bFB

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA; UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA; ELECTION LAW VIOLATION; OO: LA

Bureau File Number: [redacted]

56C-LA-101615
Field Office File Number

3630-0004
Squad or RA Number

[redacted]
Agent's Social Security No.

☐ X if a joint operation with: ______ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help; 2 = Helped, but only minimally; 3 = Helped, substantially; 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

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b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C		
FBI Arrests -				Subpoenas Served	2
FBI Locates -				Criminal Summons	
Local Arrests -				Local Crim. Summons	

FBI Subj. Resisted ____ ; Armed ____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, F, G or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89 [redacted] (description attached) was served with two subpoenas; [redacted] and one [redacted] the Federal Grand Jury of the Central District of California.

b3
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b7C

1-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

2 - Bureau
2 - Field Office
* See codes on [redacted]

(6)

FBI/DOJ

56C LA 101615-116

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED

WC [redacted]

DEC 11 1989

FBI — LOS ANGEL [redacted]

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b7C

FD-515 (Rev.9-20-89)

Accomplishment Report

(Effective 10/1//89)

(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:

CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA; UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA; ELECTION LAW VIOLATION; OO: LA

Bureau File Number

56C-LA-101615

Field Office File Number

3630-0004

Squad or RA Number

[redacted]

Agent's Social Security No.

☐ X if a joint operation with:

(identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

1 = Used, but did not help 3 = Helped, substantially

2 = Helped, but only minimally 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

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b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____; Armed ____

Subpoenas Served 1

Criminal Summons ____

Local Crim. Summons ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

, Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -

☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 Subject Description Code* -

☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects Acquitted ____ Dismissed ____

Subject 1 Subject Description Code* -

☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation

☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* -

☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation

☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/4/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

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1-Los Angeles (Info)

2 - Bureau

2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

* Se[redacted]

FBI/DOJ

ELCLA 1D161-117

SEARCHED [redacted]
SERIALIZED [redacted]
WCC
DEC 11 1989
FBI — LOS ANGELES [redacted]

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FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING,
CHAIRMAN, AMERICAN
CONTINENTAL
CORPORATION, PHOENIX,
ARIZONA;
UNSUBS; PRINCIPLES
AND OFFICERS OF LINCOLN
SAVINGS AND LOAN, IRVINE
CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615

Field Office File Number: 3630-0004

[redacted]

Agent's Social Security No.

☐ X if a joint operation with: ______ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
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7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

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b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

Subject Priority*	A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ______; Armed ______

Subpoenas Served 2
Criminal Summons ______
Local Crim. Summons ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______

Missing or Kidnaped Children Located ______

E. Civil Matters

RICO - Civil Convictions ______ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ______ Months ______ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ______ Months ______ ☐ Permanent

H. Final Judicial Process: Judicial District ______ District ______ State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects ______ Acquitted ______ Dismissed ______

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	In-Jail Mos.	Suspended Yrs.	Suspended Mos.	Probation Yrs.	Probation Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	In-Jail Mos.	Suspended Yrs.	Suspended Mos.	Probation Yrs.	Probation Mos.

Total Fines $
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Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached) was served with two subpoenas; one [redacted] one [redacted] the Federal Grand Jury of the Central District of California.

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(1)-Los Angeles (Info)
2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes o [redacted]

(6)

FBI/DOJ

56C LA 161615-148

SERIALIZED [redacted]
W [redacted]

DEC 11 1989

FBI — LOS ANGEL [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING,
CHAIRMAN, AMERICAN
CONTINENTAL
CORPORATION, PHOENIX,
ARIZONA;
UNSUBS; PRINCIPLES
AND OFFICERS OF LINCOLN
SAVINGS AND LOAN, IRVINE
CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number:

Field Office File Number: 56C-LA-101615

Squad or RA Number: 3630-0004

Agent's Social Security No.: [redacted]

☐ X if a joint operation with: ________ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

b6
b7C

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2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
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7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served 1

Criminal Summons ____

Local Crim. Summons ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____ ; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions ____ No. of Subj.

Civil Suits	Government Defendant	Government Plaintiff
Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures: Judicial	Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
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On 10/3/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
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b7C

1-Los Angeles (Info)
2 - Bureau
2 - Field Office
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See cod[redacted]
(6[redacted]

FBI/DOJ

56C LA 101615-119

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED

WC

DEC 11 1989

FBI — LOS ANGE [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA:
ELECTION LAW VIOLATION; OO: LA

Bureau File Number:

56C-LA-101615
Field Office File Number

3630-0004
Squad or RA Number

[redacted]
Agent's Social Security No.

☐ X if a joint operation with: (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ______; Armed ______

Subpoenas Served 2
Criminal Summons ______
Local Crim. Summons ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______

Missing or Kidnaped Children Located ______

E. Civil Matters

RICO - Civil Convictions ______ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

H. Final Judicial Process: Judicial District ______ District State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects Acquitted ______ Dismissed ______

Subject 1 Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached) was served with [redacted] one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California. b3 b6 b7C

2 - Bureau (1-Los Angeles (Info)
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes on reverse side
[redacted]
(b)

FBI/DOJ

56 LA 10165-189

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED FILED
INCC
DEC 11 1989
[illegible] [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

Bureau File Number

56C-LA-101615
Field Office File Number

3630-0004
Squad or RA Number

[redacted]
Agent's Social Security No.

☐ X if a joint operation with:

(Identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

b6
b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C		
FBI Arrests -				Subpoenas Served	1
FBI Locates -				Criminal Summons	
Local Arrests -				Local Crim. Summons	

FBI Subj. Resisted ______ ; Armed ______

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______

Missing or Kidnaped Children Located ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

Subject 2 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

H. Final Judicial Process: Judicial District ______ District | State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects ______ Acquitted ______ Dismissed

Subject 1 Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections [redacted] e name, DOB, race*, sex, and if available POB and SSAN.

On 10/4/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1-Los Angeles (Info)

2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes [redacted]

(6) [redacted]

FBI/DOJ

56C LA 101615-120

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]
Wed
DEC 11 1989
FBI — LOS ANGELES [redacted]

b6
b7C

FD-515 (Rev.9-20-89)

Accomplishment Report

(Effective 10/1//89)

(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number

56C-LA-101615

Field Office File Number

3630-0004

Squad or RA Number

Agent's Social Security No.

☐ X if a joint operation with: ______ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ______ ; Armed ______

Subpoenas Served 1

Criminal Summons ______

Local Crim. Summons ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______ ; All Other Hostage Situations ______

Missing or Kidnaped Children Located ______

E. Civil Matters

RICO - Civil Convictions ______ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ______ Months ______ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ______ Months ______ ☐ Permanent

H. Final Judicial Process: Judicial District ______ District ______ State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects: Acquitted ______ Dismissed ______

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections [redacted] e, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

2 - Bureau
2 - Field Office (1 - Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes o[redacted]

56C LA 101115-12

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]

W/C [redacted]

DEC 11 1989

FBI — LOS ANGEL[redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number

56C-LA-101615
Field Office File Number

3630-0004
Squad or RA Number

[redacted]
Agent's Social Security No.

☐ X if a joint operation with:
(identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

b6
b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____; Armed ____

Subpoenas Served 1
Criminal Summons ____
Local Crim. Summons ____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____
Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District: District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
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b7C

1-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

2 - Bureau
2 - Field Office
* See codes on reverse side

(6) [redacted]

FBI/DOJ

56C LA 101615-182

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b7C

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED FILED

WCC9
DEC 11 1989

FBI — LOS ANGELES [redacted]

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

Bureau File Number

FROM: SAC, Phoenix

56C-LA-101615
Field Office File Number

3630-0004
Squad or RA Number

[redacted]
Agent's Social Security No.

☐ X if a joint operation with: (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help; 2 = Helped, but only minimally; 3 = Helped, substantially; 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served 1
Criminal Summons ____
Local Crim. Summons ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District: District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/4/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

2 - Bureau
2 - Field Office
* See codes on reverse side
[redacted]
(6)

FBI/DOJ

56C. LA 101615-123

SEARCHED [redacted] INDEXED
SERIALIZED [redacted] FILED [redacted]
WCC
DEC 11 1989
FBI — LOS ANGE [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615
Field Office File Number: 3630-0004
Squad or RA Number:
Agent's Social Security No.: [redacted]
☐ X if a joint operation with: ______ (identity of other agency)
☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

b6
b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C		
FBI Arrests -				Subpoenas Served	1
FBI Locates -				Criminal Summons	
Local Arrests -				Local Crim. Summons	

FBI Subj. Resisted ______ ; Armed ______

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)
Hostages Held By Terrorists ______ ; All Other Hostage Situations ______
Missing or Kidnaped Children Located ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
No. of Subj.	Civil Suits Amount of Suit	$	$
	Settlement or Award	$	$ Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ______ Months ______ ☐ Permanent

Subject 2 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ______ Months ______ ☐ Permanent

H. Final Judicial Process: Judicial District: District ______ State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects Acquitted ______ Dismissed ______

Subject 1 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion
Conviction: Title / Section / Counts
Combined Sentence: In-Jail Yrs. Mos. / Suspended Yrs. Mos. / Probation Yrs. Mos.
Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion
Conviction: Title / Section / Counts
Combined Sentence: In-Jail Yrs. Mos. / Suspended Yrs. Mos. / Probation Yrs. Mos.
Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported [redacted] DOB, race*, sex, and if available POB and SSAN.

On 10/6/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

2 - Bureau
2 - Field Office
(1)-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* S[redacted]ide.

FBI/DOJ

56C LA 101615-124

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED FILED
WCC
DEC 11 1989
FBI — LOS ANGELES [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number:

Field Office File Number: 56C-LA-101615

Squad or RA Number: 3630-0004

Agent's Social Security No.: [redacted]

☐ X if a joint operation with: (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 2 = Helped, but only minimally 3 = Helped, substantially 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

Subpoenas Served 1
Criminal Summons
Local Crim. Summons
FBI Subj. Resisted ____; Armed ____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____
Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

H. Final Judicial Process: Judicial District: District ___ State ___ Conviction or Pretrial Div. Date ___ Sentence Date ___ No. of Subjects: Acquitted ___ Dismissed ___

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89 [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

2 - Bureau
2 - Field Office (1)-Los Angeles (Info) (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes on reverse side

[redacted]

FBI/DOJ

56C LA 101615-125

b6
b7C

FD-515 (Rev.9-20-89)

Accomplishment Report

(Effective 10/1//89)

(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number

56C-LA-101615

Field Office File Number

3630-0004

Squad or RA Number

[redacted]

Agent's Social Security No.

☐ X if a joint operation with: (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

b6
b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served 2

Criminal Summons

Local Crim. Summons

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code *	Seizures	Forfeitures: Judicial	Forfeitures: Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District: District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1-Los Angeles (Info)

2 - Bureau

2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

* See codes on reverse side

[redacted]

56C-LA-101615-126

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED FILED

2 1989

FBI — LOS ANGELES [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

Date 11/8/89

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE, CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615
Field Office File Number: 3630-0004
Squad or RA Number: [redacted]
Agent's Social Security No.

☐ X if a joint operation with: (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

b6
b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help; 2 = Helped, but only minimally; 3 = Helped, substantially; 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____; Armed ____

Subpoenas Served: 2
Criminal Summons: ____
Local Crim. Summons: ____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____
Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures: Judicial	Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process:

Judicial District: District ____ State ____; Conviction or Pretrial Div. Date ____; Sentence Date ____; No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, etc. provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/6/89, [redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

(1)-Los Angeles (Info)
2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes on [redacted]

FBI/DOJ

56C LA 101615-127

SEARCHED ____ [redacted] INDEXED ____ [redacted]
SERIALIZED ____ FILED ____
WCC
DEC 11 1989
FBI — LOS ANGELES [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING,
CHAIRMAN, AMERICAN
CONTINENTAL
CORPORATION, PHOENIX,
ARIZONA;
UNSUBS; PRINCIPLES
AND OFFICERS OF LINCOLN
SAVINGS AND LOAN, IRVINE
CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615

Field Office File Number: 3630-0004

Squad or RA Number

[redacted]

Agent's Social Security No.

☐ X if a joint operation with: ______ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____; Armed ____

Subpoenas Served 2

Criminal Summons ____

Local Crim. Summons ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions ____ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures: Judicial	Forfeitures: Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects ____ Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/10/89, [redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California. b3 b6 b7C

(1) Los Angeles (Info)
2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
[redacted]
(6)

56C LA 101615-128

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1/89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

Bureau File Number: [redacted]

Date 11/8/89

FROM: SAC, Phoenix

Field Office File Number: 56C-LA-101615

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Squad or RA Number: 3630-0004

Agent's Social Security No.: [redacted]

☐ X if a joint operation with: ____ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 2 = Helped, but only minimally 3 = Helped, substantially 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____; Armed ____

Subpoenas Served 1
Criminal Summons ____
Local Crim. Summons ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____
Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions ____ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1-Los Angeles (Info)
2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes on reverse side

[redacted]

56C LA 161615-129

b6
b7C

SEARCHED ___ [redacted] INDEXED ___ [redacted]
SERIALIZED ___ FILED ___
WC

DEC 11 1989

FBI — LOS ANGELE [redacted]

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

[redacted]
Bureau File Number
56C-LA-101615
Field Office File Number
3630-0004
Squad or RA Number
[redacted]
Agent's Social Security No.

☐ X if a joint operation with: ______ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C		
FBI Arrests -				Subpoenas Served	1
FBI Locates -				Criminal Summons	
Local Arrests -				Local Crim. Summons	

FBI Subj. Resisted ______; Armed ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______

Missing or Kidnaped Children Located ______

E. Civil Matters

RICO - Civil Convictions	Civil Suits	Government Defendant	Government Plaintiff
	Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures: Judicial	Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

H. Final Judicial Process: Judicial District ______ District ______ State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects: Acquitted ______ Dismissed ______

Subject 1 — Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	Combined Sentence: In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/6/89 [redacted] (description attached), was served with a subpoena [redacted] for the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1-Los Angeles (Info) [redacted]
2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

[redacted]

FBI/DOJ

56C LA 101615-130

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED
DEC 11 1989
FBI — LOS AN[redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

LJM/DEB
FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number

56C-LA-101615
Field Office File Number

3630-0004
Squad or RA Number

[redacted]
Agent's Social Security No.

☐ X if a joint operation with:

(identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____; Armed ____

Subpoenas Served 1
Criminal Summons ____
Local Crim. Summons ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions ____ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects ____ Acquitted ____ Dismissed

Subject 1 Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

2 - Bureau
2 - Field Office
* See codes on reverse side

[redacted]

FBI/DOJ

56CLA 101615-131

SEARCHED ___ [redacted] INDEXED [redacted]
SERIALIZED ___ FILED

DEC 11 1989

FBI — LOS ANGEL [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1/89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615
Field Office File Number: 3630-0004
Squad or RA Number: [redacted]
Agent's Social Security No.

☐ X if a joint operation with: (identity of other agency)
☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 2 = Helped, but only minimally 3 = Helped, substantially 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest. Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests			
FBI Locates			
Local Arrests			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served: 2
Criminal Summons: ____
Local Crim. Summons: ____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____ ; All Other Hostage Situations ____
Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District (District / State) — Conviction or Pretrial Div. Date — Sentence Date — No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.
[redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1 - Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
2 - Bureau
2 - Field Office
[redacted]
(6)

FBI/DOJ

56C LA 101615-132

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

Date 11/8/89

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number	
Field Office File Number	56C-LA-101615
Squad or RA Number	3630-0004
Agent's Social Security No.	[redacted]

☐ X if a joint operation with: ______ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

b6
b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

Subject Priority*	A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ______ ; Armed ______

Subpoenas Served 1
Criminal Summons ______
Local Crim. Summons ______

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______
Missing or Kidnaped Children Located ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions	Civil Suits	Government Defendant	Government Plaintiff
	Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

H. Final Judicial Process: Judicial District ______ District ______ State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects: Acquitted ______ Dismissed ______

Subject 1 — Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	In-Jail Mos.	Suspended Yrs.	Suspended Mos.	Probation Yrs.	Probation Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	In-Jail Mos.	Suspended Yrs.	Suspended Mos.	Probation Yrs.	Probation Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

[redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

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2 - Bureau
2 - Field Office
1-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes ...

[redacted]

56C LA 101615-133

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix KAM/DEB

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE, CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615
Field Office File Number: 3630-0004
Squad or RA Number
[redacted]
Agent's Social Security No.

☐ X if a joint operation with:
(identity of other agency)
☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used
Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served 1
Criminal Summons
Local Crim. Summons

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)
Hostages Held By Terrorists ____ ; All Other Hostage Situations ____
Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions
Subject 1 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years Months ☐ Permanent
Subject 2 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years Months ☐ Permanent

H. Final Judicial Process: Judicial District: District State — Conviction or Pretrial Div. Date — Sentence Date — No. of Subjects: Acquitted Dismissed

Subject 1 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion
Conviction: Title, Section, Counts
Combined Sentence: In-Jail Yrs. Mos.; Suspended Yrs. Mos.; Probation Yrs. Mos.
Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion
Conviction: Title, Section, Counts
Combined Sentence: In-Jail Yrs. Mos.; Suspended Yrs. Mos.; Probation Yrs. Mos.
Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G ... DOB, race*, sex, and if available POB and SSAN.

On 10/4/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California. b3 b6 b7C

2 - Bureau
2 - Field Office
1-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
[redacted] side.

FBI/DOJ

56C LA 101615-134

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED FILED
WCG
DEC 11 1989
FBI — LOS ANGELES [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number:
56C-LA-101615
Field Office File Number
3630-0004
Squad or RA Number
[redacted]
Agent's Social Security No.

☐ X if a joint operation with: ______ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

b6
b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ______ ; Armed ______

Subpoenas Served 1
Criminal Summons ______
Local Crim. Summons ______

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______

Missing or Kidnaped Children Located ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions ______ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

H. Final Judicial Process: Judicial District ______ District ______ State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects ______ Acquitted ______ Dismissed ______

Subject 1 — Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	In-Jail Mos.	Suspended Yrs.	Suspended Mos.	Probation Yrs.	Probation Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	In-Jail Mos.	Suspended Yrs.	Suspended Mos.	Probation Yrs.	Probation Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

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On 10/3/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
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b7C

1-Los Angeles (Info)
2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes on reverse side

(6) [redacted]

FBI/DOJ

56C LA 101615-135

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED FILED

WCC4

DEC 11 1989

FBI — LOS ANGEL [redacted]

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b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA:
ELECTION LAW VIOLATION; OO: LA

Bureau File Number:
Field Office File Number: 56C-LA-101615
Squad or RA Number: 3630-0004
Agent's Social Security No.: [redacted]

☐ X if a joint operation with: (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help; 2 = Helped, but only minimally; 3 = Helped, substantially; 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
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6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served 2
Criminal Summons ____
Local Crim. Summons ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____ ; All Other Hostage Situations ____
Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions ____ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District: District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

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☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

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On 10/3/89, [redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California.

b3
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b7C

2 - Bureau (1)-Los Angeles (Info)
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted])
* See codes on reverse side
(6) [redacted]

FBI/DOJ

56C LA 101615-136

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED
WC
DEC 11 1989
FBI — LOS ANGELES [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

Bureau File Number: [redacted]
56C-LA-101615
Field Office File Number
3630-0004
Squad or RA Number
[redacted]
Agent's Social Security No.

☐ X if a joint operation with: ________ (Identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

FROM: SAC, Phoenix

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UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

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1 = Used, but did not help; 2 = Helped, but only minimally; 3 = Helped, substantially; 4 = Absolutely essential

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2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served 2
Criminal Summons ____
Local Crim. Summons ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions ____ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code*-
☐ Felony ☐ Misde-meanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misde-meanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
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b3
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(1)-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

2 - Bureau
2 - Field Office
* See codes o[redacted]

56C-LA-101615-137

2 - Addressee
2 - Los Angeles (56C-LA-101615)
(WCC-4/SARA) (P)
[redacted]
(4 [redacted]

SEARCHED
INDEXED [redacted]
SERIA[redacted]
FILED[redacted]

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b7C

[redacted]

2 - Addressee
2 - Los Angeles (56C-LA-101615)
(WCC-4/SARA) (P)
[redacted]

56C-LA-101615-137

SEARCHED
INDEXED [redacted]
SERIALIZED [redacted]
FILED [redacted]
[redacted]

b6
b7C

U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

Los Angeles, California

November 13, 1989

Gary A. Feess
United States Attorney
1200 United States Courthouse
312 North Spring Street,
Los Angeles, California 90012

Attention: Assistant United States Attorney
[redacted]

b6
b7C

RE: CHARLES H. KEATING, JR.;
ELECTION LAW VIOLATION

Dear Mr. Feess

[redacted] This letter confirms a conversation among AUSA [redacted] and Special Agents (SA) [redacted] on October 26, 1989, and a telephone conversation between AUSA [redacted] and SA [redacted] on October 27,1989, in which the following was discussed:

The Center for Participation and Democracy (CPD), Los Angeles, California, was organized in July 1987, as a California Non-Profit Corporation, with the stated purpose of, "increasing the participation of citizens in the democratic process, including qualification of individuals for citizenship and non-partisan voter registration." CPD applied for and obtained tax exempt status from the Internal Revenue Service. According to CPD's report filed with the California Attorney General for its fiscal year ending May 31, 1988, CPD received contributions totaling $1,316,914, including $400,000 from the American Continental Corporation. The report shows that CPD expended in its first fiscal year $570,649, for "non partisan voter registration among low-income, immigrant and minority communities," $320,454, for "citizenship education among low-income, immigrant and minority communities" and $301,088, for management and fund raising.

United States Senator Alan Cranston has publicly acknowledged that he solicited the $400,000 donation for CPD from American Continental Corporation President Charles H. Keating, Jr. CPD was formed by [redacted] and [redacted] b6
[redacted] was the initial [redacted] Cranston has also publicly acknowledge soliciting from Keating a $325,000 contribution to the Forum Institute and $125,000 to USA Votes. According to news reports, Forum Institute and USA Votes are b7C

56C-LA-101615

based in Washington, D.C., and were operated by [redacted] a prominent Democratic fund raiser. It has also been reported that Senator Cranston's annual public financial disclosure reports reveal that Cranston was reimbursed for 16 trips totaling at least $7,500 by CPD and New Dimension Resources, a group reportedly affiliated with USA Votes. b6 b7C

In an newspaper article article appearing in the San Francisco Chronicle on August 11, 1989, several former CPD employees were reported to have stated that CPD actually was devoted to registering Democrats, and did not operate in a "non-partisan" fashion. Paid CPD staff members were allegedly evaluated on the basis of how many Democrats they registered each day. Consequently, some CPD employees reportedly registered people as Democrats without telling them, or pressured people to register as Democrats.

AUSA [redacted] stated that if CPD was operated in a partisan manner, then CPD expenditures would be considered "expenditures" under Title 2, USC Section 431(9). This would make CPD a "political committee" as defined in Title 2 USC Section 431(4), which would have subjected CPD to the Federal Election Commission reporting requirements (Title 2, USC Section 434), and limitations on contributions (Title 2, USC Section 441a, and Section 441b. Willful violations of these provisions are misdemeanors under Title 2, USC Section 437g(d). AUSA [redacted] advised that, if it could be proven that CPD functioned as a "political committee", he would prosecute the responsible CPD officers for criminal violations of the Federal Election Campaign Laws. b6 b7C

Sincerely yours,

LAWRENCE G. LAWLER

By [redacted]
Senior Supervisory Resident Agent b6 b7C

Mount Clipping in Space Below

The Washington Post

[redacted] Santa Ana, California

b6
b7C

Date 11/13/89
Edition

Title Mr. Keating's Senators

Character: 56C-LA-101615
or 29D-LA-102009
Classification:
Submitting Office: Santa Ana Resident Agency LA. Division
Indexing:

Mr. Keating's Senators

THE WORST thing about the Lincoln Savings and Loan case ~~may be~~ not that the five senators who have been implicated did break Senate rules, but that they didn't—that the rules are so tolerant of seamy behavior that what was done in this instance falls within them rather than without. The ethics committee will then have an even harder judgment to make, much as the House faced in the Jim Wright case earlier this year—not the narrow question of whether a particular rule was broken but the broader question of whether an entire pattern of behavior was acceptable. All the more reason why the committee should do as has been urged and name a strong independent counsel to leave no doubt as to the thoroughness and integrity of its proceedings.

The outline of the Lincoln affair is clear enough. In the mid-1980s the high-flying California savings and loan was in the beginning stages of what was to become deep trouble with federal regulators. The S&L's principal owner, Charles Keating, gave or organized the giving of hundreds of thousands of dollars in campaign and other contributions either directly to the five senators or to political organizations in which they were interested. Various combinations of the five—Alan Cranston, Dennis DeConcini, John McCain, Donald Riegle and John Glenn—meanwhile met with federal regulators with the purpose, the regulators say, of having them back off. The government didn't shut Lincoln down until this year. The current estimate of the cost of paying off its depositors—the difference between its assets and liabilities—is $2.5 billion. As ever in these matters, if the government had acted earlier, the cost would have been less.

In a letter to the five the other day, the ethics committee focused on the narrow issue of wheth-

56C-LA-101615-137x1

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FBI — LOS ANGELES

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FBI/DOJ

er their "participation in meetings with representatives of the Federal Home Loan Bank Board" to discuss the Lincoln case had been "prompted by . . . contributions" from Mr. Keating. Mr. Keating himself walks on no eggshells on that score. Asked earlier this year whether the contributions had helped produce the intervention, he said: "I certainly hope so."

The five, two of whom (Sens. Riegle and DeConcini) have now returned the Keating contributions, have said in their defense that they were doing no more than senators do all the time in representing their constituents (Sens. McCain and DeConcini are from Arizona, Mr. Keating's home state; Sen. Cranston is from California, where Lincoln operated, and is a senior members of the Banking Committee besides; Sen. Glenn is from Ohio, where Lincoln's parent company was incorporated; and Sen. Riegle is now Banking Committee chairman).

But that defense—Mr. Keating in the guise of a widow applying for Social Security benefits, whom the senators had a positive *duty* to represent—ignores the money he gave and the trouble he was in. This was a regulatory proceeding aimed at ensuring the integrity of the financial system. The issue was safety, and judgments as to safety should not be subject to political pressure; members of Congress intrude at their peril, as happened here, and should stay away, all the more so if the people involved have given them large sums.

Mr. Keating bought and the evidence is strong that these senators wittingly sold influence in a sensitive setting where none should apply. If the ethics committee won't in the end condemn that, you wonder what it will condemn, and why its name is ethics.

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/28/89

[redacted] was interviewed in the offices of the United States Attorney, United States Courthouse, 312 North Spring Street, Los Angeles, California. [redacted] who was aware of the interviewing agent's identity and the nature of the interview, furnished the following information: b6 b7C

[redacted]

b5 b6 b7C

Investigation on 11/21/89 at Los Angeles, California File # 56C-LA-101615 -138 58C-PX-41605

by SA [redacted] Date dictated 11/22/89

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58C-PX-41605

Continuation of FD-302 of [redacted], On 11/21/89, Page 3*

[redacted]

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[redacted]

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Also present during this interview was Assistant United States Attorney [redacted]

56C-LA-10165-138

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SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]

DEC 1989 [redacted]

FBI — LOS ANGEL

SUC- LA 101(?)-129

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED FILED

DEC 1 ?

FBI — LOS ANGELES [redacted]

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56C LA 101615-1490

SEARCHED ______ SERIALIZED ______

DEC 18 1989

FBI — LOS ANGELES

[redacted] b6 b7C

FD-515 (Rev. 2-24-86)
ACCOMPLISHMENT REPORT
(Effective 10/1/85)
(Submit within 30 days from date of accomplishment)

TO: DIRECTOR, FBI

Date 10/11/89

JFA/DFB

FROM: SAC, PHOENIX

SUBJECT:

CHARLES KEATING,
CHAIRMAN, AMERICAN
CONTINENTAL CORPORATION
PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND
OFFICERS OF LINCOLN SAVINGS
AND LOAN, IRVINE, CALIFORNIA;
ELECTION LAW VIOLATION
OO: LA

Bureau File Number
56C-LA-101615
Field Office File Number
3630/03
Squad or RA Number
[redacted]
Agent's Social Security No.

☐ X if a joint operation with:

(Identity of other agency)

☒ X if case involves corruption of a public official (Federal, State or Local).

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Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☐ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____; Armed ____

Subpoenas Served ONE

Criminal Summons ____

Local Crim. Summons ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

E. Civil Matters

	Government Defendant	Government Plaintiff
Amount of Suit	$	$
Settlement or Award	$	$ Enter AFA Payment Here

F. Final Judicial Process: Judicial District

District | State | Conviction or Pretrial Div. Date | Sentence Date | No. of Subjects Acquitted | Dismissed

Subject 1 Subject Description Code* —

	Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs	Mos	Suspended Yrs	Mos	Probation Yrs	Mos
☐ Felony ☐ Misdemeanor									
☐ Plea ☐ Trial ☐ Pretrial Diversion				Total Fines $					

Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs.-8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* —

	Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs	Mos	Suspended Yrs	Mos	Probation Yrs	Mos
☐ Felony ☐ Misdemeanor									
☐ Plea ☐ Trial ☐ Pretrial Diversion				Total Fines $					

Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs.-8 yrs. susp. = 2 yrs. In-Jail.

Subject 3 Subject Description Code* —

	Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs	Mos	Suspended Yrs	Mos	Probation Yrs	Mos
☐ Felony ☐ Misdemeanor									
☐ Plea ☐ Trial ☐ Pretrial Diversion				Total Fines $					

Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs.-8 yrs. susp. = 2 yrs. In-Jail.

Subject 4 Subject Description Code* —

	Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs	Mos	Suspended Yrs	Mos	Probation Yrs	Mos
☐ Felony ☐ Misdemeanor									
☐ Plea ☐ Trial ☐ Pretrial Diversion				Total Fines $					

Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs.-8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than four subjects, and submit a final disposition for (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B or F above, provide name, DOB, race*, sex, and POB and SSAN if available.)

On 10/3/89, [redacted] white female, DOB [redacted] SSAN [redacted] was served with subpoena [redacted] Grand Jury of the Central District of California on 10/17/89.

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2 - Bureau
2 - Field Office
* See codes on reverse side

1 - Los Angeles (info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

[redacted]

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/31/89

[redacted] date of birth [redacted] was interviewed in the presence of her attorney, [redacted] at [redacted] was advised of the identity of the interviewing agents and the nature of the investigation. b3 b6 b7C

At this meeting, [redacted] a Federal Grand Jury Subpoena she had received. [redacted]

Investigation on 10/20/89 at Phoenix, Arizona File # 56C-LA-101615 - 141 b6 b7C

by [redacted] Date dictated 10/31/89

56C-LA-101615-141

SEARCHED [redacted] EXED [redacted]
SERIALIZED FILED
DEC 2 19
FBI — LOS ANGEL [redacted]

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FD-36 (Rev. 8-29-85)

FBI

TRANSMIT VIA:
- ☐ Teletype
- ☐ Facsimile
- ☒ AIRTEL

PRECEDENCE:
- ☐ Immediate
- ☐ Priority
- ☒ Routine

CLASSIFICATION:
- ☐ TOP SECRET
- ☐ SECRET
- ☐ CONFIDENTIAL
- ☐ UNCLAS E F T O
- ☒ UNCLAS

Date 10/31/89

TO : SAC, LA (56C-LA-101615) (SARA) (P)

FROM : SAC, PHOENIX

SUBJECT: CHARLES H. KEATING;
et al;
ELECTION LAW VIOLATION;
OO:LA

Enclosed for LA SARA is [redacted] pursuant to her Federal Grand Jury Subpoena. Also enclosed is an original and one copy of a 302 of [redacted] regarding the acceptance of this material. b3 b6 b7C

[redacted] provided [redacted] during an interview conducted on 10/20/89. During this interview [redacted] As such, additional questions regarding political matters were not pursued.

56C-LA-101615-142

~~29D-LA-102029-R~~

[redacted] [redacted]

2-LA SARA (encl. 3)
2-PX

[redacted]

Approved: ______ **Transmitted** ______ (Number) (Time) **Per** ______

Mount Clipping in Space Below

Keating wins delay for House appearance

Star witness **Charles Keating Jr.** won a two-week delay Monday from testifying before a House committee probing the $2 billion failure of **Lincoln Savings and Loan of Irvine, Calif.**

Keating ran Lincoln until it was seized by the government in April. House Banking Committee Chairman **Henry Gonzalez**, D-Texas, has shaken Congress with explosive hearings on how Keating allegedly used powerful people, including five senators, to thwart efforts to restrain his renegade S&L.

Four weeks ago, the committee subpoenaed Keating. However, he was in Europe on business and federal marshals couldn't find him.

Monday, committee staffers met with Keating's new attorney, **John Quinn of Los Angeles.** They gave Quinn the subpoena for today's House hearing, then agreed to delay Keating's appearance until Nov. 21 so Quinn could prepare.

Quinn said it hasn't been decided whether Keating will testify or invoke his Fifth Amendment right.

AP
KEATING: Hired new lawyer

GRAY: Ex-regulator is scheduled to testify today

Today's hearing, meanwhile, should provide new controversy even without Keating. Scheduled to appear:

▶ **Larry Taggart**, who immediately went into business with Lincoln after leaving his job as California's top S&L regulator.

▶ **Lee Henkel**, a developer whom Keating helped place in 1986 on the three-member **Federal Home Loan Bank Board**, then the chief federal S&L overseer. Henkel had borrowed more than $55 million from Lincoln.

▶ **Jack Atchison**, a partner in the accounting firm of **Arthur Young & Co.**, who joined Keating's payroll at $372,000 a year in 1987, after giving Keating's company a clean audit. Atchison has refused the committee's request to submit testimony, raising speculation that he may invoke the Fifth Amendment.

▶ **Ed Gray**, the former top S&L regulator who has accused the five senators of improperly protecting Lincoln.

The Senate Ethics Committee has asked the five senators — **Alan Cranston**, D-Calif., **Dennis DeConcini**, D-Ariz., **John Glenn**, D-Ohio, **John McCain**, R-Ariz., and Senate Banking Chairman **Don Riegle**, D-Mich. — if donations from Keating prompted them to intervene with regulators for the S&L.

California regulators turned over information to the FBI on Cranston's solicitation of $850,000 in donations from Keating, a conservative Republican. The money was given to Cranston-sponsored groups involved in voter registration.

The five senators met with S&L examiners from **San Francisco** in April 1987 to question the handling of their examination of Lincoln.

Keating, 65, also is being investigated by the FBI and the Securities and Exchange Commission. Meanwhile, Keating is receiving a $400,000 annual salary from his family-controlled **American Continental Corp.**, which owned Lincoln and now is under bankruptcy protection. His salary drops to $250,000 on Jan. 1. He also makes an undisclosed amount for managing **The Phoenician**, a luxury hotel in **Scottsdale, Ariz.**, that is one of Lincoln's bad investments.

—*Dennis Cauchon*

The U.S.A. Today
Santa Ana, California

Date 11/7/89
Edition

Title Keating wins delay for House appearance

Character: 56C-LA-101615
or
Classification: 29D-LA-102009

Submitting Office: Santa Ana Residen. Agency L.A. Division

Indexing:

56C-LA-101615-143

SEARCHED [redacted] INDEXED
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1990
FBI — LOS AN [redacted]

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56C LA 101615-144

SEARCHED [redacted] INDEXED
SERIALIZED [redacted] FILED [redacted]
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DEC 18 1989 [redacted]

FBI — LOS ANGELES

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FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING,
CHAIRMAN, AMERICAN
CONTINENTAL
CORPORATION, PHOENIX,
ARIZONA;
UNSUBS; PRINCIPLES
AND OFFICERS OF LINCOLN
SAVINGS AND LOAN, IRVINE
CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615
Field Office File Number: 3630-0004
Squad or RA Number:
Agent's Social Security No.: [redacted]

☐ X if a joint operation with: ______ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ______; Armed ______

Subpoenas Served 2
Criminal Summons ______
Local Crim. Summons ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______

Missing or Kidnaped Children Located ______

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

H. Final Judicial Process: Judicial District ______ District ______ State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects Acquitted ______ Dismissed ______

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	Combined Sentence In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California.

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1-Los Angeles (Info)
2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes on r[redacted].

(6)

56C LA 101615-145

SEARCHED ___ [redacted] INDEXED
SERIALIZED ___ FILED [redacted]

NCCH

DEC 18 1980 [redacted]

FBI — LOS ANGELES

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FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: JFA/DBB SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615

Field Office File Number: 3630-0004

Squad or RA Number:

Agent's Social Security No.: [redacted]

☐ X if a joint operation with: ______ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

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Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ______; Armed ______

Subpoenas Served: 2
Criminal Summons: ______
Local Crim. Summons: ______

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______

Missing or Kidnaped Children Located ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions	Civil Suits	Government Defendant	Government Plaintiff
	Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$ Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ______ Months ______ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ______ Months ______ ☐ Permanent

H. Final Judicial Process: Judicial District ______ District ______ State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects: Acquitted ______ Dismissed ______

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

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(1)-Los Angeles (Info)
2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes o[redacted]

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FBI/DOJ

56C LA 101615-146

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SEARCHED [redacted] INDEXED [redacted]
SERIALIZED FILED
DEC 18 1989
FBI — LOS ANGELES [redacted]

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

JFA/DPB

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number:

Field Office File Number: 56C-LA-101615

Squad or RA Number: 3630-0004

Agent's Social Security No.: [redacted]

☐ X if a joint operation with: ______ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

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b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ______; Armed ______

Subpoenas Served 2
Criminal Summons ______
Local Crim. Summons ______

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______

Missing or Kidnaped Children Located ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ______ District ______ State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects: Acquitted ______ Dismissed ______

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California.

b3
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2 - Bureau
2 - Field Office (1-Los Angeles (Info) (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes o[redacted]
(C) [redacted]

56C-LA [redacted] 147

WCC [redacted]

DEC 18 19 [redacted]

FBI – LOS ANGEL [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

Date 11/8/89

Bureau File Number: 56C-LA-101615

Field Office File Number: 3630-0004

Squad or RA Number

[redacted]

Agent's Social Security No.

☐ X if a joint operation with: ____ (Identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

b6
b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? [X] No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

Subject Priority*	A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served: 2
Criminal Summons: ____
Local Crim. Summons: ____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____ ; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions ____ No. of Subj.

Civil Suits	Government Defendant	Government Plaintiff
Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	In-Jail Mos.	Suspended Yrs.	Suspended Mos.	Probation Yrs.	Probation Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	In-Jail Mos.	Suspended Yrs.	Suspended Mos.	Probation Yrs.	Probation Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G ... DOB, race*, sex, and if available POB and SSAN.

On 10/5/89, [redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California.

b3
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b7C

1-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

2 - Bureau
2 - Field Office
* See codes [redacted]

56C LA 101615-148

SEARCHED [redacted] [redacted]

SERIALIZED

WCC

DEC 18 1989 [redacted]

FBI — LOS ANGELES

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

JFA/DEB

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE, CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number:

Field Office File Number: 56C-LA-101615

Squad or RA Number: 3630-0004

Agent's Social Security No.: [redacted]

☐ X if a joint operation with: ____ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

b6
b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help; 2 = Helped, but only minimally; 3 = Helped, substantially; 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____; Armed ____

Subpoenas Served 1
Criminal Summons ____
Local Crim. Summons ____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/4/89 [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

2 - Bureau
2 - Field Office
* See codes on [redacted]

1 - Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted])

(6)

56C LA 101615-149

[redacted] [redacted] b6 b7C

DEC 18 1989

FBI — LOS ANGELES [redacted]

515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: JFA/DHB SAC, Phoenix

SUBJECT:
CHARLES KEATING,
CHAIRMAN, AMERICAN
CONTINENTAL
CORPORATION, PHOENIX,
ARIZONA;
UNSUBS; PRINCIPLES
AND OFFICERS OF LINCOLN
SAVINGS AND LOAN, IRVINE
CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number

56C-LA-101615
Field Office File Number

3630-0004
Squad or RA Number

[redacted]
Agent's Social Security No.

☐ X if a joint operation with:

(identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ______ ; Armed ______

Subpoenas Served 2
Criminal Summons ______
Local Crim. Summons ______

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______

Missing or Kidnaped Children Located ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

Subject 2 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ___ Months ___ ☐ Permanent

H. Final Judicial Process: Judicial District ______ District State; ______ Conviction or Pretrial Div. Date; ______ Sentence Date; No. of Subjects ______ Acquitted ______ Dismissed

Subject 1 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $

Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, F, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1-Los Angeles (Info)
2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes on reverse side

(6 [redacted]

FBI/DOJ

150

56C-LA [redacted] 101415 [redacted]

SEARCHED [redacted]
SERIALIZED
WCC9

DEC 18 1989

FBI — LOS ANGELES [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615

Field Office File Number: 3630-0004

Squad or RA Number:

Agent's Social Security No.: [redacted]

☐ X if a joint operation with: ______ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help; 2 = Helped, but only minimally; 3 = Helped, substantially; 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____; Armed ____

Subpoenas Served: 1
Criminal Summons: ____
Local Crim. Summons: ____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions	Civil Suits	Government Defendant	Government Plaintiff
	Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures: Judicial	Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District: District ____ State ____; Conviction or Pretrial Div. Date ____; Sentence Date ____; No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, F, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.)

On 10/3/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1 - Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

2 - Bureau
2 - Field Office
* See codes on reverse side

(6) [redacted]

FBI/DOJ

56C LA 101615-151

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615

Field Office File Number: 3630-0004

Squad or RA Number: [redacted]

Agent's Social Security No.

☐ X if a joint operation with: ____ (Identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

b6
b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

Subject Priority*	A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____; Armed ____

Subpoenas Served 1
Criminal Summons ____
Local Crim. Summons ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions	Civil Suits	Government Defendant	Government Plaintiff
	Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures: Judicial	Forfeitures: Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects ____ Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	In-Jail Yrs.	In-Jail Mos.	Suspended Yrs.	Suspended Mos.	Probation Yrs.	Probation Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction: Title	Section	Counts	In-Jail Yrs.	In-Jail Mos.	Suspended Yrs.	Suspended Mos.	Probation Yrs.	Probation Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

2 - Bureau
2 - Field Office
* See codes on r[redacted]

(6)

FBI/DOJ

56CLA 101615-152

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED FILED
WCC
DEC 18 1989
FBI — LOS ANGELES [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

Date 11/8/89

FROM: SAC, Phoenix (STA10FB)

SUBJECT:
CHARLES KEATING,
CHAIRMAN, AMERICAN
CONTINENTAL
CORPORATION, PHOENIX,
ARIZONA;
UNSUBS; PRINCIPLES
AND OFFICERS OF LINCOLN
SAVINGS AND LOAN, IRVINE
CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number

56C-LA-101615
Field Office File Number

3630-0004
Squad or RA Number

[redacted]
Agent's Social Security No.

☐ X if a joint operation with:

(Identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

b6
b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

Subpoenas Served 1
Criminal Summons
Local Crim. Summons
FBI Subj. Resisted ____; Armed ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions ____ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$ Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects Acquitted ____ Dismissed ____

Subject 1 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/4/89, [redacted] was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California. [redacted] described as [redacted] male, dob [redacted] 5'10", 160 pounds, brown hair, brown eyes, SSAN [redacted]

b3
b6
b7C

1 - Los Angeles (Info)
2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes on reverse side [redacted]

(6)

FBI/DOJ

56C LA 101615-153

SERIALIZED ___ FILED
WCC4
DEC 18 1989
FBI — LOS ANGELES

[redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

JFA/DFB

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING,
CHAIRMAN, AMERICAN
CONTINENTAL
CORPORATION, PHOENIX,
ARIZONA;
UNSUBS; PRINCIPLES
AND OFFICERS OF LINCOLN
SAVINGS AND LOAN, IRVINE
CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number

56C-LA-101615
Field Office File Number

3630-0004
Squad or RA Number

[redacted]
Agent's Social Security No.

☐ X if a joint operation with:

(Identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served 1
Criminal Summons ____
Local Crim. Summons ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____ ; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -
☐ Suspension ☐ Debarment Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 Subject Description Code* -
☐ Suspension ☐ Debarment Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects ____ Acquitted ____ Dismissed ____

Subject 1 Subject Description Code* -

☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* -

☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.)

On 10/4/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

2 - Bureau (1-Los Angeles (Info)
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes on reverse side.

(6) [redacted]

56C LA 101615-154

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED FILED

WCC4

DEC 18 1989

FBI — LOS ANGELES [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

JFA\DEB

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615

Field Office File Number: 3630-0004

Squad or RA Number: [redacted]

Agent's Social Security No.

☐ X if a joint operation with: ______ (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

	Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ______; Armed ______

Subpoenas Served 1

Criminal Summons ______

Local Crim. Summons ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______

Missing or Kidnaped Children Located ______

E. Civil Matters

RICO - Civil Convictions ______ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -

	Time Frame Years	Months	
☐ Suspension			
☐ Debarment			☐ Permanent

Subject 2 Subject Description Code* -

	Time Frame Years	Months	
☐ Suspension			
☐ Debarment			☐ Permanent

H. Final Judicial Process: Judicial District ______ District ______ State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects ______ Acquitted ______ Dismissed

Subject 1 Subject Description Code*-

☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation

☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Combined Sentence. Total Fines $

Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* -

☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation

☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Combined Sentence. Total Fines $

Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/4/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

2 - Bureau
2 - Field Office
* See codes [redacted]e.

(6)

FBI/DOJ

56C LA 101615-155

SEARCHED [redacted] INDEXED
SERIALIZED [redacted] FILED [redacted]

WCC

DEC 18 1989

FBI — LOS ANGELES [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

JFA | DFB

Bureau File Number

56C-LA-101615
Field Office File Number

3630-0004
Squad or RA Number

[redacted]
Agent's Social Security No.

☐ X if a joint operation with:
(identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C		
FBI Arrests -				Subpoenas Served	1
FBI Locates -				Criminal Summons	
Local Arrests -				Local Crim. Summons	

FBI Subj. Resisted ______ ; Armed ______

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______

Missing or Kidnaped Children Located ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$ Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
-Sentence 10 yrs. - 8 yrs. susp: = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached), was served with a subpoena [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

2 - Bureau
2 - Field Office
1 - Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes on [redacted]

(6)

FBI/DOJ

56C LA 1[illegible]-156

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix JFA\DFB

Bureau File Number: [redacted]

Field Office File Number: 56C-LA-101615

Squad or RA Number: 3630-0004

Agent's Social Security No.: [redacted]

☐ X if a joint operation with: (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Investigative Assistance or Technique Used
Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects) — Complaints: ; Informations: ; Indictments:

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served: 2
Criminal Summons:
Local Crim. Summons:

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)
Hostages Held By Terrorists ____ ; All Other Hostage Situations ____
Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$ Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures: Judicial	Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* - ☐ Suspension ☐ Debarment — Time Frame: Years / Months ☐ Permanent

Subject 2 — Subject Description Code* - ☐ Suspension ☐ Debarment — Time Frame: Years / Months ☐ Permanent

H. Final Judicial Process: Judicial District: District / State; Conviction or Pretrial Div. Date; Sentence Date; No. of Subjects: Acquitted / Dismissed

Subject 1 — Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion
Conviction: Title / Section / Counts
Combined Sentence: In-Jail Yrs. Mos. / Suspended Yrs. Mos. / Probation Yrs. Mos.
Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion
Conviction: Title / Section / Counts
Combined Sentence: In-Jail Yrs. Mos. / Suspended Yrs. Mos. / Probation Yrs. Mos.
Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/4/89, [redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California. b3 b6 b7C

(1-Los Angeles (Info)
2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes on [redacted]

(6)

FBI/DOJ

56C LA 101615-157

SEARCHED [redacted]
SERIALIZED [redacted]
WCC

DEC 18 1989

FBI — LOS ANGEL [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

Date 11/8/89

FROM: JFA/DPB SAC, Phoenix

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615
Field Office File Number: 3630-0004
Squad or RA Number: [redacted]
Agent's Social Security No.

☐ X if a joint operation with: (Identity of other agency)
☐ X if case involves corruption of a public official (Federal, State or Local).

b6
b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help; 2 = Helped, but only minimally; 3 = Helped, substantially; 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____; Armed ____

Subpoenas Served 2
Criminal Summons ____
Local Crim. Summons ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____; All Other Hostage Situations ____
Missing or Kidnaped Children Located ____

E. Civil Matters

RICO - Civil Convictions ____ No. of Subj.

	Government Defendant	Government Plaintiff
Civil Suits Amount of Suit	$	$
Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension
☐ Debarment
Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension
☐ Debarment
Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process:

Judicial District: District ____ State ____ Conviction or Pretrial Div. Date ____ Sentence Date ____ No. of Subjects: Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code*-
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together.
Enter longest single concurrent sentence.
Do not add concurrent sentences together.
Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject report[redacted], DOB, race*, sex, and if available POB and SSAN.

On 10/3/89, [redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California. b3 b6 b7C

1-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

2 - Bureau
2 - Field Office
* See codes on re[redacted].

(6)

56C LA 161615-158

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED VVCC FILED
b6
b7C

DEC 18 1989

FBI — LOS ANGELES [redacted]

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

JFAIDFB

SUBJECT:
CHARLES KEATING,
CHAIRMAN, AMERICAN
CONTINENTAL
CORPORATION, PHOENIX,
ARIZONA;
UNSUBS; PRINCIPLES
AND OFFICERS OF LINCOLN
SAVINGS AND LOAN, IRVINE,
CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615

Field Office File Number: 3630-0004

Squad or RA Number: [redacted]

Agent's Social Security No.

☐ X if a joint operation with: (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

Technique	Rating	Technique	Rating	Technique	Rating	Technique	Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

Subject Priority*	A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ______ ; Armed ______

Subpoenas Served 2
Criminal Summons
Local Crim. Summons

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______

Missing or Kidnaped Children Located ______

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years / Months ☐ Permanent

Subject 2 Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years / Months ☐ Permanent

H. Final Judicial Process: Judicial District — District / State — Conviction or Pretrial Div. Date — Sentence Date — No. of Subjects: Acquitted / Dismissed

Subject 1 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation ☐ Plea ☐ Trial ☐ Pretrial Diversion
Conviction: Title / Section / Counts — Combined Sentence: In-Jail Yrs. Mos. / Suspended Yrs. Mos. / Probation Yrs. Mos.
Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation ☐ Plea ☐ Trial ☐ Pretrial Diversion
Conviction: Title / Section / Counts — Combined Sentence: In-Jail Yrs. Mos. / Suspended Yrs. Mos. / Probation Yrs. Mos.
Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.)

On 10/4/89, [redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1-Los Angeles (Info)
2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]
* See codes on [redacted]

(6)

5CC LA 101615-159

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submitt within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

JFA/DFB

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA;
UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE CALIFORNIA;
ELECTION LAW VIOLATION; OO: LA

Bureau File Number: 56C-LA-101615

Field Office File Number: 3630-0004

Squad or RA Number: [redacted]

Agent's Social Security No.

☐ X if a joint operation with: (identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help; 2 = Helped, but only minimally; 3 = Helped, substantially; 4 = Absolutely essential

	Rating		Rating		Rating		Rating
1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

b6
b7C

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ____ ; Armed ____

Subpoenas Served 2

Criminal Summons ____

Local Crim. Summons ____

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ____ ; All Other Hostage Situations ____

Missing or Kidnaped Children Located ____

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$

Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Forfeitures Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ____ Months ____ ☐ Permanent

H. Final Judicial Process: Judicial District ____ District | State; Conviction or Pretrial Div. Date ____; Sentence Date ____; No. of Subjects Acquitted ____ Dismissed ____

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/4/89, [redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1-Los Angeles (Info)
(1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted]

2 - Bureau
2 - Field Office [redacted]
* See codes on

(6)

FBI/DOJ

56CLA 101615-160

SEARCHED [redacted]
SERIALIZED [redacted]
WCC
DEC 18 1989
FBI — LOS ANGELES [redacted]

b6
b7C

FD-515 (Rev.9-20-89)
Accomplishment Report
(Effective 10/1//89)
(Submit within 30 days from date of accomplishment)

TO: Director, FBI

FROM: SAC, Phoenix

JFAIDEB

SUBJECT:
CHARLES KEATING, CHAIRMAN, AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA; UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, IRVINE, CALIFORNIA; ELECTION LAW VIOLATION; OO: LA

Bureau File Number:

Field Office File Number: 56C-LA-101615

Squad or RA Number: 3630-0004

Agent's Social Security No.: [redacted]

☐ X if a joint operation with: ______ (Identity of other agency)

☐ X if case involves corruption of a public official (Federal, State or Local).

Date 11/8/89

b6
b7C

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:
1 = Used, but did not help 3 = Helped, substantially
2 = Helped, but only minimally 4 = Absolutely essential

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1. Acctg Tech Assistance		8. Eng. Sect. Tape Exams		15. Photographic Coverage		22. Telephone Toll Recs	
2. Aircraft Assistance		9. Hypnosis Assistance		16. Polygraph Assistance		23. UCO Group I	
3. Computer Assistance		10. Ident Div Assistance		17. Search Warrants Executed		24. UCO Group II	
4. Consensual Monitoring		11. Informant Information		18. Show Money Usage		25. UC Other	
5. ELSUR - FISC		12. Lab Div Exams		19. Surveil. Sqd. (SOG) Asst		26. NCAVC/ VI-CAP	
6. ELSUR - Title III		13. Lab Div Field Support		20. SWAT Team Action		27. Visual Invest - Analysis (VIA)	
7. Eng. Sect. Field Support		14. Pen Registers		21. Tech. Agt. or Tech Equip			

A. Preliminary Judicial Process (Number of subjects)

Complaints	Informations	Indictments

B. Arrests, Locates, Summonses or Subpoenas Served (No. of Subj.)

	Subject Priority* A	B	C
FBI Arrests -			
FBI Locates -			
Local Arrests -			

FBI Subj. Resisted ______ ; Armed ______

Subpoenas Served: 2
Criminal Summons: ______
Local Crim. Summons: ______

D. Recoveries, Restitutions, or Potential Economic Loss Prevented (PELP) (Explain valuation in remarks)

Property Type Code*	Recoveries	Restitutions	PELP Type Code*	Potential Economic Loss Prevented
	$	$		$
	$	$		$
	$	$		$
	$	$		$
	$	$		$

C. Release of Hostages or Children Located: (Number of Hostages or Children Located)

Hostages Held By Terrorists ______; All Other Hostage Situations ______

Missing or Kidnaped Children Located ______

E. Civil Matters

RICO - Civil Convictions		Government Defendant	Government Plaintiff
	Civil Suits Amount of Suit	$	$
No. of Subj.	Settlement or Award	$	$ Enter AFA Payment Here

F. Seizures/Forfeitures

Property Type Code*	Seizures	Forfeitures Judicial	Administrative

G. Administrative Sanctions

Subject 1 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ______ Months ______ ☐ Permanent

Subject 2 — Subject Description Code* -
☐ Suspension ☐ Debarment — Time Frame: Years ______ Months ______ ☐ Permanent

H. Final Judicial Process: Judicial District ______ District ______ State ______ Conviction or Pretrial Div. Date ______ Sentence Date ______ No. of Subjects: Acquitted ______ Dismissed ______

Subject 1 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Subject 2 — Subject Description Code* -
☐ Felony ☐ Misdemeanor ☐ Parole Revocation ☐ Probation Revocation
☐ Plea ☐ Trial ☐ Pretrial Diversion

Conviction Title	Section	Counts	In-Jail Yrs.	Mos.	Suspended Yrs.	Mos.	Probation Yrs.	Mos.

Total Fines $
Add consecutive sentences together. Enter longest single concurrent sentence. Do not add concurrent sentences together. Sentence 10 yrs. - 8 yrs. susp. = 2 yrs. In-Jail.

Attach additional forms if reporting final judicial process on more than two subjects, and submit a final diposition form (R-84) for each subject.

Remarks: (For every subject reported in Sections A, B, E, G, or H above, provide name, DOB, race*, sex, and if available POB and SSAN.

On 10/4/89, [redacted] (description attached) was served with two subpoenas; one [redacted] and one [redacted] the Federal Grand Jury of the Central District of California.

b3
b6
b7C

1-Los Angeles (Info)

2 - Bureau
2 - Field Office (1-56C-LA-101615) (1-Accomplishments in Process) (1-AA [redacted])
* See codes on re[redacted]

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/12/89

Pursuant to a federal grand jury subpoena, [redacted]

b3
b6
b7C

GRAND JURY MATERIAL
DISSEMINATE ONLY PURSUANT
TO RULE 6 (e)., Fed., R. Crim. P.

Investigation on 11/28/89 at Los Angeles, California File # 56C-LA-101615-161

by SA [redacted] Date dictated 12/5/89

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FD-302a (Rev. 11-15-83)

56C-LA-101615

Continuation of FD-302 of [redacted], On 11/28/89, Page 2*

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56C-LA 101615-161

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/12/89

Pursuant to a federal grand jury subpoena [redacted]

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GRAND JURY MATERIAL
DISSEMINATE ONLY PURSUANT
TO RULE 6 (e)., Fed.. R. Crim. P.

Investigation on 11/28/89 at Los Angeles, California File # 56C-LA-101615/162

by SA [redacted] Date dictated 12/5/89

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50C: LA-101615.162

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/17/90

[redacted] b6 b7C
telephone [redacted] was advised as to the identity of the interviewing agent and the purpose of the interview. Also present at the interview was [redacted] attorney with the firm [redacted] telephone [redacted] was representing the parent company of PHOENICIAN HOTEL, PHOENIX RESORT CORPORATION, and was requested to be present at the interview by [redacted] advised as follows:

[redacted] advised her date of birth is [redacted] and she was born in [redacted] Her Social Security Account Number is [redacted]

[redacted] advised she began as an employee with AMERICAN CONTINENTAL CORPORATION (ACC), at their mortgage company in [redacted] At that time, she was [redacted] Her office address was 2735 East Camelback Road, Phoenix, Arizona.

[redacted] remained in that position until the latter part of [redacted] when she moved to [redacted] ACC. She then became [redacted] At that time, [redacted] was small and consisted of six to eight people. [redacted] recalls [redacted] answered directly to [redacted] in her postion as [redacted] did not supervise any other employees. b6 b7C

[redacted] advised her duties were primarily to [redacted] She advised the payroll was computerized and was the same software as the payroll of LINCOLN SAVINGS AND LOAN (LSL).

[redacted] recalls in late 1986 there were approximately 80 to 160 people on the ACC payroll. This number also included various bond representatives (reps) located in the branches of LSL. To the best of her knowledge, [redacted] were paid striaght salaries and no commissions.

Investigation on 4/5/90 at Phoenix, Arizona File # 56C-LA-101615 -206

by [redacted] Date dictated 4/5/90 b6 b7C

56C-LA-101615

Continuation of FD-302 of [redacted], On 4/5/90, Page 2

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During the time [redacted] was in [redacted] she recalls [redacted] to ACC employees. In addition, she recalls [redacted] located in the LSL branches. [redacted] does not believe the bond reps received any bonuses from LSL payroll. She is aware that bonuses were given to the LSL branch employees and the bond reps if the branches obtained a certain specified goal. Even though the bonuses were paid at the same time, the LSL bonuses came from the LSL payroll and the bond rep bonuses came from the ACC payroll. She does not believe any individual was on both the LSL and ACC payrolls at one time.

[redacted] specifically recalls [redacted] of ACC. She recalls she would be contacted by either CHARLES KEATING, [redacted] or possibly one of KEATING's secretaries. She would normally be given instructions to simply [redacted] to a particular individual and was given [redacted] She would then [redacted] recalls on occasion [redacted]

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[redacted] rcalls the [redacted] account. [redacted] to ACC employees and issuing ACC checks.

[redacted] advised occasionally she would sit in meetings with [redacted] CHARLES KEATING when they were reviewing [redacted] At that point, she may be instructed to [redacted]

56C-LA-101615

Continuation of FD-302 of [redacted], On 4/5/90, Page 3

[redacted] does not recall being told the reason a bonus was issued or a raise given.

[redacted] further advised that she personally was given bonuses primarily at Christmas time. [redacted] was never requested to make any outside political contributions. Political contributions were never discussed with [redacted] during the time she was with ACC. [redacted] has no knowledge of any correlation between bonuses and political contributions made by the individuals receiving the bonuses.

[redacted] advised the ACC checks had [redacted] Those individuals [redacted]

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[redacted] advised prior to going to [redacted] of ACC, she believes [redacted] is currently working in [redacted] at ACC. In addition, prior to [redacted] she believes one [redacted] was the [redacted] however, on occasion she does [redacted] PHOENICIAN HOTEL.

[redacted] again emphasized all bonuses [redacted] were authorized by a high ranking officer. Even though she [redacted] it was never mentioned to her the reason the bonus was being given. She further believes that if the payroll records still exist, all the documentation mentioned above should be reflected in the payroll files.

56C--LA-104615-206

[redacted] [redacted]

[redacted] [redacted]

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File - Serial Charge Out
FD-5 (Rev. 6-17-70)

File ______ Class ______ Case No. ______ Last Serial ______ Date ______

☐ Pending ☐ Closed

Serial No.	Description of Serial	Date Charged
~~207~~		5-1-90
~~208~~	LISOTTO MM BROOKER [illegible]	5-10-90
1B34		
~~209~~		
~~212~~	TAECH MEMO LA 7-17-90	8-1-90
~~214~~		8-3-90

[redacted]

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RECHARGE Date ______

To ______ From ______

Initials of Clerk ______

Date ______

______
Date charged

______
Employee

______
Location

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/15/90

[redacted] telephone [redacted] was advised as to the identity of the interviewing agents and the purpose of the interview at which time she advised as follows:

[redacted] stated her date of birth is [redacted] and was born in [redacted] Her social security account number is [redacted] graduated from [redacted] with a degree in [redacted] and obtained [redacted] is currently a fund raising consultant for [redacted] located at [redacted] telephone [redacted]

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[redacted] confirmed the fact she was hired by the CENTER FOR PARTICIPATION IN DEMOCRACY (CPD), in [redacted] as a [redacted] for the [redacted] District. She immediately attended a training session in [redacted] The training session was from [redacted]

Upon completion of the training [redacted] job was to find an office location in [redacted] and begin hiring people to ultimately obtain volunteers for voter registration drives in [redacted] She advised her immediate supervisor and the Project Coordinator was [redacted] She recalls she was hired at approximately [redacted] per year.

[redacted] advised she was initially hired by [redacted] the [redacted] At the interview [redacted] advised [redacted] that all individuals who were working for CPD would be immediately hired as workers for the Democratic campaign in October of 1988.

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[redacted] recalls during the training session they were advised the objective of CPD was to register as many voters as possible and then to follow up with a "Get out the vote" drive. She believes the get out the vote drive was to be handled by The Organizing Institute which was organized and run by [redacted] During the training all trainee's were strongly urged to not only get signatures on the affidavits but to get telephone numbers. The purpose of the telephone numbers was so that at a later date just prior to an election they could call the democrats who had registered and encourage them to get out and vote.

Investigation on 2/6/90 at San Francisco, California File # 56C LA-101615 -194

by [redacted] SA [redacted] Date dictated 2/12/90

58C PX-41605

Continuation of FD-302 of [redacted], On 2/15/90, Page 2* b6 b7C

[redacted] advised during the training session they were told to target a specific group of people. That group of people were low income minorities within a certain young age range. She believes the age range was about to 18 - 25 years old.

In addition to the above, one of [redacted] duties after leaving the training was to hire the various project organizers who would in turn would attract volunteers to work at the registration tables. She was encouraged to hire and told to have her project organizers and team captains hire blacks, asians and hispanics.

[redacted] advised she was ultimately fired from her position approximately two weeks after taking the position. She was told she was not able to attract minorities to volunteer for the registration drives. In addition she was told she had a bad "attitude." In addition, she believes the CPD officials demoted [redacted] from [redacted] She then believes they hired a Filipino to take [redacted] place.

[redacted] advised she believes [redacted] was in charge of the training sessions in [redacted] At that time, [redacted] was the [redacted] of CPD. She recalls [redacted] quit or was fired after a couple of months after CPD was in operation. b6 b7C

It was apparent to [redacted] that the entire strategy and procedures they learned in the training sessions were ultimately to result in the registration of as many Democrats as possible. In addition, she believes the registering of Democrats was also to assist in bringing political power to [redacted]

She recalls the training sessions in [redacted] were video taped in their entirety. She believes [redacted] were two volunteers who taped the training sessions in

56C-LA-101615-194

[redacted]

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/5/90

[redacted] telephone [redacted] was advised as to the identity of the interviewing agent and the purpose of the interview at which time she advised as follows:

[redacted] advised her date of birth is [redacted] and she was born in [redacted] Her Social Security account number is [redacted]

[redacted] confirmed the fact she was hired by THE CENTER FOR PARTICIPATION IN DEMOCRACY (CPD) as a [redacted] in [redacted] continued her employment with CPD until [redacted] She was initially hired by [redacted] the [redacted] She recalls attending a training session from [redacted] at the campus of Cal State in East Los Angeles. Upon returning from the training session, she was promoted to the position of [redacted] As [redacted] her primary duties were to be in charge of the [redacted] Office of CPD. She was to hire other individuals to be [redacted] who in turn would then solicit volunteers to work on the voter registration projects.

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[redacted] recalls the training at Cal State East Los Angeles was very intense and goal oriented. They advised all the participants as to the goals and the purpose of CPD. She recalls the individuals who appeared to be in charge of the training were [redacted] She believes [redacted] were the originators of CPD. She believes at that time [redacted] of CPD.

[redacted] recalls during the training session the main goal which was relayed to the participants was for CPD to register approximately one million new voters. They were trained as to how to encourage people to register to vote and how to answer various questions the perspective registrants may have as to party affiliation. They were told to use the names of various well known politicians to describe a particular political party. For example, if individuals were confused as to who were Democrats or Republicans they were trained to state that Democrats were KENNEDY, JESSE JACKSON, and MICHAEL DUKAKIS. They were told to refer to Republicans as RICHARD NIXON and RONALD REAGAN. [redacted] further recalls a main objective of CPD was to target and register individuals within low income minority geographic areas. They encouraged each district office to

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Investigation on 2/7/90 at Concord, California File # 56C-LA-101615 - 195

by [redacted] Date dictated 2/16/90

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maintain statistics showing how many minorities and young people were registered to vote. They encouraged the participants to solicit registration from minority individuals in the age group of 18 to 25. The instructors at the training session did not appear to be interested in having the workers register individuals outside of the parameters of low income, minority individuals within an age group of 18 to 25.

[redacted] further recalls being somewhat offended due to the fact she is a black woman and the emphasis portrayed by the instructors seemed to be on registering Latinos or Hispanic individuals. Given the fact blacks are a minority, the officials of CPD appear to favor Hispanics and Latinos rather than low income blacks within the desired age group. It appeared to her the entire training procedure was geared towards registering Hispanics within the low income areas in the mentioned age range.

[redacted] recalls upon returning from training she reported to the offices located at 600 Grand Avenue, Suite 310, Oakland, California. The offices were also shared with an organization called THE ORGANIZING INSTITUTE. She recalls [redacted] the [redacted] was very instrumental and active in CPD and in the organizing institute.

[redacted] is currently a registered Democrat and was so during the above mentioned activities in [redacted] She recalls her immediate supervisor with CPD was [redacted] She believes his territory was [redacted] It appeared to her that [redacted] was traveling the majority of the time. Most of the time as [redacted] she was on her own and made various decisions regarding the hiring of other individuals along with decisions concerning strategy to register voters.

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[redacted] advised her [redacted] in the [redacted] office was [redacted] was the individual who located the [redacted] office. She recalls the [redacted] were hired at a monthly salary of [redacted] were also hired out at a salary of [redacted] like herself, were hired at a salary of [redacted] per month. As mentioned, she was originally hired as a [redacted] and then promoted to [redacted] due to the original [redacted] resigning. The [redacted] primarily handled the paper work within the office and the payroll. The [redacted] were hired to primarily encourage participation and solicit volunteers to work at the registration tables at locations within their district. The organizers were also to be at the sites to register people. b6 b7C

[redacted] recalls she met with [redacted] approximately once a week. During those meetings, they normally discussed the number of people that had been registered during the previous week and discussed in which classification those people belonged. [redacted] seemed to be interested in the numbers registered regarding the 18 to 25 age group and what specific minorities were registered.

[redacted] emphasized that from the beginning during the training, even though they were told the objective of CPD was a non-partisan voter registration objective, it appeared to her the real objective was extremely partisan. It appeared they were interested in registering primarily Democrats. As an example, when the number totals were compiled and more Republicans had been registered she and her staff were then accused of targeting the wrong type of individuals. [redacted] would normally advise them to restructure their priorities in registering voters. She advised it was obvious to her, based on the training, the key phrases, and targeting, that it was a partisan organization aimed at registering Democrats. She specifically recalls [redacted] encouraging her and the others to not solicit individuals who were not in the target range. b6 b7C

[redacted] recalls in one meeting which involved [redacted] it was very apparent based on the conversation and encouragement their objective was to register strictly Democrats. Although she can not specifically reiterate specific conversations or requests, it was very apparent to her the ultimate objective was to register Democrats. She feels [redacted] is very intelligent and a master manipulator. She has never witnessed anyone more dedicated and focused than [redacted]

[redacted] advised one particular volunteer by the name of [redacted] was a registered Republican and on occasion would register more Republicans and white individuals than Democrats in the target range. She recalls [redacted] would review his statistics and would encourage [redacted] to make attempts to change [redacted] attitude and perspective. b6 b7C

It appeared [redacted] and an individual by the name of [redacted] from the Organizing Institute did not like [redacted] They did not like his attitude and requested [redacted] to change the location at which [redacted] was working. [redacted] recalls [redacted] was producing very well in obtaining many registration affidavits at both the sites he eventually worked.

She recalls going to lunch at ROUND TABLE PIZZA with [redacted] at which time they told her based on [redacted] attitude they wanted him fired. [redacted] then, against her personal wishes, fired [redacted] She recalls two other individuals were fired, however for different reasons. Those individuals were fired for a lack of production. She specifically recalls lack of production was not a problem in the case of [redacted] They simply did not like his attitude and she believes it was due to the fact he was paying an equal amount of time and effort in registering Republicans as Democrats.

[redacted] recalls that at the CPD offices at 600 Grand a large sign made up of butcher paper and attached to the wall. The sign contained headings as follows: 18 to 25, black, Latin, white, Democrat, Republican, and other. The number under each of those categories were changed on a daily basis. A running total was maintained in each of the above categories. She does not recall any sign at the headquarters which only indicated the number of Democrats registered. b6 b7C

[redacted] recalls when the affidavits were brought into the office from the project organizers and volunteers, they were divided into the above mentioned categories. In addition they were instructed to xerox all the affidavits. [redacted] was in charge of xeroxing the affidavits. [redacted] was told the purpose of xeroxing the affidavits was to maintain records so as to, at a later date, initiate a "get out the vote" effort. [redacted] and the other workers at [redacted] office were told by CPD officials that at the completion of the voter registration drives all the individuals would then go to work for the Democratic party in a "get out the vote" effort. They were to later take the xeroxed voter registration affidavits and call the Democrats whose numbers were listed on the affidavits and encourage them to get out and vote.

After the affidavits were xeroxed by [redacted] they would then be taken by [redacted] down to the office of the registrar of voters. [redacted] believes the affidavits were taken down approximately two to three times per week. In addition, the xeroxed affidavits would be used to telephone Democrats who had registered to solicit volunteers for the voter registration drive. The instructions to xerox the affidavits were given by [redacted] The affidavits would be placed in boxes or set on a table available for review by anyone prior to being taken to the registrar of voters. She specifically recalls the affidavits were not locked up and were accessible by anyone for review. She believes the xeroxing took place only during the beginning of their voter registration activities and somewhat ceased as time went on and eventually was completely stopped by the time she resigned in [redacted]

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In [redacted] during a [redacted] meeting in [redacted] someone in the group made the statement that the real purpose of CPD was to register as many Democrats as possible. At that time, [redacted] who was in attendance at the meeting became very upset upon hearing that comment. [redacted] made various statements to the contrary reminding everybody that CPD was a 501(c), tax exempt organization. She recalls the attendees at the [redacted] meeting were all the [redacted] from the offices throughout [redacted]

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In addition, [redacted] was required to maintain daily and weekly tally sheets of all the statistics. The totals were then called into the main office in [redacted] on a daily basis and computerized at that office. The next morning the headquarters would facsimile a sheet showing all the statistics for all the offices within [redacted] Those sheets showed the number of individuals and in what categories they were registered in all CPD offices throughout [redacted]

56C-LA-101615

Continuation of FD-302 of [redacted], On 2/7/90, Page 6*

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[redacted] recalls on the tally sheets initially the order of categories listed on the sheet began with the category of "Democrats". At some point, [redacted] then changed the order of the columns to reflect the first column to be "Republicans". [redacted] does not know why the order of the columns was changed on the tally sheets.

In conclusion, [redacted] emphasized as mentioned above it was very apparent to her that from the first day of training throughout her employment with CPD the real objective was to register as many Democrats as possible. This was obvious to her even though they were told the organization was non-partisan and the objective was to register both Republicans and Democrats. It was obvious to her through the training procedures and the fact that the individuals targeted were minority within a certain age group that they were really targeting Democrats.

In addition, [redacted] specifically recalls the training sessions at Cal State East Los Angeles were video taped and she believes those video tapes would be the possession of the Organizing Institute.

56C-LA-101615-195

SERIALIZED [redacted]

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Campaign-finance laws flawed, say Cranston critics

Fund-raising efforts by senator seen as evidence of loophole

San Francisco Chronicle

Sen. Alan Cranston's prodigious fund raising for a voter-registration group now under federal investigation highlights a major loophole in campaign-finance laws, say critics who call the opening an invitation for abuse by special interests.

"The crux of the problem is the degree to which these contributions ... are made in order to curry favor, gain access or special legislative treatment with a member of Congress," said Ellen Miller, executive director of the bipartisan Center for Responsive Politics. "The research we've done in the past has shown a remarkable overlap."

Cranston, D-Calif., is being investigated by the Senate ethics committee along with four other senators who lobbied federal regulators on behalf of Lincoln Savings and Loan after accepting more than $1.3 million in contributions from its chairman, Charles Keating Jr.

Of that amount, $850,000 was contributed to voter-registration groups affiliated with Cranston.

In addition, Cranston acknowledged this week that he raised an additional $1.6 million — the entire 1988-89 budget — for the Center for Participation in Democracy, a voter-registration group being investigated by the FBI and the Internal Revenue Service for possible violation of its tax-exempt status.

None of that money came from Keating, Cranston said, and he has consistently denied any connection between his actions in office and money solicited for voter-registration projects.

But some believe his fund-raising practices subvert campaign finance limits.

"Clearly it's a loophole," said Robert Stern, an expert on political finance and a longtime advocate of campaign reform. "The main problem that many people see is that the money is being raised from people who have business pending before the government."

At the very least, Stern said, "the appearance of a conflict of interest is there."

A lack of accountability feeds that perception, critics say.

Although non-profit groups must file reports with the IRS and register with state regulators, there is no law requiring public disclosure of who makes donations, or how much. In contrast, political contributions must be publicly reported.

And while federal law prohibits individuals from giving more than $1,000 per election to a candidate and bars political-action committees from giving more than $5,000, there is no limit on the amount of money individuals or PACs can give to an organization such as Cranston's voter-registration groups — money that is tax-deductible.

The contributions from Keating became public — and an issue — only by accident.

Last year, the Center for Participation in Democracy inadvertently made public a list of major contributors who gave money between June 1, 1987, and May 31, 1988, revealing a $400,000 contribution by the controversial Lincoln chairman.

In addition, the center received tens of thousands of dollars from companies dealing in junk-bond investments, an issue in which Cranston was heavily involved.

Among the contributions was $15,000 from Columbia Savings and Loan, which the center received after Cranston backed the thrift's effort to block legislation that would have limited its ability to market junk bonds.

This week, after being pressed by a reporter, the center released its most recent donor list. Among the contributors were banks, insurance companies, investment companies and other businesses with great interest in legislation before Congress.

Partly in response to the Keating affair, Sen. Mitch McConnell, R-Ky., is preparing legislation that would deny tax-exempt status to voter-registration or get-out-the-vote operations connected to a politician.

Other politicians besides Cranston operate charitable or non-profit groups and seek contributions from their political backers.

Even the most severe critics see some benefit in the work of such organizations.

(Indicate page, name of newspaper, city and state.)
ORANGE COUNTY REGISTER
pg B13

Date: 2/9/90
Edition:

Title:

Character or Classification: 56C-LA-101615
Submitting Office: LA

Indexing:

56C-LA-101615 — 195X1

b6
b7C

FD-36 (Rev. 8-29-85)

FBI

TRANSMIT VIA:
- [x] Teletype
- [x] Facsimile
- [ ] ____________

PRECEDENCE:
- [ ] Immediate
- [ ] Priority
- [x] Routine

CLASSIFICATION:
- [ ] TOP SECRET
- [ ] SECRET
- [ ] CONFIDENTIAL
- [ ] UNCLAS E F T O
- [x] UNCLAS

Date 2/16/90

FROM SAC, LOS ANGELES (56C-LA-101615) (WCC-4/SARA) (P) LE 2/20 4:59

TO SAC, WMFO/ROUTINE/ 4:59 2/20

BT

UNCLAS

CHARLES H. KEATING, JR.; UNSUBS, OFFICERS OF AMERICAN CONTINENTAL CORPORATION, PHOENIX, ARIZONA; UNSUBS, OFFICERS OF LINCOLN SAVINGS AND LOAN ASSOCIATION, IRVINE, CALIFORNIA; ELECTION LAW VIOLATIONS; OO: LOS ANGELES.

RE TELCAL BETWEEN WMFO, SPECIAL AGENT (SA) [redacted] AND LOS ANGELES SA [redacted] ON 2/16/90.

FOR INFORMATION OF WMFO, ONE ASPECT OF THIS INVESTIGATION RELATES TO WHETHER TWO CALIFORNIA VOTER REGISTRATION GROUPS, THE CENTER FOR PARTICIPATION IN DEMOCRACY AND THE ORGANIZING INSTITUTE, WERE IMPROPERLY OPERATED IN A PARTISAN MANNER AND AS A RUSE TO CIRCUMVENT THE RESTRICTIONS ON CAMPAIGN CONTRIBUTIONS UNDER FEDERAL ELECTION LAW. THE TWO CALIFORNIA ORGANIZATIONS WERE FINANCED BY FUNDS PRINCIPALLY RAISED BY U.S. SENATOR ALAN CRANSTON AND HIS WASHINGTON-BASED GROUP, USA VOTES. AMERICAN CONTINENTAL CORPORATION AND LINCOLN SAVINGS AND ASSOCIATION CONTRIBUTED A TOTAL OF $850,000 IN 1987-1988, TO USA VOTES, CENTER FOR PARTICIPATION IN DEMOCRACY, AND WASHINGTON-BASED

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56C-LA-101615-1916

SEARCHED ___
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[redacted]

[redacted]

Approved: [redacted] ___ Transmitted ______ 4:59
(Number) (Time)
Per [redacted]

FORUM INSTITUTE. THE FORUM INSTITUTE IN TURN PROVIDED APPROXIMATELY ONE MILLION, ONE HUNDRED THOUSAND DOLLARS IN FUNDING FOR THE CENTER FOR PARTICIPATION IN DEMOCRACY AND THE ORGANIZING INSTITUTE.

PER REFERENCED TELCAL, LOS ANGELES SA [redacted] INTENDS TO INTERVIEW FORMER USA VOTES [redacted] AND FORMER USA VOTES [redacted] IN WASHINGTON, D.C., ON 2/22/90 -2/23/90. ACCOMPANYING SA [redacted] WILL BE AUSA [redacted] LOS ANGELES.

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NO ASSISTANCE FROM WMFO IS REQUIRED. SAC, LOS ANGELES AND SAC, WMFO CONCUR WITH PROPOSED TRAVEL.

BT

Memorandum

To : SAC, LOS ANGELES (56C-LA-101615) (WCC-4/SARA)(P) — Date 2/16/90

From [redacted] SA [redacted] — b6 b7C

Subject: CHARLES KEATING, JR., dba;
ET AL;
FEDERAL ELECTION LAW VIOLATIONS;
OO: Los Angeles

Purpose: This memo is in support of a request for authority for SA [redacted] to travel to Washington, D.C., to interview [redacted]

[redacted] was the [redacted] NEW DIMENSION RESOURCES and [redacted] of USA VOTES, a fund raising organization headed by Senator ALAN CRANSTON. CRANSTON, with the administrative assistance of [redacted] and his organization, raised several million dollars (including $850,000.00 from CHARLES KEATING's companies) in 1987 - 1988 for supposedly nonpartisan voter registration groups, principally the two California groups founded by CRANSTON [redacted] One aspect of this investigation relates to whether the voter registration groups were operated in a partisan manner and as a ruse to circumvent the restrictions on campaign contributions under federal law. [redacted] has agreed to be interviewed pursuant to a proffer agreement. AUSA [redacted] Los Angeles, will also be present for the interview. — b3 b6 b7C

[redacted] was the [redacted] for USA VOTES, and according to subpoenaed [redacted]

Both [redacted] may also provide information relevant to the Phoenix/Los Angeles investigation of possible influence peddling by CRANSTON and four other U.S. Senators (file 58C-PX-41605).

[redacted]
(2)

56C-LA-101615-196X1

[redacted] [redacted] — b6 b7C

[redacted]

56C-LA-101615 — 197

SEARCHED —— INDEX[redacted]

SERI[redacted]

FILE[redacted]

b6
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4 - Bureau
2 - Phoenix
3 - Los Angeles (P)
(56C-LA-101615)

[redacted]

U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

Los Angeles, California

March 12, 1990

CHARLES KEATING, JR., CHAIRMAN;
AMERICAN CONTINENTAL CORPORATION,
PHOENIX, ARIZONA;
UNSUBS;
PRINCIPLES AND OFFICERS OF AMERICAN
CONTINENTAL CORPORATION;
UNSUBS;
PRINCIPLES AND OFFICERS OF LINCOLN
SAVINGS AND LOAN,
IRVINE, CALIFORNIA;
ELECTION LAW VIOLATION

Investigation in this matter is continuing however has expanded to a second spin-off investigation. Initially the investigation surrounded allegations of conduit contributions to various federal politicians and subsequent reimbursement to those conduits from KEATING and/or his organizations. That portion of the investigation is continuing.

Information has been received to indicate the various tax exempt organizations initiated by Senator ALAN CRANSTON [redacted] and their associates may be in violation of the Federal Election Campaign Act in that the organizations were actually partisan in their activities rather than non-partisan tax exempt organizations. b6 b7C

On February 14, 1990, a meeting was held in Anaheim, California, to discuss the political corruption cases being jointly investigated by Los Angeles and Phoenix Divisions. In attendance were the agents working the cases, their supervisors, and [redacted] from the Public Integrity Section of the Department of Justice. Also in attendance was [redacted] who has been assigned to the task force. Also in attendance were Assistant United States Attorneys (AUSA) [redacted] from Los Angeles and [redacted] from Phoenix, Arizona. The purpose of the above meeting was to discuss strategy and priorities regarding both aspects of this investigation.

It was decided [redacted]

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It was further decided that [redacted]

Also discussed in great detail was the investigation involving the tax exempt organizations initiated by CRANSTON [redacted] and their associates. Various priorities, objectives, and leads were discussed concerning this investigation.

It was decided primarily three objectives must be met in order to prove the tax exempt organizations are in violation of the Federal Election Campaign Act. Those elements are as follows:

[redacted]

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CHARLES KEATING, JR.

[redacted]

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Various former employees of the Senate for Participation of Democracy have been interviewed regarding the training sessions they attended and the instructions they were given when recruiting volunteers that were working on the voter registration drives. It is anticipated many more former employees will be interviewed regarding those subjects.

AUSA [redacted] Los Angeles, California, is frequently being updated and advised as to the results of investigation. AUSA [redacted] concurs with investigation continuing as noted above.

Investigation will continue in this matter.

56C-LA-101615-197

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4 - Bureau
[redacted] Phoenix
Los Angeles (P)
(56C-LA-101615)
[redacted]
(8)

FD-761 (8-8-88)

FBI

TRANSMIT VIA:	**PRECEDENCE:**	**CLASSIFICATION:**
☐ Teletype	☐ Immediate	☐ TOP SECRET
☐ Facsimile	☐ Priority	☐ SECRET
☒ AIRTEL	☐ Routine	☐ CONFIDENTIAL
		☐ UNCLAS E F T O
		☐ UNCLAS

Date 3/12/90

To : Director, FBI (Attention: Criminal Investigative Division)
From : SAC, Los Angeles (56C-LA-101615)(WCC-4/SARA)(P)
Subject : Public Corruption Data Transmittal Form

1. **Title:** *(use additional page if necessary)*

   See page two.

   Re: LA FD-761 and LHM to the Bureau dated 9/27/89 and LA teletype to the Director dated 11/2/89.

2. ☒ **Enclosed are the original and three copies of a LHM for dissemination purposes.** *(check if appropriate)*

3. **Office of Origin File No.** 56C-LA-101615 *(include alpha)*

4. ☐ **Initial submission** ☒ **Supplemental submission** *(check one)*

5. **Date opened upon SAC authority** 7/2/89

[redacted]

6. **Level of subject official** *(See codes on reverse. Use additional pages, as necessary, for additional subjects.)*

   None at this time.

   Level ______ Number of Subject(s) ______
   Level ______ Number of Subject(s) ______
   Level ______ Number of Subject(s) ______

7. **Indicate which of the following investigative techniques have been utilized to date.** *(check all appropriate boxes)*

Code Number / Description		**Code Number / Description**	
Z1	☐ Acct. Tech. Assist.	Z14	☐ Pen Registers
Z2	☐ Aircraft Assist.	Z15	☐ Photo Coverage
Z3	XX Computer Assist.	Z16	☐ Polygraph Assist.
Z4	☐ Consensual Monitoring	Z17	☐ Search Warrants Use
Z5	☐ Elsur - FISC	Z18	☐ Show Money Use
Z6	☐ Elsur - Title III	Z19	☐ Surveillance Squad Use
Z7	☐ Eng. Sect. Field Support	Z20	☐ Swat Team
Z8	☐ Eng. Sect. Tape Exams	Z21	☐ Tech. Agent
Z9	☐ Hypnosis Assist.	Z22	☐ Telephone Toll Records
Z10	☐ Ident Div. Assist.	Z23	☐ Group I UCO
Z11 (A)	☐ Symboled Informant	Z24	☐ Group II UCO
Z11 (B)	☐ Cooperating Witness	Z25	☐ Undercover - Other
Z11 (C)	☐ Cooperating Subject	Z26	☐ NCAVG/VI - CAP
Z12	☐ Lab. Div. Exams	Z27	☐ VIA
Z13	☐ Lab. Div. Field Support		

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b7C

[redacted] Field Office
FBIHQ
(1 - White-Collar Crimes Section, Public Corruption Unit)

3 - Phoenix (56C-LA-101615)

56C-LA-101615 — 198
SEARCHED
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FILED
[redacted]

[redacted]
Approved: [redacted] Transmitted ______ Per ______
(Number) (Time)

DOJ

Codes for Levels of Officials

Federal

K01	President
K02	Vice-President
K03	Cabinet Level
K04	U.S. Senator
K05	U.S. Representative
K06	Judge
K07	Prosecutor
K08	Law Enforcement Official
K09	Federal Employee, GS-13 and above
K10	Federal Employee, GS-12 and below
K11	Military Personnel, commissioned
K12	Military Personnel, non-commissioned

State

L01	Governor
L02	Lt. Governor
L03	Cabinet Level
L04	Senator
L05	Representative
L06	Judge
L07	Prosecutor
L08	Law Enforcement Officer
L09	State Employee, managerial or above
L10	State Employee, less than managerial

Local

M01	Mayor - Field Office or SSRA city
M02	Mayor - Non-Field Office or SSRA city
M03	Legislator (Commissioner, Council-man,etc.) Field Office or SSRA city
M04	Legislator (Commissioner, Council-man,etc.) Non-Field Office or SSRA city
M05	Judge - Field Office or SSRA city
M06	Judge - Non-Field Office of SSRA city
M07	Prosecutor - Field Office or SSRA city
M08	Prosecutor - Non-Field Office or SSRA city
M09	Chief of Police - Field Office or SSRA city
M10	Chief of Police - Non-Field Office or SSRA city
M11	Sheriff - Field Office or SSRA city
M12	Sheriff - Non-Field Office or SSRA city

Local (Continued)

M13	Law Enforcement Officer - command position Field Office or SSRA city
M14	Law Enforcement Officer - command position Non-Field Office or SSRA city
M15	Law Enforcement Officer - ranking officer Field Office or SSRA city
M16	Law Enforcement Officer - ranking officer Non-Field Office or SSRA city
M17	Other Elected Officials - Field Office or SSRA city
M18	Other Elected Officials - Non-Field Office or SSRA city
M19	Public Employee (appointed) - Field Office or SSRA city, managerial level or above
M20	Public Employee (appointed) - Non-Field Office or SSRA city, managerial level or above
M21	Public Employee (appointed) - Field Office or SSRA city, less than managerial
M22	Public Employee (appointed) - Non-Field Office or SSRA city, less than managerial

Territorial

N01	Governor
N02	Lt. Governor
N03	Cabinet Level
N04	Senator
N05	Representative
N06	Judge
N07	Prosecutor
N08	Law Enforcement Officer
N09	Territorial Employee, managerial or above
N10	Territorial Employee, less than managerial

8. Type of Corruption Investigated *(check all appropriate boxes)*

N/A

Code Number/Description

(A) Judicial Corruption
- A1 ☐ Federal
- A2 ☐ State
- A3 ☐ Local
- A4 ☐ Territorial

(B) Legislative Corruption
- B1 ☐ Federal
- B2 ☐ State
- B3 ☐ Local
- B4 ☐ Territorial

(C) Contract Corruption
- C1 ☐ Federal
- C2 ☐ State
- C3 ☐ Local
- C4 ☐ Territorial

(D) Regulatory Corruption
- D1 ☐ Federal
- D2 ☐ State
- D3 ☐ Local
- D4 ☐ Territorial

(E) Law Enforcement Corruption
- E1 ☐ Federal
- E2 ☐ State
- E3 ☐ Local
- E4 ☐ Territorial

9. Does corruption involve drug related activity? *(check one)* ☐ Yes XX No

10. Statistical Accomplishments *(number since last submission)*

A. Complaints ______
B. Informants ______
C. Indictments ______
D. Convictions ______
E. Pre-trial Diversions ______
F. Acquittal ______
G. Recoveries ______
H. Restitutions ______
I. Potential Economic Loss Prevented ______

11. Forfeiture Provisions Utilized *(check one)* ☐ Yes X No

12. Status of Case *(check one)*

☐ Pending Preliminary Inquiry
XX Pending Full Investigation
☐ Closed

13. Basis for Closing *(check one)*

☐ U.S. Attorney Declination
☐ Dismissal
☐ Acquittal
☐ Conviction
☐ Administrative by SAC (no other basis involved)

Additional Administrative Data *(if needed)*:

See page two.

56C-LA-101615

1. Title:

CHARLES KEATING, JR., Chairman; AMERICAN CONTINENTAL CORPORATION, Phoenix, Arizona; UNSUBS; PRINCIPLES AND OFFICERS OF AMERICAN CONTINENTAL CORPORATION; UNSUBS; PRINCIPLES AND OFFICERS OF LINCOLN SAVINGS AND LOAN, Irvine, California; ELECTION LAW VIOLATION; OO: Los Angeles.

Additional Administrative Data:

For information of the Bureau, this matter was upgraded to a full investigation in October of 1989 upon receipt of a letter from [redacted] Director of the Election Crimes Branch, Public Integrity Section, Criminal Division, Department of Justice. [redacted] itemized in the letter the various violations which could be investigated. In addition, he concurs with facts developed as of that date were sufficient to merit a full field investigation. [redacted] then authorized the FBI to elevate this investigation to a full field status.

On February 14, 1990, a meeting was held in Anaheim, California, to discuss all political corruption cases being jointly investigated by the Los Angeles and Phoenix Divisions. In attendance were the agents working the cases, their supervisors, [redacted] and Assistant United States Attorneys [redacted] from Los Angeles and [redacted] from Phoenix, Arizona.

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The purpose of the meeting was to discuss strategy and priority regarding all political corruption cases. At the above mentioned meeting, the decision was made to [redacted]

Leads in this matter will be the following:

[redacted]

[redacted] b5 b7E

It was further decided if the above investigation does not resolve in a significant correlation to indicate the target individuals were reimbursed then that portion of the investigation will be terminated.

In addition also discussed in great detail was investigation involving the tax exempt "soft money" organizations initiated by Senator ALAN CRANSTON, [redacted] and their associates. It appears those organizations and their activities may have been partisan rather than non-partisan thus violating their tax exempt status and requiring them to report to the Federal Election Commission as an organization covered under the Federal Election Campaign Act (FECA). Leads to be conducted in this matter are as follows:

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[redacted]

56C-LA-101615

[redacted]

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Investigation is continuing in this matter.

FD-302 (REV. 3-10-82)

1

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/12/90

[redacted] the Center for Participation in Democracy, provided to the FEDERAL BUREAU OF INVESTIGATION (FBI) [redacted] previously supplied to the FBI pursuant to a Grand Jury subpoena. [redacted] b3 b6 b7C

GRAND JURY MATERIAL
DISSEMINATE ONLY PURSUANT
TO RULE 6 (e)., Fed., R. Crim. P.

Investigation on 2/22/90 at Washington D.C. File # 56C-LA-101615 - 199 b6 b7C

by S[redacted] Date dictated 3/1/90

56C-LA-101615-199

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b7C

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/12/90

[redacted] was interviewed at the offices of [redacted] Present for the entire interview were Assistant United States Attorney (AUSA) [redacted] and [redacted] Attorney [redacted] Present for a portion of the interview was [redacted] Attorney [redacted] The interview was conducted according to the agreement dated February 22, 1990, between the United States Attorney for the Central District of California and [redacted] which is attached hereto. After having been advised of the interviewing agent's identity and the nature of the interview, [redacted] provided the following information: b5 b6 b7C b7D

[redacted] b5 b6 b7C b7D

Investigation on 2/22/90 at Washington, D.C. File # 58C-PX-41605 56C-LA-101615 ✓-200

by SA [redacted] Date dictated 3/1/90 b6 b7C

56C-LA-10[redacted]010

[redacted] [redacted]

[redacted]

b6
b7C

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/7/90

[redacted] was interviewed at the office of his attorneys [redacted] The interview was conducted pursuant to the attached agreement dated February 22 and 23, 1990, between the United States Attorney for the Central District of California and [redacted] Present during the entire interview on February 22, 1990, were [redacted] attorneys [redacted] and [redacted] Assistant United States Attorney (AUSA) [redacted] and [redacted] identified as a "reader" for [redacted] After having been advised of the interviewing agent's identity and the nature of the interview, [redacted] provided the following information: b5 b6 b7C b7D

[redacted] b5 b6 b7C b7D

Investigation on 2/22/90 2/23/90 at Washington, D.C. File # 58C-PX-41605 56C-LA-101615 - 201

by S [redacted] Date dictated 2/28/90 b6 b7C

56C-LA-101615-201

b6
b7C

Members of Congress Insist Foundations Aid Causes, Not Politics

(Indicate page, name of newspaper, city and state.)

WASHINGTON POST

Date: 2/22/90

Edition:

Title:

Character: or Classification: 56C-LA-101615

Submitting Office: LA

Indexing:

By Charles R. Babcock
Washington Post Staff Writer

In the last few weeks, 1,775 corporation and trade association executives around the country received letters asking for donations to the Dole Foundation, established by Senate Minority Leader Robert J. Dole (R-Kan.) to help find jobs for the disabled.

In the coming weeks, those appeals will be followed up by Dole and the 50 members of the foundation's finance committee, many of whom are registered lobbyists and will be calling on their clients. Dole sees no problem in soliciting funds for his cause from groups that may have business before Congress, according to spokesman Walt Riker. "We wish we could raise even more money from these same people. The senator's only special interests here are disabled Americans."

The propriety of members of Congress raising money for tax-exempt groups has been called into question recently. It was disclosed last year that Sen. Alan Cranston (D-Calif.) solicited $850,000 from controversial savings and loan operator Charles H. Keating Jr. for a non-profit organization financing California voter registration after Cranston and other senators intervened for Keating with federal regulators.

Last month, The Washington Post reported that an aide to Rep. Mervyn M. Dymally (D-Calif.) solicited a New York diamond importer for a donation to a Puerto Rican foundation that funded a scholarship program in the congressman's name. During the same period, Dymally dropped his support for a ban on imported South African diamonds.

'Bothersome' Motivations

Sens. Dave Durenberger (R-Minn.) and Patrick J. Leahy (D-Vt.) recently resigned as chairmen of tax-exempt groups they had created, in part because of their concerns about fund-raising. Durenberger even asked the Senate ethics committee to rule on the appropriateness of any senator participating in such organizations.

"I have come to believe that there is a natural tendency on the part of the corporate and association community to give contributions, like PAC [political action committee] contributions, to senators they like and honoraria to senators in key positions," Durenberger said in a recent interview. "So the likelihood those same people may have similar motivations in contributing to a foundation is bothersome to me."

Common Cause President Fred Wertheimer says public officials should be barred from establishing tax-exempt foundations and institutes, however worthy their purposes, because they allow members to raise "unlimited and undisclosed sums of money from special interests looking for legislative results."

Such donations amount to another form of political giving, he said, because contributors may not separate the public official from his cause. Because of that possible dual motivation, some lobbyists refer to such tax-deductible gifts as "twofers."

Some officials from congressionally inspired tax-exempts, including those started by Sens. Joseph R. Biden Jr. (D-Del.) and Robert W. Kasten Jr. (R-Wis.), say they avoid soliciting the member's political supporters. Others are family foundations, by which members donate excess speaking fees to local charities.

'I Don't Sell My Vote'

Durenberger, the subject of a continuing investigation by the Senate ethics committee into a book promotion deal and other personal dealings, said his recent troubles caused him to rethink his role in two foundations he started, Americans for Generational Equity (AGE) and the Foundation for Future Choices.

He said he has solicited Washington lobbyists for contributions. "On occasion someone would say, 'Well, senator, people will support you because it's your foundation and they recognize this is your foundation.' They said this more than once."

He said he was not shocked donors might be more interested in pleasing him than in supporting his cause. "What I'm saying is I can't live with that anymore. I'm not surprised at it. I don't sell my vote. They can't influence me. If I had 20 foundations and they gave to every one, that's up to them."

Durenberger's AGE had a budget of about $250,000 a year when it was most active. Its chief donors have included the U.S. League of Savings Institutions, $25,000 over four years; Phillip Morris, $23,000, and Exxon Corp. and Johnson & Johnson, $20,000 each.

Paul Hewitt, AGE's former executive director, said the major funders seemed genuinely interested in the group's goal of questioning how to finance social and health benefits for future generations. Fund-raising has fallen off recently, according to board member Harrison Wellford, and AGE is deciding whether to disband.

Leahy said in an interview that he resigned as chairman of Rural Voice, which he founded in 1988, because he did not have time to raise the funds it needed to be suc-

56C-LA-101615-201X1

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Page 2

cessful. Its first-year budget was $165,000 and about $73,500 last year. An additional concern, he said, was that the group "not be lumped in" with other foundations perceived as being run for the political benefit of a member.

Leahy, chairman of the Senate Agriculture Committee, said he solicited a major contribution for Rural Voice in 1988 from Dwayne O. Andreas, chairman of Archer Daniels Midland Corp., an agribusiness concern. ADM gave $50,000. Andreas never asked him for a legislative favor, Leahy said, and "I voted against" a provision that year that would have helped the ethanol fuel industry ADM dominates.

The Dole Foundation is the largest of the tax-exempt groups affiliated with members of Congress. It raises more than $1 million a year and has donated more than $3 million to projects to hire and train the disabled since 1985.

Most of the money comes from corporations and trade associations which are solicited by Dole—who is disabled from a World War II wound—his vice chairman Robert Strauss, a prominent Democrat, and other lobbyists. Major Dole contributors include ADM, Anheuser-Busch, the AT&T Foundation, IBM and Marriott. Each has given more than $100,000 to Dole's group over the years.

'It Can Be a Hard Sell'

"I go after my clients," said Dole fund-raiser Patrick E. O'Donnell, a Washington lobbyist. He cited Warner-Lambert, Mercedes-Benz of North America and Coca-Cola among those he solicited for donations. "Obviously you get some political mileage out of this," he added. "But it can be a hard sell. You've got to justify it to the charity, not the political, guy" in each company.

Dole spokesman Riker said the senator separates the foundation work from his political persona "by establishing a wholly nonpartisan foundation that has nothing to do with politics. Never did. Never will.

"I understand Common Cause's zeal to reform," Riker said. "But it ought to go out and take a look at what the foundation does for the disabled."

Tax-exempt organizations are required to make their tax returns public, but not their donor lists. Many groups, such as the Dole Foundation, disclose contributors anyway.

The Foundation for Change, which was started in 1988 by Biden, grew out of an idea to do a poll on problems in civil litigation in U.S. courts, according to Mark Gitenstein, a former Biden staff aide who is its executive director.

"There was no way the Rules Committee was going to give money to Judiciary [where Biden is chairman] to do a poll, so we set up the foundation to raise it," he said. Of the $150,000 the foundation raised last year, the largest contributions were $25,000 each from the Association of Trial Lawyers of America and two corporations, Gitenstein said. The main expense was $56,000 to the Louis Harris polling organization.

Biden and the foundation's vice chairman, Sen. William S. Cohen (R-Maine) did not raise any of the money, Gitenstein said. "We've tried to be circumspect," he added. "We don't pay for Biden's travel. And this wasn't set up to get publicity for Joe Biden."

Avoiding the Senators' Donors

Herman Pirchner, the secretary-treasurer of the Legislative Studies Institute started last year by Kasten, is a fund-raiser for the senator and other politicians. He said a small part of the $250,000 raised last year probably came from Kasten political supporters. "But we made a conscious policy decision not to" systematically solicit the senator's donors, he said.

Kasten limits his fund-raising aid to signing a solicitation letter, Pirchner added. The largest donation last year was $50,000 from the Bradley Foundation in Milwaukee, "which I solicited," the fund-raiser said.

The institute hopes to raise $500,000 this year. It holds 4½ months of classes for a dozen students who want to work in Congress. They pay $1,500 tuition and hear lectures from prominent current and former government officials, including Kasten.

Sen. Jake Garn (R-Utah), while he was chairman of the Senate Banking Committee, allowed the University of Utah to use his name to solicit donations for the business school's Garn Institute of Finance. The contributors have been a who's who of financial institutions whose interests are affected by the committee's legislation.

The recent House ethics reform to ban members from keeping honoraria as personal income after this year may boost the creation of more personal foundations. Members could then tell sponsoring groups to send speaking fees to such a foundation.

Rep. Glenn M. Anderson (D-Calif.) has done just that for years. In addition, he donates other personal money to the foundation and raises some in local Long Beach area fund-raisers, according to foundation official Linda Bobb. Another Anderson aide said since the honoraria rules changed a few months ago, "three or four" other House members have called asking how to set up a similar tax-exempt group.

(Indicate page, name of newspaper, city and state)

Date:
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Title:

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Submitting Office:

Indexing:

Memorandum

To : SAC, LOS ANGELES (56C-LA-101615)
(WCC-4/SARA) (P)

Date 4/10/90

From : SA [redacted]

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Subject: CHARLES H. KEATING, JR., ETC.
FEDERAL ELECTION LAW VIOLATIONS
OO: LOS ANGELES

On [redacted] SA [redacted] appeared before the Federal Grand Jury for the Central District of California, Los Angeles, California, to [redacted] pursuant to Federal Grand Jury subpoenas [redacted]

[redacted]

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[redacted] (2) - Los Angeles
[redacted]

56A-LA-101615-203

GRAND JURY MATERIAL - Disseminate
Only Pursuant to Rule 6(E),
Fed. R. Crim. P.

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The Grand Jury appointed SA [redacted] SA [redacted] and SA [redacted]

Cranston's Use of Voter-Registration Charities To Benefit Campaign Highlights Gray Legal Area

WALL STREET JOURNAL
Pg A18

Date:
Edition: 3/1/90

Title:

Character
or
Classification: 56C-LA-101615 ✓
58C-PX-41605
Submitting Office: LA

Indexing:

By BROOKS JACKSON
Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—When Republicans lost control of the Senate in the 1986 elections, Sen. Alan Cranston thanked donors to a $4 million fund-raising drive he had organized to elect Democrats.

"Your support was a major factor in helping us to realize this historic victory," the California Democrat said in a confidential memorandum.

Alan Cranston

Under law, campaign donations are strictly limited and must be fully disclosed. But Sen. Cranston had taken in donations as large as $400,000 while promising anonymity to the donors, who included business executives with interests before the Banking Committee, of which Sen. Cranston is a senior member. Many givers wrote their contributions off as deductions on their federal income-tax returns.

Sen. Cranston had exploited an area that the campaign-finance laws apparently fail to cover—tax-exempt charities that register voters, in this case poor and minority voters, who are mostly Democrats. The senator says this had a laudable effect—getting people to the polls. "I was determined not to have everything depend upon TV and money," he said in an interview.

The Cranston operation was modeled in part on Republican efforts in 1984 to use tax-exempt groups to register evangelical Christians and to get overseas military personnel to vote by absentee ballot. Internal Revenue Service regulations allow the use of tax-deductible money to sign up voters in promising neighborhoods or demographic groups, so long as canvassers don't ask in advance which party or candidate the potential voters favor.

But documents obtained by The Wall Street Journal suggest Sen. Cranston used the charities as an avenue for what in effect were concealed, tax-deductible election contributions from lobbyists, corporations, labor unions, business executives and rich individuals.

The discovery last year that savings-and-loan owner Charles Keating Jr. had given $850,000 to three voter-registration groups in which Sen. Cranston was involved helped bring the Keating affair to a boil and could damage any re-election effort by Sen. Cranston, whose term expires in 1992.

Junk-Bond Connection

But a scandal may have been inevitable with or without Mr. Keating. Undeclared gifts benefiting Sen. Cranston from 1985 through 1988 also included:

—$25,000 from Drexel Burnham Lambert—which the senator solicted directly from junk-bond impressario Michael Milken. The senator later sided with Drexel on the Banking Committee against legislation to curb purchase of high-risk bonds by federally insured thrifts, and joined other California lawmakers in petitioning the Securities and Exchange Commission to leave Drexel's junk-bond operation in Beverly Hills;

—$25,000 from the law firm of John Camp, a Washington lobbyist for Sears, Roebuck & Co.'s banking interests, with whom the senator lined up by leading a successful effort to weaken legislation regulating limited-service banks;

—$25,000 from a foundation controlled by S&L mogul David Paul of Miami-based CenTrust, which was Florida's largest thrift before its ailing junk-bond portfolio caused it to crash;

—$15,000 from California's Columbia Savings, the single biggest thrift-industry customer for Drexel's junk bonds.

Much of the money to the voter-registration charities was from wealthy liberals sympathetic to enfranchising the downtrodden and to Sen. Cranston's stands for nuclear disarmament and protecting the environment. Joan Kroc, widow of the founder of the McDonald's hamburger chain, gave $400,000 in 1986 and $150,000 in 1988. Department-store heir Frederick Field gave $217,000 to three different groups. Singer Barbra Streisand was another heavy donor.

But other donors included the political-action committees of the Association of Trial Lawyers of America ($200,000) and the Teamsters union ($100,000), the Gallo winery ($200,000), soybean magnate Dwayne Andreas ($50,000), and several labor unions, including the Sheet Metal Workers ($75,000), Hotel and Restaurant Employees ($50,000), and the Service Employees ($40,000).

In all, 75 donors gave a total of $4.1 million in the 1986 elections, according to memos by organizers. Sen. Cranston solicited several million more in donations for the 1988 elections.

Promises of Anonymity

Donors were promised anonymity. In one memo dated Sept. 24, 1986, the senator said: "Remember, in addition to being tax deductible, these contributions may be unlimited in amount and need not be publicly reported."

Many donations did become known, partly by accident. Mr. Keating's gifts were discovered by California savings-and-loan examiners going over his company's books. Later, California officials released to several newspapers some tax documents—containing more donor names—that they now say were supposed to remain confidential. This newspaper obtained names of additional donations because of another bureaucratic error. And one tax-exempt group voluntarily released a list of its donors. But Cranston associates won't release a comprehensive donor list, saying they must honor the promises they made.

The 1986 effort to raise tax-deductible money to elect Democrats was dubbed AmericaVotes, and was later renamed USA Votes for the 1988 elections. The intent of the AmericaVotes was explained by its manager Robert Stein in a 1986 memo: "As Democrats, we are trying to regain control of the Senate, to increase our majority in the House of Representatives and, in general, to help strengthen the capacity of state and local groups to motivate voters favorable to Democrats this year and in 1988."

AmericaVotes concentrated its efforts in 1986 on states where close elections were expected. Mr. Stein's memos say he made the choices with help from the Democratic House and Senate campaign committees, underscoring the partisan intent of the organizers. Funds went to about 60 voter programs in 13 states. Mr. Stein's memos say

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the money was used not only to register minority voters, but to push environmental and farm issues where that would be helpful to Democratic Senate candidates.

In North Dakota, where Democrat Kent Conrad defeated GOP Sen. Mark Andrews by 2,135 votes, the AmericaVotes effort invested $100,000, according to a Stein memo. That included $50,000 to the nonprofit Dakota Resources Council for what Mr. Stein described as "sophisticated education and GOTV [get-out-the-vote] campaigns."

'Here, There and Everywhere'

One Dakota Resources publication attacked Sen. Andrews for casting an "anti-farmer vote" in favor of "lower market prices for our farm commodities." A former Andrews aide, Jacqueline Balk-Tusa, recalls that Dakota Resources hadn't been much of a factor before the 1986 campaign. "All of a sudden they were here, there, everywhere," she says. "They got people out to vote who had never voted before." In the midst of the campaign, Bismarck, N.D., lawyer Myron Atkinson complained to the Federal Election Commission that Dakota Resources was engaging in illegal campaign activities. The FEC declined to investigate the complaint.

Mr. Stein also described AmericaVotes money as possibly decisive in Washington state, where Democrat Brock Adams defeated Republican incumbent Sen. Slade Gorton by 2% of the vote. A major issue in the race was Adams's opposition to a nuclear-waste site. "More than $40,000 was invested in education and GOTV programs conducted by peace and environmental groups," Mr. Stein wrote. That was part of a total of $100,000 that AmericaVotes claimed to have funneled into the state, according to the memo.

"Senator-elect Adams attributes his victory to the partisan and nonpartisan efforts designed to increase voter turnout," Mr. Stein's memo said.

By far the biggest chunk of tax-deductible money—$600,000 according to the Stein memo—aided Sen. Cranston's re-election. Mr. Stein said it seemed to be the difference between victory and defeat. "In California, black turnout in Los Angeles and overwhelming voter support for Cranston on the toxics [ballot] initiative appear to have been determinative for him," he wrote. Mr. Stein said some of the same donors also gave a total of $300,000—non-deductible—directly to the California Democratic Party for a drive to get voters to the polls.

Sen. Cranston won by fewer than 105,000 votes, and Mr. Stein said the combined efforts of the party and the tax-exempt groups got at least 160,000 voters to the polls. "Campaign officials believe that they were indispensable ingredients of his victory," Mr. Stein wrote. He said later the word "indispensable" came from Mr. Cranston.

Sen. Cranston denies that. "I don't think the [tax-exempt] registration had anything to do with my election," he said in an interview. He concedes that the party's voter drive, using money he solicited, was "important" to his victory. It was to the state party that Mr. Keating directed an $85,000 contribution, which the senator says he assumes he or an aide must have solicited. This so-called soft money (governed by state rather than federal campaign laws) came from corporate funds, which would have been illegal if given directly to the Cranston campaign.

When it came to tax-exempt groups, Sen. Cranston routed some donations through his Capitol office. "The checks should be made payable to 'California Center for Voter Education and Participation' and sent to me at the Senate," he told one donor in a letter. "Keeping my Senate seat in the Democratic column may be pivotal to our regaining control of the Senate," he wrote.

That group reported spending $306,000, but the senator says, "It didn't raise much money, and didn't work very effectively." Renamed the Western Center for Voter Education, it disbanded after the 1986 election and was succeeded by another tax-exempt group, the Center for Participation in Democracy, initially operated by Sen. Cranston's son Kim in a house the two own jointly.

Both the Senate Ethics Committee and a federal grand jury in Los Angeles are looking into the tax-exempt groups. But attorneys for Messrs. Cranston and Stein say the groups observed all the proper procedures required to qualify as non-partisan charities.

The Senate may soon consider a measure to tighten the rules. Republican Sen. Mitch McConnell of Kentucky is pressing a bill that would prevent candidates for federal office from raising money for tax-exempt voter-registration groups.

(Indicate page, name of newspaper, city and state.)

Date:
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Classification:
Submitting Office:

Indexing:

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[redacted] [redacted]

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FBI — LOS ANGELES

[redacted]

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/19/89

[redacted] CITIZENS FOR PARTICIPATION IN DEMOCRACY (CPD) [redacted] was advised as to the identity of the interviewing agent and the purpose of the interview at which time she advised as follows:

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[redacted]

[redacted]

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Investigation on 12/14/89 at Los Angeles, California File # 56C-LA-101615

by [redacted] Date dictated 12/15/89

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

56C-LA-101615

In addition to the above, on December 14, 1989, [redacted] was presented with a Federal Grand Jury subpoena requesting [redacted] The Federal Grand Jury subpoena commanded [redacted] the Grand Jury on [redacted]

[redacted]

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FD-36 (Rev. 8-29-85)

FBI

TRANSMIT VIA:
- ☐ Teletype
- ☐ Facsimile
- ☒ AIRTEL

PRECEDENCE:
- ☐ Immediate
- ☐ Priority
- ☐ Routine

CLASSIFICATION:
- ☐ TOP SECRET
- ☐ SECRET
- ☐ CONFIDENTIAL
- ☐ UNCLAS E F T O
- ☐ UNCLAS

Date 1/4/89

TO : SAC, SAN ANTONIO (58C-537) (P)

FROM : SAC, LOS ANGELES (56C-LA-101615) (WCC-4/SARA) (P)

SUBJECT: ALLEGATIONS CONCERNING U.S. SENATORS
ALAN CRANSTON, DENNIS D. DECONCINI,
JOHN GLENN, JOHN MCCAIN, DONALD RIEGLE;
CHARLES H. KEATING, JR., dba AMERICAN
CONTINENTAL CORPORATION,
Phoenix, Arizona, and
LINCOLN SAVINGS AND LOAN ASSOCIATION,
Irvine, California;
CORRUPTION OF FEDERAL PUBLIC OFFICIALS -
LEGISLATIVE;
OO: Phoenix/Los Angeles (56C-PX-41605)

CHARLES KEATING, JR., CHAIRMAN,
AMERICAN CONTINENTAL CORPORATION,
Phoenix, Arizona;
UNSUBS, PRINCIPALS AND OFFICERS OF
AMERICAN CONTINENTAL CORPORATION;
UNSUBS, PRINCIPALS AND OFFICERS OF
LINCOLN SAVINGS AND LOAN ASSOCIATION,
Irvine, California;
ELECTION LAW VIOLATION
OO: Los Angeles (56C-LA-101615)

DUNDEAL;
OO: San Antonio (58C-SA-537)

Re San Antonio teletype to Director dated 12/26/89, and telcal between San Antonio Special Agents (SA) [redacted] and [redacted] and Santa Ana SA [redacted] on 1/2/90. b6 b7C

2 - San Antonio (Encl. 15)
2 - Phoenix (58C-41605)
4 - Los Angeles (58C-PX-41605)
(2 - 56C-LA-101615)

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SERIALIZED [redacted]
FILED [redacted]

Approved: ______ Transmitted ______ (Number) (Time) Per ______

56C-LA-101615-183X1

[redacted] [redacted] b6 b7C

[redacted]

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/10/90

Pursuant to a Federal Grand Jury Subpoena, [redacted] provided [redacted] b3 b6 b7C

[redacted]

Investigation on 1/4/90 at Santa Ana, California File # 56C-LA-101615

by SA [redacted] Date dictated 1/4/90 b6 b7C

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/10/90

Pursuant to a Federal Grand Jury Subpoena, [redacted] provided [redacted] b3 b6 b7C

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[redacted]

Investigation on 1/4/90 at Santa Ana, California File # 56C-LA-101615

by SA [redacted] Date dictated 1/4/90 b6 b7C

FD-302a (Rev. 11-15-83)

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Continuation of FD-302 of [redacted], On 1/4/90, Page 2*

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[redacted]

Pursuant to a separate Federal Grand Jury Subpoena, a [redacted]

Mount Clipping in Space Below

[redacted]

The Orange County Register

Santa Ana, California

Date 12/8/89

Edition

Title Keating, associates fired from Phoenix jobs

Character: 56C-LA-101615

or 29D-LA-102009

Classification:

Submitting Office: Santa Ana Resident Agency & L.A. Division

Indexing:

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Keating, associates fired from Phoenix jobs

By Lisa Morrell and Andy Hall
Arizona Republic

PHOENIX — Before dawn Thursday, more than 50 federal thrift managers, FBI agents and private security guards ousted Charles H. Keating Jr.'s regime from their "haven of peace" at The Phoenician resort and the Crescent Hotel.

The action by the Federal Deposit Insurance Corp. broke Keating's last hold on his Lincoln Savings and Loan, which regulators seized in April. A Lincoln subsidiary owns a majority stake in the hotels.

In other action:

■ It was reported that Sen. Alan Cranston's top banking-affairs aide took a trip partly paid for by Keating within a week after Cranston first interceded with federal regulators on behalf of Lincoln.

■ The federal savings-and-loan regulators accused of delaying Lincoln's takeover for two years struck back at the nation's top securities regulator, who criticized their handling of the collapse.

Keating and 23 employees were fired from their jobs at The Phoenician resort, a 605-room golf, tennis and spa complex sunk into Camelback Mountain in Phoenix, and from the 344-room Crescent Hotel in north Phoenix. The hotels employ about 1,500 people.

The fired employees included Keating's wife, Mary Elaine Keating, two daughters and two sons-in-law.

Keating drew no salary as manager of the Phoenician, but he continues to receive a $500,000-a-year salary as chairman of American Continental Corp. of Phoenix, Lincoln's former owner. He is scheduled to testify Tuesday before the House Banking Committee in its investigation of the $2 billion collapse of Lincoln.

After Keating's Kuwaiti partners in the hotels agreed to the management coup, about a dozen federal officials and more than 40 support personnel entered The Phoenician at 1:30 a.m. Thursday.

They sealed off "sensitive" areas, such as the control room for computer operations and the executive offices, said Herbert Chin, a government official who is overseeing the management change. Locks were changed on the office doors, including those of fired employees.

Messengers delivered letters to the homes of the fired employees at about 2 a.m. Thursday, telling them they no longer had jobs. The employees were Keating family members or transplanted American Continental workers who "are not professional hotel people," Chin said.

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A. Melvin McDonald, an attorney for American Continental, said Keating spent many of his days at The Phoenician, working on business matters. He said the loss of the hotels would hurt Keating.

"There's no question that was his life," McDonald said. "He loved that resort. That was to he and his family a haven of peace. It was a culmination of a dream. Every feature, every touch there, embodied their creativity."

McDonald lambasted the federal officials' tactics. "Rather than go like gentlemen in the middle of the day, they went like storm troopers in the middle of the night.

"It was literally a coup d'etat."

Mark Randall, managing agent for the FDIC which oversees Lincoln, said the timing was chosen because "both hotels are full and our primary concern in doing this was to minimize disruption to the patrons of the hotel."

Meanwhile, Knight-Ridder Newspapers reported that Cranston aide Carolyn D. Jordan took a trip partly paid for by Keating within a week after the senator first contacted federal regulators in 1987 on Lincoln's behalf.

In March, Jordan said urged California Savings and Loan Commissioner William Crawford to support Keating's last-ditch proposal to sell Lincoln, according to state officials.

The Senate ethics committee and the Justice Department are reportedly ready to open a formal investigation of the actions of Cranston and four other senators who met with regulators on Keating's behalf. Keating generated about $1.4 million in contributions to the senators and their favorite causes.

The other senators involved are Dennis DeConcini, D-Ariz.; Donald Riegle, D-Mich.; John McCain, R-Ariz.; and John Glenn, D-Ohio.

Jordan's 1987 trip from Washington to Phoenix was taken with Cranston's approval, the senator said through a spokesman.

The timing of the trip followed almost immediately the beginning of what became a two-year campaign of lobbying federal regulators by Cranston on Keating's behalf.

Jordan said her trip was arranged by James Grogan, a former aide to Glenn, who has served as Keating's top lobbyist on Capitol Hill. It was Grogan who delivered $200,000 from Keating's corporation to a campaign fund controlled by Glenn.

Records filed by Jordan last year with the Senate ethics committee show the lodging for her eight-day trip was paid by Keating's American Continental Corp. — the parent firm of his S&L.

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The Orange County Register

Santa Ana, California

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Date 12/1/89
Edition

Title Regulators bowed to Lincoln wishes

Character: 56C-LA-101615
or 29D-LA-102009
Classification:
Submitting Office: Santa Ana Resident Agency L.A. Division
Indexing:

·Mount Clipping in Space Below·

Regulators bowed to Lincoln wishes

By Jonathan Lansner
The Register

California savings-and-loan regulators acknowledged Thursday that in October 1987 they withdrew an order barring Lincoln Savings and Loan from making some risky investments after Lincoln's parent company complained that it would have to tell investors about the sanction.

The order also chided Lincoln for its "unsafe and unsound" business practices, which can be grounds for a federal takeover.

Department of Savings and Loan Commissioner William Crawford said he rescinded the order after Lincoln's parent company, American Continental Corp., privately agreed that Lincoln would comply with the order's demands.

"We got everything we bargained for," Crawford said.

However, a memo written by federal regulators in San Francisco in February 1988 said: "Lincoln has not complied with the terms of its letter. It has failed to file the requisite information."

The withdrawal of the order is the second admission by the department in recent weeks that American Continental Corp. was able to change the course of regulatory matters after lobbying efforts.

In both cases, Karl Samuelian, Gov. George Deukmejian's top political fund-raiser, lobbied the department as American Continental's attorney. Company officials gave $75,000 to Deukmejian's 1986 re-election campaign.

Two weeks ago, Crawford admitted that in December 1985 he ended plans to impose strict industrywide rules that would restrict Lincoln's speculative ventures after American Continental intervened.

Insuring Lincoln's deposits is expected to cost US taxpayers more than $2 billion. The bankruptcy of American Continental has made worthless more than $200 million in uninsured notes held by about 23,000 small investors.

Those investors are suing the state, the company and several other defendants to recoup their money.

Ron Rus, an Orange lawyer representing the investors, said withdrawing the order prevented the public from discovering important information about the true financial condition of American Continental's largest asset, Lincoln.

"If the state had followed through, rather than being swayed, it would have saved a lot

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FBI — LOS ANGELES

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of little old people millions of dollars," Rus said.

Lincoln was one of the leading savings and loan's in taking advantage of deregulation. It shunned the industry's traditional mortgage business to invest its deposits in raw land, luxury resorts, residential developments and junk bonds.

The order that Crawford proposed in October 1987 would have prohibited Lincoln from additional investments in undeveloped land, loans on such property or commercial loans larger than $500,000.

But the company quickly objected, said Crawford and his chief assistant, William Davis. American Continental's major concern, the regulators said, was that the company would be forced to disclose the order to investors.

"They said, 'We'd be hurting our company,'" Davis recalled.

Crawford said the company suggested substituting a letter from Lincoln promising to do what the order required.

"You'll get everything you want," Crawford recalled American Continental officials saying.

Crawford said one reason he agreed to the request was that his staff believed Lincoln could contest the action in court and win.

Among the legal firepower with which American Continental confronted the department was Samuelian, the managing partner of a large Los Angeles law firm.

Another lawyer with Samuelian's firm, Franklin Tom, wrote Lincoln's response to the order, Crawford said.

Tom and the law firm also are defendants in the suit brought by American Continental investors.

They claim that Tom, a former Department of Corporations commissioner, improperly used his influence to get his old agency to approve the sale of those notes.

Robert Draper, a lawyer for Samuelian and Tom, said there was nothing improper in Samuelian's involvement in fighting the order. Draper was unaware of Tom's involvement.

Samuelian also was involved in a November 1985 meeting where several influential Republicans — including Assemblyman Patrick Nolan, R-Glendale, author of the 1983 savings-and-loan deregulation bill — persuaded a trade group to drop its support for a rule change that would have hurt Lincoln. Crawford then withdrew the proposed change.

2*

Mount Clipping in Space Below

Cranston defends Lincoln lobbying; panel plans probe

By Jeff Weir
The Register

The same day Sen. Alan Cranston issued his first detailed defense of his involvement with the former owner of Irvine-based Lincoln Savings and Loan, the Senate Ethics Committee was reported to be ready to open a formal investigation of the five Senators accused of intervening improperly on behalf of the institution.

A Senate official told the New York Times on Thursday that the committee would meet this afternoon and is expected to order a "preliminary inquiry" into Cranston, D-Calif.; Dennis DeConcini, D-Ariz.; John McCain, R-Ariz.; Donald W. Riegle Jr., D-Mich.; and John Glenn, D-Ohio.

The committee previously asked the five senators to respond to accusations that they improperly intervened with regulators after receiving large campaign contributions from Lincoln's top officer, Charles H. Keating Jr.

Two senators already had re-

Please see **CRANSTON/16**

■ **OUSTED:** Charles Keating Jr. is ousted from 'haven of peace'/**16**

■ **REVOKED:** Regulators say they withdrew safe-investment order/**16**

The Orange County Register
Santa Ana, California

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Date 12/1/89
Edition

Title Cranston defends Lincoln lobbying panel plans probe
Character: 29D-LA-102009
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FBI — LOS ANGELES

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ston issued his response Thursday.

Cranston, attempting to defuse the political furor over his involvement, denied that he tried on Keating's behalf to prevent regulators from seizing the savings and loan.

Cranston, whose links to Keating have exposed him to widespread criticism, also told the Senate Ethics Committee that he did nothing unethical or improper in asking federal regulators to either crack down on Lincoln or leave the institution alone in April 1987, when San Francisco regulators wanted to shut the savings and loan down because of Keating's penchant for risky real estate investments.

Regulators delayed the seizure of Lincoln for two years, during which Keating's American Continental Corp. sold $250 million of now-worthless junk bonds to 23,000 investors through Lincoln's offices.

"I am not responsible for loss of taxpayer funds through a delay in shutting down Lincoln or the losses of innocent California bond investors," Cranston said in a letter to the Ethics Committee. "I never attempted to derail any investigation of wrongdoing at Lincoln."

In an accompanying letter, Cranston's lawyer, William Taylor, urged the committee to drop its probe of Cranston's relationship with Keating on grounds that his contacts with regulators violated no ethical rules of the Senate.

"When all is said and done, the critical and undisputed fact is that Sen. Cranston received no personal gain from Charles Keating or any organization he owned or controlled," Taylor said. "The committee should determine that no further action against Sen. Cranston is warranted."

The April collapse of Lincoln, expected to trigger a $2 billion bailout from taxpayers, is being investigated by the FBI and the Securities and Exchange Commission, and by federal banking regulators, who are suing Keating for $1.1 billion in damages.

The House Banking Committee, in addition, has conducted five highly publicized hearings into the Lincoln affair, during which witnesses have blamed banking regulators and Keating's political cronies for delays in cracking down on Lincoln.

The Senate Ethics Committee last month launched its inquiry into the conduct of the five senators, acting in response to a request from Common Cause. Together, the five have received more than $1.3 million from Keating, either directly to their campaigns or, in Cranston's case, to voter-registration drives working on his re-election campaign.

~~Susan~~ Manes, a Common Cause vice president, said the ethics investigation just because Cranston says he didn't violate Senate rules.

"The published reports on this matter raise questions that need to be resolved in a way that is credible," Manes said. "The only way that can occur is with an investigation conducted by an outside counsel to ensure its independence. And the questions are serious enough that they require a full-scale Ethics Eommittee investigation."

Cranston's primary accuser, former bank board Chairman Edwin Gray, told the House Banking Committee last week that Cranston and the other senators abused their power in 1987 when they attempted to interfere with his department's investigation of Lincoln's finances.

He also said Cranston lied about the extent of his lobbying on behalf of Lincoln, lobbying that continued this year when Cranston contacted Gray's successor, M. Danny Wall, about a proposed sale of Lincoln to a group headed by former congressman John Rousselot.

"Mr. Gray simply does not know what he is talking about when he says that it is unethical or even criminal for a member of Congress to express concern about or urge delay or retraction of a federal agency regulation," Taylor said.

The lawyer said he would not attempt "to take issue with every insult flung at Sen. Cranston by misinformed pundits or discredited former bureaucrats."

In a six-page defense, Cranston told the Ethics Committee that his inquiries on behalf of Lincoln "were totally consistent with inquiries I have made for other constituents with credible complaints about their treatment by a federal agency."

At the time of his meeting with Gray in 1987, Cranston said he only knew that the bank board had been examining Lincoln's books "for what seemed like an unreasonable and perhaps unprecedented amount of time."

"The problem as conveyed to me ... not only by Mr. Keating but also by (economist Alan) Greenspan and Arthur Young & Co., was that federal examiners bore substantial responsibility for creating a most destructive and irrational state of limbo for this institution, and that the (bank board) needed to act promptly," Cranston said.

"I believe it is ethically proper to urge the head of a federal bureaucracy to act promptly and fairly on matters affecting a constituent. When my conduct is fairly evaluated, based on what I knew at that time, I believe you will conclude that I was not attempting to help Mr. Keating or his companies evade the requirements of the law."

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FD-350 (Rev. 5-8-81)

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[redacted]

The Orange County Register
(Indicate page, name of newspaper, city and state.)
Santa Ana, California

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Date: 12/3/89
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Title: State official ignored warning about Lincoln

Character: 29 D-LA-102009
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State official ignored warnings about Lincoln

By Chris Knap
The Register

■ **SPECIAL COUNSEL:** Robert Bennett called tough but fair/**A19**

■ **LINCOLN:** Ties to Drexel one focus of Justice, SEC probes/**N1**

SACRAMENTO — State Corporations Commissioner Christine Bender had a "stack of critical information" from regulators about American Continental but approved its bond-sales request based on information provided by the company's lawyers who also were her former bosses, according to her testimony and public documents.

Those lawyers were Karl Samuelian, a gubernatorial fund-raiser and Bender mentor who had employed her at his Los Angeles law firm; and Franklin Tom, her former boss at the Corporations Department and former colleague at Samuelian's law firm.

Eleven months after Bender approved the sale of the uninsured debentures, American went bankrupt, leaving 23,000 consumers holding $200 million in worthless paper. Irvine-based Lincoln Savings and Loan, the American subsidiary where most of the bonds were sold, was seized by federal regulators the following day.

Although Bender has repeatedly defended her actions, Department of Savings and Loan and Department of Corporations documents obtained by the Register show that she and other top officials, before their May 26, 1988, decision, had:

■ Talked at least four times with officials from the Securities and Exchange Commission, who expressed concern that American Continental was inflating the worth of the assets listed on its financial statements.

■ Received a half-inch thick 1987 Federal Home Loan Bank

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Board report that detailed "substantial problems" at Lincoln Savings, including insider loans, ~~risky~~ investments and questionable accounting practices.

■ Received briefings from Department of Savings and Loan regulators who doubted the value of American holdings. On May 18, 1988, seven thrift regulators met with five corporations regulators and "expressed serious doubts about the ability of (American) to service the debts being created" by the bond sales.

■ Received a memo from a senior examiner in their own department questioning the value of American's assets and the correctness of its balance sheet. Another corporations official said during the May 18 briefing that the bond sale "looks like a Ponzi scheme."

Bender has refused for more than a month to be interviewed by the Register. But in her testimony Wednesday before an Assembly banking committee, she insisted that she did the right thing.

"The Federal Home Loan Bank Board never provided us with any useable evidence," Bender said. "The Department of Savings and Loan ... did not provide sufficient objective evidence to support a finding against American Continental. No staff recommendation was ever overruled.

"Allegations of influence peddling ... are totally false."

But Patrick Johnston, D-Stockton, chairman of the Assembly banking committee investigating Lincoln's collapse, strongly criticized Bender in an interview last week.

"I find it shocking that stack of critical information would be tossed aside in favor of the representations of a well-connected lawyer for (~~American~~ Continental chief Charles) Keating," Johnston said.

Johnston noted that Bender and other corporations officials ~~have~~ acknowledged that they saw the regulators' reports, but chose not to rely on them.

"I think what happened in this case was due to the pervasive effects of a high pressure, well-connected individual named Charlie Keating," Johnston said.

"(Corporations officials) felt they needed a case that was so airtight that no one would second-guess it — particularly the lawyers she (Bender) had worked with."

Department of Corporations memos charting the decision-making process show that corporations' regulators talked with dozens of state and federal regulators, turning up reams of information indicating that American was inflating the value of its assets.

Because the bonds that American sought to sell were uninsured and subordinate to the firm's other debts, such information was crucial.

But corporations' regulators fretted that none of the other regulatory agencies had taken action.

"No drastic steps have been taken against Lincoln Savings and Loan Association," noted an April 7, 1988, memo from Senior Examiner Ken Endo to Senior Corporations Counsel Robert Rifkin.

Endo raised a number of questions about American in his memo, noting that the company's balance sheet overvalued some investments by $155 million and included others, such as junk bonds, that were not sound investments. American's income-earning assets were $1 billion less than its debts, he reported.

"These were questions he had and concerns he had," Bender testified. "We certainly did not ignore Mr. Endo's memo." She said Samuelian and Tom were asked to respond to those and other concerns.

According to a March 13, 1989, Department of Corporations memo, former Commissioner Tom, ~~who had~~ taken over ~~Ameri-~~can's case file, called or met with top corporations officials eight times between March and April of 1988. Samuelian met with Bender and ~~others~~ once in March 1988.

Tom's public testimony indicates that there were other contacts as well. He testified that he contacted Senior Corporations Counsel Ronald Carruth on March 24, 1987, and Assistant Commissioner Jerry Baker one day later. Johnston has said those contacts violate state conflict of interest laws.

In a final meeting May 23, Tom brought Robert Kielty and Andy Liggett, chief counsel and chief financial officer of American, to meet with Assistant Commissioner Baker and other corporations officials.

Three days later, the department granted American permission to sell $200 million worth of its subordinated debentures. The firm declared bankruptcy April 13, 1989.

During the Assembly committee hearings on that decision, Chairman Johnston was incredulous at the decision Bender reached.

"It seems to me that what you did was took the warnings offered by your own subordinates and asked Mr. Samuelian and Mr. Tom to present a response. Once that

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was presented by representatives of the parent corporation ... you accepted it," he said.

"Mr. Johnston, when concerns are raised I don't know what else to do other than ask for answers and explanations," replied a clearly frustrated Bender.

Bender pointed out that American's response was made under penalty of perjury, and contained audited financial statements from the accounting firm of Arthur Young and Co.

Those accounting statements have since been challenged by attorneys for the bond purchasers, who charge that Arthur Young partner Jack Atchison, later hired by Keating for a $1 million salary, did not use proper accounting principles.

"You relied on Arthur Young but not on the Federal Home Loan Bank Board or the Department of Savings and Loan," Johnston said.

"We consulted with them, but this is a company that had positive net worth and substantial earnings. I don't think we could have determined they were about to go over the cliff," Bender said.

But the Department of Savings and Loan did make that determination less than one month later, based on the same information available to the Department of Corporations.

Thrift regulators, using information obtained from American's quarterly reports to the Securities and Exchange Commission, disputed American's audited statements.

"(American) has failed to demonstrate its capacity and ability to service and redeem the proposed new issuance, except possibly by refinancing," Assistant Savings and Loan Commissioner Robert Morris wrote Lincoln on June 10, 1988.

The Savings and Loan Department said Lincoln could not sell the bonds from its branches after July 31, 1988.

"Unfortunately, we didn't have the power to halt the bond sales," Chief Deputy Savings and Loan Commissioner William Davis said Friday. "The only action we were authorized to take is to stop them from selling at Lincoln offices."

American continued to sell the securities from offices set up near the Lincoln branches. According to the bondholders suit, many of the purchasers were elderly or Hispanic consumers who did not realize they were purchasing uninsured "junk bonds."

The Department of Corporations continued to search for "useable evidence" that would allow them to halt the bond sales.

Marvin Goldsmith, the assistant attorney general representing Bender and other corporations officials, said it is unreasonable to expect the Department of Corporations to have looked beyond the audited statements.

"The entire financial world relies on audited financial statements," he said. "The issue is did American mislead the auditors or were they in collusion with the auditors. If you're saying it's appropriate for the Department of Corporations to go behind the accounting statements ... you're asking for an impossible task."

But Johnston said there was sufficient information to question the audited statements.

"When you look at the weight of reports the regulators had and the reports by Lincoln and its attorneys, I would assume that the commissioner would have to take into account that some day there would be a day of reckoning if these reports were wrong."

Johnston said his committee is studying whether the Department of Corporations should be given more authority, but his gut reaction is that the law was not the problem.

"For government to work you have to invest some discretion in regulators," Johnston said. "But I would also hope that regulators would have some backbone."

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FD-350 (Rev 5-8-81)

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[redacted]

Date: DAILY NEWS
Edition: SAT. NOV. 18, 1989 b6
Front Section, Page 1 b7C

Title: CRANSTON INQUIRY INTENSIFIES

Character: or Classification: 56C-LA-101615 290-LA-102009
Submitting Office: SANTA ANA R.A. LOS ANGELES

Indexing:

Cranston inquiry intensifies

Ethics panel hires independent counsel

By MARK BARNHILL
Daily News Washington Bureau

WASHINGTON — The Senate Ethics Committee hired an independent counsel Friday to review the conduct of Sen. Alan Cranston and four other senators who met with regulators on behalf of former Lincoln Savings head Charles H. Keating Jr.

Cranston, in a statement released by his office Friday night, pledged to cooperate but asserted that he had done nothing wrong.

"I did not violate any laws, ethical standards or rules of the Senate," Cranston said. "But the decision about retaining outside counsel properly resides with the Ethics Committee and the committee, having made that decision, can be assured of my utmost cooperation."

The committee appointed Washington lawyer Robert S. Bennett to help determine whether there is enough evidence to open formal ethics proceedings against the lawmakers.

At issue is whether Cranston and the other four lawmakers, who together received $1.3 million in political contributions from Keating, exerted improper pressure to delay regulatory action against the failing thrift.

"The action does not suggest in any way that the committee has found any indication of wrongdoing, or that a violation of any rule or law has occurred," the ethics panel said in a statement.

The independent counsel will assist "in obtaining and analyzing additional information" that the committee will use "to determine whether additional procedures are warranted" against the five senators, the statement said.

In addition to Cranston, the others are Sens. Dennis DeConcini, D-Ariz.; John McCain, R-Ariz.; John Glenn, D-Ohio; and Donald W. Riegle Jr., D-Mich.

All five senators have denied any wrongdoing in the Lincoln Savings case.

The committee also asked Bennett to evaluate a complaint that Sen. Alfonse M. D'Amato, R-N.Y., violated Senate rules in connection with the federal housing scandal.

On Thursday, Cranston had urged the committee to close the matter without further action. But on Friday, Cranston said in his statement that Bennett's appointment "will further promote confidence in the Senate's process for reviewing the conduct of its members.

"I am confident the outside counsel will concur with our view that my conduct was entirely proper," Cranston said.

Based on the independent counsel's report, the ethics committee will decide whether to formally open a three-step procedural action against the senators.

The first step is a "preliminary inquiry" to determine whether

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there is a "reason to believe" that rules violations occurred.

The next step would be an "initial review" to determine whether there is "substantial credible evidence" of violations.

The final step is a full investigation to decide if there is "clear and convincing evidence" that standards were violated, and whether discipline should be recommended to the Senate.

The ethics committee, responding to a complaint by the watchdog group Common Cause, asked the senators last month to explain why they met in 1987 with regulators who wanted to close down Lincoln Savings and Loan.

The FBI has questioned some federal officials about the Lincoln situation, and according to several published reports the Justice Department is considering a possible inquiry into whether the senators violated any laws.

Examiners for the Federal Home Loan Bank Board in San Francisco were investigating Lincoln's finances in 1987 when Keating complained that he was being targeted unfairly.

Cranston, McCain, DeConcini and Glenn met with then-Bank Board Chairman Edwin J. Gray on April 2, 1987, and those four senators plus Riegle met a week later with regional officials from the board's San Francisco office.

Cranston and DeConcini also phoned Gray's successor, M. Danny Wall, last spring to endorse Keating's attempt to sell Lincoln before regulators obtained a court order to seize it.

The government finally seized Lincoln last April, the day after its parent American Continental Corp. filed for bankruptcy protection. Federal officials estimate that the Lincoln failure will cost taxpayers at least $2.5 billion and be the most expensive savings-and-loan failure in history.

Cranston has said that his actions have been misrepresented by the press and government regulators, including Edwin J. Gray, former chairman of the Federal Home Loan Bank Board.

Gray told the House Banking Committee last week that the senators pressured him to ease restrictions on risky Lincoln investments, in return for a "quid pro quo" agreement from Lincoln to increase its mortgage lending.

A month after the meetings, the Lincoln case was transferred to Washington and a new investigation ordered — delaying action against the failing institution for two years.

Cranston acknowledges that he urged regulators to wrap up their lengthy investigation of Lincoln, but he denied that any deal was offered.

"I never attempted to derail any investigation of wrongdoing at Lincoln," he said in a letter to the ethics committee released Thursday.

He said that he simply was trying to ensure that his constituents — including 740 Lincoln employees and 14,000 depositors — were being treated fairly.

Cranston also has denied that his meeting with regulators was linked to political money he solicited from Keating — including at least $35,000 for his 1986 re-election campaign, $85,000 for the California Democratic Party and $850,000 for three voter-registration drives that Cranston supported.

Keating said at a press conference last April that his contributions were intended to win political influence. The five senators are all powerful members of the Senate Banking Committee.

In addition to the contributions to Cranston, Keating gave $76,100 to Riegle; $48,100 to DeConcini; $112,000 in contributions and $13,433 in gifts and travel expenses to McCain; $34,000 to Glenn and $200,000 to a political committee associated with Glenn.

Like Cranston, the other four senators all restated their innocence on Friday.

FD-36 (Rev. 8-29-85)

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PRECEDENCE:
- [ ] Immediate
- [ ] Priority
- [ ] Routine

CLASSIFICATION:
- [ ] TOP SECRET
- [ ] SECRET
- [ ] CONFIDENTIAL
- [ ] UNCLAS E F T O
- [ ] UNCLAS

Date 2/2/90

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TO SAC, SAN FRANCISCO 4:19? 5:30 SCL

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UNCLAS

SUBJECT: CHARLES KEATING, JR.; ET AL; ELECTION LAW VIOLATION; OO: LOS ANGELES.

RE TELCALL BETWEEN SA [redacted] AND RELIEF SUPERVISOR [redacted] SAN FRANCISCO DIVISION, ON 2/2/90.

FOR INFORMATION OF SAN FRANCISCO, THIS MATTER IS BEING INVESTIGATED IN CONJUNCTION WITH PHOENIX DIVISION AND IN CONJUNCTION WITH LA FILE 29A-LA-102009 ENTITLED DESERT GEM; MAJOR CASE NUMBER 24; BF&E; OO: LOS ANGELES. DESERT GEM PRIMARILY INVOLVES THE BANK FAILURE OF LINCOLN SAVINGS. IN ADDITION, TWO SPIN-OFF CASES HAVE RESULTED FROM THE ABOVE TWO MATTERS. THOSE CASES ARE 58C-PX-41605 ENTITLED SENATOR ALAN CRANSTON; ET AL; CORRUPTION OF FEDERAL PUBLIC OFFICIALS - LEGISLATIVE; OO: PX/LA AND 194A-LA-108012 ENTITLED [redacted] ET AL; CORRUPTION OF STATE AND LOCAL POLITICIANS - STATE LEVEL; OO: LOS ANGELES.

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CAPTIONED MATTER UNDER 56C-LA-101615 MAINLY CONCERNS

[redacted]

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56C-LA-101615-189

SEARCHED [redacted] INDEXED
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FBI — LOS ANGELES

Approved: [redacted] Transmitted ____________ (Number) (Time) Per [redacted]

PAGE TWO (56C-LA-101615)

POTENTIAL CONDUIT CONTRIBUTIONS INVOLVING CHARLES KEATING, JR., REIMBURSING VARIOUS EMPLOYEES FOR CONTRIBUTIONS TO FIVE PROMINENT UNITED STATES SENATORS.

THE MATTER INVOLVING SENATOR ALAN CRANSTON AND OTHERS, 58C-PX-41605, IS MAINLY CONCERNED ABOUT POTENTIAL BRIBERY OF THE FIVE PROMINENT UNITED STATES SENATORS IN RETURN FOR THEIR INFLUENCE WITH THE FEDERAL HOME LOAN BANK BOARD ON BEHALF OF CHARLES KEATING, JR.

THE FINAL MATTER REGARDING [redacted] 194A-LA-108012, INVOLVES POTENTIAL BRIBERY AND/OR EXTORTION OF [redacted] AND HIS INVOLVEMENT WITH CHARLES KEATING, JR.

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FOR INFORMATION OF SAN FRANCISCO, ONE ASPECT OF THE ABOVE MENTIONED 56C MATTER INVOLVES TAX EXEMPT NON-PARTISAN VOTER REGISTRATION GROUPS WHICH WERE INITIATED BY SENATOR ALAN CRANSTON AND HIS ASSOCIATES. INVESTIGATION HAS DETERMINED THOSE GROUPS CONDUCTED VOTER REGISTRATION DRIVES IN BOTH SOUTHERN AND NORTHERN CALIFORNIA. INVESTIGATION HAS IDENTIFIED TWO FORMER EMPLOYEES OF THE CENTER FOR PARTICIPATION OF DEMOCRACY WHO ARE WILLING TO DISCUSS THEIR INSTRUCTIONS ON VOTER REGISTRATION WITH THE FBI. APPOINTMENTS HAVE BEEN MADE ON 2/5 AND 2/6 IN SAN FRANCISCO TO INTERVIEW THOSE INDIVIDUALS. THE OBJECTIVE OF THAT MATTER IS TO DETERMINE IF THE "VOTER REGISTRATION GROUPS" WERE ACTUALLY PARTISAN ORGANIZATIONS CONDUCTING PARTISAN ACTIVITIES. IF THEY CONDUCTED PARTISAN ACTIVITIES IT WOULD BE IN VIOLATION OF THEIR TAX EXEMPT STATUS AND REQUIRE THEM TO BE REGULATED UNDER THE

FEDERAL ELECTION CAMPAIGN ACT.

IN ADDITION TO THE ABOVE, INVESTIGATION HAS IDENTIFIED ONE [redacted] WHO CONDUCTED AN APPRAISAL b6 b7C OF PROPERTY IN PALO ALTO AND LOS ALTOS, CALIFORNIA, BELONGING TO SENATOR ALAN CRANSTON. IT IS BELIEVED THIS PROPERTY WAS APPRAISED FOR THE PURPOSES OF OBTAINING A LOAN THROUGH LINCOLN SAVINGS AND LOAN. AN APPOINTMENT HAS BEEN SCHEDULED WITH [redacted] ON 2/5/90 IN LOS ALTOS, CALIFORNIA.

IN ADDITION TO THE ABOVE, INVESTIGATION HAS DETERMINED AT THE TIME [redacted] b6 b7C IT APPEARS [redacted] MAY HAVE NEEDED INFORMATION REGARDING THE ACTIVITIES OF [redacted] DURING A SPECIFIC PERIOD OF TIME. [redacted] HAS AGREED TO AN INTERVIEW WHICH HAS BEEN SCHEDULED THE AFTERNOON OF 2/6/90 IN WALNUT CREEK, CALIFORNIA.

DUE TO THE COMPLEXITY AND SENSITIVITY OF THE ABOVE CAPTIONED INVESTIGATIONS, THE ABOVE INTERVIEWS WILL BE CONDUCTED BY CASE AGENTS [redacted] AND [redacted] FROM THE SANTA ANA b6 b7C RESIDENT AGENCY, LOS ANGELES DIVISION.

IN VIEW OF THE ABOVE, SPECIAL AGENTS [redacted] AND [redacted] WILL ARRIVE IN SAN FRANCISCO AT APPROXIMATELY 8:30 A.M. ON 2/5/90 TO CONDUCT THE ABOVE INTERVIEWS. IT IS ANTICIPATED THEY WILL BE RETURNING TO ORANGE COUNTY, CALIFORNIA, THE EVENING OF 2/6/90.

SAC'S LOS ANGELES AND SAN FRANCISCO CONCUR WITH THE TRAVEL.

BT

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/15/90

On February 6, 1990, [redacted] date of birth [redacted] place of birth [redacted] Social Security number [redacted] current residence [redacted] residence telephone [redacted] work telephone [redacted] was interviewed at the Mark Hopkins Hotel in San Francisco, California. After being advised of the agents' identities and the purpose of the interview, [redacted] provided the following information concerning his employment at the CENTER FOR PARTICIPATION IN DEMOCRACY (CPD). b6 b7C

[redacted] was hired by CPD in [redacted] and continued to work for that organization until [redacted] Originally, [redacted] was hired as a [redacted] at a salary of [redacted] a month and later, during his last six weeks of employment, as a [redacted] for [redacted] a month. During his employment with CPD, [redacted] was in charge of [redacted] Later, as a [redacted] was in charge of [redacted] to ensure that [redacted]

CPD did not have a "bounty" system, i.e., no pay per votes registered, instead, relying on a monthly salary for their staff. [redacted] was the [redacted] and [redacted] was a [redacted] for CPD. [redacted] considered these individuals his immediate supervisors. b6 b7C

[redacted] denied that he was required to reregister and did not know of anybody that was required to do this. However, in [redacted] opinion, there was no doubt that CPD was a partisan organization formulated to register Democratic voters. [redacted] stated that the age group and geographic areas they targeted would ensure a high Democratic registration. In fact, 70 to 80 percent of those registered registered as Democrats.

[redacted] is familiar with [redacted] and considers him a personal but distant friend. [redacted] had a reputation of wanting to argue about anything. Consequently, [redacted] is not surprised that [redacted] had made several statements to the press concerning CPD.

Investigation on 2/6/90 at San Francisco, California File # 56C-LA-101615-191

by SAs [redacted] Date dictated 2/12/90 b6 b7C

56C-LA-101615

Continuation of FD-302 of [redacted], On 2/6/90, Page 2*   b6 b7C

During the registration drive by CPD, the number of voters registered would be put on butcher-type paper at the end of each day. There was a separate category for Democrats, Republicans, others, including age group and ethnic group. Also during the registration drive, the six or seven teams that made up CPD would compete against each other for the number of voters signed up. [redacted] denied that anything other than a "hand clap" was given to the winner. [redacted] concluded the interview by stating that he [redacted] therefore, is very aware of the percentage of Democrats to Republicans being registered by CPD.

56C- LA-[redacted]-191

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/12/90

On February 7, 1990, [redacted] (protect identity), date of birth [redacted] place of birth [redacted] Social Security number [redacted] address [redacted] telephone number [redacted] was interviewed by Special Agents [redacted] of the FEDERAL BUREAU OF INVESTIGATION. After being advised of the agents' identities and the purpose of the interview [redacted] provided the following information on [redacted] employment with the CENTER FOR PARTICIPATION IN DEMOCRACY (CPD):

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[redacted]

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Investigation on 2/7/90 at _______ File # 56C-LA-101615 -192

by SAs [redacted] and [redacted] Date dictated 2/14/90

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56C-LA-101615

Continuation of FD-302 of [redacted], On 2/7/90, Page 3*

[redacted]

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The interview concluded with [redacted] stating that [redacted] would be happy to continue to cooperate with the FBI but would request that [redacted] identity remain protected.

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FBI — LOS ANGEL[redacted]

FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/15/90

[redacted] telephone [redacted] was advised to the identity of the interviewing agents and the purpose of the interview at which time he advised as follows:

[redacted] advised an additional addresse in which he resides is [redacted] telephone [redacted] date of birth is [redacted] and he was born in [redacted] His social security account number is [redacted]

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[redacted] confirmed the fact he worked for the Center for Participation in Democracy (CPD), from [redacted] through [redacted] He was initially hired as a [redacted] to [redacted] to assist in voter registration drives. He was referred for that position by [redacted] of his, [redacted]

[redacted] advised during the week he would [redacted] to conduct voter registration drives. On the weekend he would [redacted] and actually go to various assigned sights and coordinate the voter registration activities. He would further give many training sessions to the volunteers making sure they were knowledgeable enough to conduct the voter registration drives.

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[redacted] was originally hired by [redacted] the [redacted] He was initially hired at [redacted] per hour.

[redacted] advised he had been a political volunteer many times before, however, felt that a major difference between his prior involvement in political activities and his involvement with CPD was the vast resources and information which was accessible to CPD. Never before had he seen such detailed information regarding voter registration, voting records, voting history and voting demographics.

[redacted] advised he initially attended a four to five day training session in which he and others were educated on the goals and purpose of CPD, and advised as to various methods, procedures and strategy to register voters. They were told at the training sessions that a specific group of individuals were

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Investigation on 2/6/90 at San Francisco, California File # 56C LA-101615-193

by [redacted] SA [redacted] Date dictated 2/12/90

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to be targeted. [redacted] described that group as young, minority, low income individuals. In addition, they were encouraged to recruit Democratic volunteers to man the voter registration sights.

[redacted] advised due to his past political experience he was somewhat familiar with 501(C) Tax Exempt Organizations like CPD. He realized those organizations are required to be non partisan in political activities. [redacted] felt CPD was definitely a partisan organization with a main objective to register as many Democrats as possible. He felt the fact they were targeting low income young individuals assured them a Democrat registration. In addition, they were trained to use various buzz words when people asked questions as to what party they should register. Those buzz words were designed to encourage people to register Democrat. He felt it was partisan in that they were trained to mention positive and popular Democrat leaders and to mention Republican leaders who had obtained a bad reputation.

[redacted] further advised he is a registered Republican and always has been Republican. When he first arrived at CPD, they required all individuals to re-register. He specifically recalls filling out the affidavit and checking the Republican box.

Some time after he re-registered he received his registration card in the mail, which indicated he had registered Democrat. This was very disturbing to him and he contacted the registrar of voters and requested a copy of his original affidavit. He then received a copy of his original affidavit in the mail and immediately observed that the Republican box he had checked had been crossed off and a new checkmark had been made in the Democratic box. In addition, someone had placed his initials by the Democratic box, indicating the change. [redacted] stated he definitely did not change his registration affidavit nor did he write his initials near the Democratic box to indicate the change was being made. [redacted] advised someone else had changed his registration affidavit and forged his initials by the Democratic box.

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[redacted] advised upon filling out the registration affidavit he immediately turned it over to one of two of his supervisors, [redacted] He then never saw his affidavit again.

56C LA-101615

Continuation of FD-302 of [redacted], On 2/15/90, Page 3

[redacted] advised he was further disturbed with the entire CPD Program due to the fact they appeared to be obsessed with locations which were weak in Democrat registration. They then assigned various sights to be manned with registration tables that were low in Democratic registration. b6 b7C

[redacted] advised in [redacted] he was fired by his immediate Supervisor [redacted] He feels [redacted] was acting against her own wishes, however was forced to fire him by the officials above her. He feels he was fired due to the fact he asked to many questions and made waves regarding a potential violation of the 501(C) Status. He felt he was fired for "political reasons" due to the fact he had higher numbers when it came to voter registration.

[redacted] advised based on his observation of the photo registration cards turned in during the time he was employed by CPD, and the fact the registration numbers were posted he feels that approximately 90% of all those registered were registered Democrats and 10% were Republican and other parties. Again he emphasized the strategy and CPD Program was very obviously designed to register predominantly Democrats.

In addition to the above, he advised in the offices of CPD, in which he worked, there was a large board or a large piece of butcher paper on the wall which had a running total of registered Democrats. [redacted] does not believe the board contained totals of any other registration group besides Democrats. He believes this total was changed on a weekly basis, probably on Sunday evenings. b6 b7C

[redacted] advised on one occasion [redacted] who was in charge of a company called [redacted] and apparently was very involved in CPD, showed up at the offices to view the activities. In addition, from time to time the regional field coordinator [redacted] would appear at the offices and at voter registration sights.

FD-302a (Rev. 11-15-83)

56C LA-101615

Continuation of FD-302 of [redacted], On 2/15/90, Page 4* b6 b7C

In addition to the above, [redacted] provided copies of the following documentation:

1. One blank voter registration affidavit

2. A copy of a voter registration affidavit number [redacted] dated April 29, 1988. This particular affidavit had been executed by [redacted]

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FD-350 (Rev 5-8-81)

(Mount Clipping in Space Below)

FBI Probing Report of Payment Scheme at S&L

By JAMES S. GRANELLI and RONALD J. OSTROW
TIMES STAFF WRITERS

FBI agents are questioning former officers and employees of Irvine-based Lincoln Savings & Loan to determine if top executives were paid excessively high salaries with the understanding they would contribute some of that money to political candidates, sources familiar with the federal investigation said.

The inquiries involve a larger number and broader group of people than previously reported, the sources said. It was reported earlier this week that the FBI has quizzed state and federal regulators about their knowledge of any scheme to funnel corporate assets to political campaigns.

Creditors who lost millions of dollars in the April collapse of Lincoln and bankruptcy of its parent firm, American Continental Corp. in Phoenix, have claimed in lawsuits that political donations helped American Continental Chairman Charles H. Keating Jr. wield influence over regulators and keep the S&L alive about two years beyond the point it should have been seized.

"There's no question there's an extensive investigation going on," said Bradley J. Boland, an American Continental spokesman. "At least 30 people we know of have been interviewed by the FBI. But they all told us that they said their contributions were purely voluntary and that they were not reimbursed at all."

Campaign contributions are expected to be one of the topics at a hearing today before the House Banking Committee, which is investigating what could become the costliest failure in thrift history. Taxpayers are likely to pay $1.1 billion to $2 billion to repair the damage.

An American Continental spokesman vehemently denied that executives were paid high salaries for the purpose of financing political contributions and circumventing campaign laws that

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Santa Ana California

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limit contributions to $1,000 per person.

He also denied there was pressure on any employee to contribute money to politicians, though Keating encouraged them to support the candidates of their choice.

Keating and about 75 family members, employees and business associates contributed more than $700,000 in campaign contributions to 37 politicians. More than $300,000 of that went to Sen. Alan Cranston (D-Calif.) and four other U.S. senators, all of whom intervened with federal regulators on behalf of Lincoln.

In addition, Cranston solicited $850,000 from Keating for three voter registration groups, including one headed by Cranston's son, Kim.

One of the witnesses expected to testify today before the Banking Committee had been quoted in a newspaper report earlier this week as saying Lincoln laundered campaign funds illegally. But the witness, William J. Crawford, commissioner of the state Department of Savings and Loan, said he was misquoted.

Crawford also said an FBI document referring to his conversation with a Lincoln executive contained substantial errors. "I don't know that there was any order to pay anything to anyone, and no absolute suggestion that executives had to make contributions," he said.

Crawford said that if asked, he would explain to the Banking Committee what he knows about employee contributions to political campaigns.

Employees and executives interviewed shortly after Lincoln's collapse said then that they were never pressured into making contributions, though they sometimes arrived at work to find solicitations from political or religious groups on their desks.

"We can categorically deny that people were paid in order to make campaign contributions," the American Continental spokesman said. "They were not reimbursed and not forced to do it. Any campaign contributions made by employees was made absolutely voluntarily."

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Regulators say their phone at Lincoln was wiretapped

By Jeff Weir
The Register

WASHINGTON — California thrift regulators testified Thursday that their private telephone line at Lincoln Savings & Loan had been wired so Lincoln employees could eavesdrop on their strategy talks about the Irvine-based thrift's tangled finances.

The disclosure of a potentially bugged line, which was immediately referred to the FBI for investigation, might help explain why Lincoln's owner, Charles H. Keating Jr., always seemed to be one step ahead of the regulators who wanted to close Lincoln in 1987, the witnesses said.

Representatives of Lincoln, seized by regulators in April, emphatically denied any knowledge of the tampered line.

"We were suspicious of what was going on," William Crawford, commissioner of the California Savings and Loan Department, told the House Banking Committee. "They seemed to know what we were thinking. When we asked for something, they'd have the answer ready. We wondered how they could supply the answers so fast."

The rigged line, set up in an office that Lincoln had dedicated to the state examiners who were continually going over Lincoln's books, was discovered by investigators after the Federal Deposit Insurance Corp. seized Lincoln on April 14.

"We felt they had some kind of special intelligence," Deputy Commissioner William Davis said. "They always seemed to know what we were going to do before we did it."

It is unclear, the witnesses said, how long the phone line had been "compromised," or whether anyone ever eavesdropped on their conversations.

"I have talked to corporate management and they have told me they never authorized or participated in any bugging or phone-tampering of any kind," said Keating's lawyer, Leonard Bickwit.

He added, without providing examples, that "The hearings have been riddled from the start with factual inaccuracies. These have become so pervasive that they may well undermine the committee's purpose in holding the hearings."

The hearings, which resume next week, were called to unravel a mystery that will cost taxpayers hundreds of millions of dollars: why regulators delayed taking action against Lincoln for two years, despite having evidence of its unsound investment practices in 1987.

"That's the $64 question," said William Black, acting district counsel for the Office of Thrift Supervision in San Francisco. "Why did the bank board do what it did? I don't know the answer."

The House Banking Committee, which has heard many tales from regulators about the political pressures and bullying tactics that Keating allegedly used to thwart their investigations, took the news of the bug in stride.

Several times before the hearings, Gonzalez characterized the Lincoln case ~~as a~~ "mini-Watergate."

The regulators also testified Thursday that the examiners at Lincoln were so concerned about potential leaks of information to Keating that they started using pay telephones instead of the phones at Lincoln's headquarters, to talk to superiors in San Francisco.

After the takeover, investigators swept the premises for phone taps and other electronic listening devices. Two tampered phone lines were discovered late April 21, a Friday, according to a confidential report that was released to the committee. But when investigators returned to Lincoln to conduct further tests April 23, they discoverd that one of the two tampered lines had been deactivated.

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FD-350 (Rev. 5-8-81)

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FBI was asked to probe donations by Keating to a Cranston group

By Jonathan Lansner
The Register

WASHINGTON — California savings-and-loan regulators said Tuesday that they asked the FBI to investigate a $400,000 donation by Lincoln Savings and Loan's then-parent company to a voter-registration drive linked to Sen. Alan Cranston of California.

In testimony before the House Banking Committee, regulators said they suspected that Irvine-based Lincoln was being stripped of assets by its parent, American Continental Corp., and the company president, Charles Keating Jr.

Regulators also suspected that Keating was using insured deposits to buy political influence.

The donation that caused state regulators to call in the FBI in July was the payment in February 1988 by the Phoenix-based American Continental to The Center for Participation in Democracy, a voter-registration drive sponsored by Cranston and run at the time by his son, Kim.

During the third day of testimony, one federal regulator who was called in to investigate the Lincoln failure testified that he found evidence of "overwhelming fraud," specifically citing an estimated $34 million the Keating family made on salaries, bonuses and stock sales from the failed companies.

The Register reported in July that federal officials believed Lincoln was put on the hook for a $15 million loan used to buy American Continental stock from company insiders, and that Keating and eight top executives were paid millions in salaries in 1988.

"I think there's a track record of massive dissipation of assets,"

Please see LINCOLN/20

Richard Newsom, the senior examiner for the state agency that discovered the donation, told the committee Tuesday.

Keating and American Continental officials have denied wrongdoing.

The House committee is investigating the April collapse of Lincoln and whether political intervention helped extend American Continental Corp.'s control of the savings and loan.

Insuring Lincoln's deposits could cost more than $2 billion, which would make it the costliest savings-and-loan failure in the nation's history.

Newsom explained that his agency uncovered the $400,000 contribution as part of its examination of the company's books last year. The department gave the information to criminal investigators because its agency had no expertise in the area of political practices.

Newsom told the committee that his boss, William Davis, the department's chief deputy, called their discoveries "too hot."

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Cranston, a member of the Senate Banking Committee, also called federal regulators in April asking them to consider a rescue plan that would have seen Lincoln sold by American Continental to a group headed by former Rep. John Rousselot, a Republican from the Los Angeles area.

The two ranking members of the House Banking Committee, Chairman Henry Gonzalez, D-Texas, and Rep. Chalmers Wylie, R-Ohio, have said they turned down similar requests to call regulators on behalf of the Rousselot deal.

A Cranston spokesman, Murray Flander, said he was unaware of any criminal probe into the donation, part of a series of links between the senator and the company. Flander said there was no wrongdoing on either Cranston's part.

"What Alan has said it that he let his zeal (for supporting voter registration) get in the way of his judgment. It was too much from one person," Flander said, referring to Cranston's solicitation of $850,000 from Keating for the voter-registration campaign.

Also, a Cranston aide called state regulators this past spring about the state's part in the sales process. Regulator Davis said only one other US senator, Dennis DeConcini, D-Ariz., had ever contacted his agency about any savings and loan. DeConcini, who also attended the five-senator meeting in 1987, also inquired in April about Lincoln.

The other senators who interceded were John McCain, R-Ariz., and Donald Riegle, D-Mich., chairman of the Senate Banking Committee. The Senate ethics committee has asked the five senators to explain their actions in the Lincoln proceedings.

Keating, a Phoenix businessman and former Cincinnati lawyer, is scheduled to testify Tuesday before the House committee.

So reluctant were regulators in Washington to move on Lincoln that House Banking Committee Chairman Henry Gonzalez, D-Texas, has asked President Bush to fire Danny Wall as director of the Office of Thrift Supervision.

At one point, Wall transferred supervison of Lincoln from the San Francisco office to more sympathetic regulators in Washington.

Newsom said he considers the federal investigation of Lincoln a "whitewash."

He said Keating spoke openly of his political influence and made the "amazing" claim that the taxpayers would be stuck with $2 billion in bailout costs unless he were permitted to stay in business.

Newsom said the $255 million in bonds issued by American Continental through its Lincoln branches were nothing but "a scam" because there was no chance the money ever would be repaid.

The bonds, now worthless, were purchased by 23,000 Lincoln customers, many of them retirees who wrongly assumed that the bonds, like regular deposits, were insured by the federal government.

American Continental filed for bankruptcy-court protection in April, the day before Lincoln was taken over by federal regulators.

The Resolution Trust Corp., now disposing of hundreds of failed, federally insured S&Ls, has filed a $1.1 billion civil suit against Keating and other corporate officers and insiders in an effort to recover some of the lost money.

No criminal charges have been filed, but the FBI is conducting an investigation of Lincoln in Arizona and California.

John Meek, a federal S&L examiner based in Chicago, said he found "overwhelming evidence" of fraud when he was called into the Lincoln case last fall.

Meek said that from early 1985 to late 1988, the Keating family got at least $34 million in salaries, bonuses and stock sales from the failing companies. He said five executives, including Keating, his son, Charles III, and his son-in-law, Robert Wurzelbacher, were drawing salaries and bonuses of more than $1 million a year each.

Investigators found that American Continental had other subsidiaries ~~in the Bahamas~~ and Panama that do not appear on the company's organization chart.

According to Newsom's testimony, what concerned regulators about the $400,000 contribution to the voter-registration group w[as]:

■ Its size, representing a large chunk of the company's $1 million in total donations and the group's $1.3 million in collections for the year.

■ That the voter-registration group's current president is Cruz Reynoso, a former California Supreme Court justice and an attorney working for the New York law firm handling American Continental's regulatory matters.

■ That the address used by the group is a property owned by the Cranston family that also housed Cranston's 1992 election fund-raising efforts.

■ That the group was swapping funds with two other Cranston-linked political groups, the Forum Institute and the Organizing Institute, which had Rep. Nancy Pelosi, D-San Francisco, as a director.

■ That Kim Cranston sent James Grogan, a former aide of Sen. John Glenn, D-Ohio, who went to work for American Continental as an attorney, a thank-you note for the donation.

Cranston was one of five US senators, including Glenn, who met twice with federal regulators in April 1987 about Lincoln, just before regional federal examiners in San Francisco recommended a government takeover of the savings and loan. American Continental, whose officials contributed to the campaigns of all five senators, did not lose Lincoln until April 1989.

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FD-350 (Rev. 5-8-81)

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Memo alleges Lincoln S&L workers laundered political contributions

Federal banking regulators believe that illegal political contributions from the assets of Lincoln Savings and Loan were laundered through employees of the failed thrift, the Los Angeles Daily News has learned.

The allegations were made by regulators investigating the $2 billion collapse of Lincoln, and the information has been forwarded to the FBI in a referral for criminal investigation.

A confidential FBI summary of the referral, obtained by the Daily News, said that banking regulators determined that the contributions were directed by Charles H. Keating Jr., chairman of Lincoln's parent company, American Continental Corp.

"A former officer of Lincoln Savings has admitted to accepting an inflated salary with the understanding that part of the salary should be contributed to the campaigns of various legislators at the direction of Charles Keating," the May 9 document states.

Federal election laws prohibit an individual from making a political contribution in the name of another individual.

The FBI refused to discuss the document or provide details of the criminal referrals by the Federal Home Loan Bank Board and the Federal Deposit Insurance

Charles H. Keating Jr.
Allegedly directed contributions

The Orange County Register
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~~Neither~~ Keating nor ~~his attor~~-ney, A. Melvin McDonald, returned phone calls seeking comment.

William Crawford, director of the California Department of Savings and Loan, said that a former high-ranking official at the failed thrift revealed details of the arrangement to him in April.

The official received a "substantially inflated salary" and was directed both to make political contributions in his own name and to reimburse other employees who were ordered to contribute, Crawford said.

"The company was paying for the political contributions and laundering the money," he said. "The policy was to inflate salaries. He'd get a phone call and someone would say: 'You write a check.' "

The phone calls were placed by "people high up in the organization ... subordinates of Keating," and not by Keating himself, Crawford said.

Crawford confirmed that the official was Ray Fidel, former president and chief executive of Lincoln. Crawford said that Fidel called him after federal officials seized control of Lincoln in April.

"I think Ray Fidel is a clean-cut guy," Crawford said. "He had aspirations for a career and his career was shot."

Fidel declined to be interviewed last week, saying, "The war is among other people. I want to stay out of it."

FDIC Chairman L. William Seidman told the House Banking Committee last week that his agency is investigating whether Lincoln funds were illegally used for campaign contributions to buy political influence.

Seidman would not provide details of the inquiry, but said investigators "will be looking at every piece of evidence we can find to determine whether or not laws were violated with respect to political contributions."

The banking committee opened hearings last week into the Lincoln failure, which is expected to cost federal taxpayers more than $2 billion and was described as "the biggest bank heist in history," by Rep. Jim Leach, R-Iowa.

Committee members [illegible] to determine why federal regulators did not act sooner to take control of Lincoln, which government officials believed as early as 1986 to be spiraling toward insolvency.

A central question is whether Sen. Alan Cranston, D-Calif., and four other lawmakers who together received more than $1.3 million in contributions and other money through Keating intervened improperly with regulators to shield Lincoln from a federal takeover.

The four other lawmakers are Sens. Dennis DeConcini, D-Ariz.; John McCain, R-Ariz.; John Glenn, D-Ohio; and Donald W. Riegle Jr., D-Mich.

In April 1987, the senators met with federal regulators and pressed Lincoln's case at the height of a three-year investigation of the failing institution.

In an unprecedented move later, the Federal Home Loan Bank Board transferred supervision of Lincoln from its San Francisco office to Washington and ordered a whole new investigation.

All five senators have said that they urged regulators only to conclude their investigation of Lincoln one way or the other and did not try to influence its outcome.

But the watchdog group Common Cause last week asked the Senate Ethics Committee to investigate, and called on the Justice Department to determine whether Keating's political contributions "constituted a violation of federal election laws or any other statutes."

Cranston solicited nearly $1 million in contributions from Keating, including $47,000 for his re-election campaign, $85,000 to the California Democratic Party and $850,000 for three voter-registration drives.

Glenn received $34,000 in campaign contributions and $200,000 for a political committee he controlled.

DeConcini received $55,000 in campaign contributions; Riegle collected $76,100 for his campaign; and McCain received $110,000 in campaign contributions and $13,000 in gifts.

DeConcini and Riegle since have returned the contributions, and McCain repaid $13,000 for air transportation and other gifts. Glenn and Cranston have declined to give back the money, saying it would be an admission of improper behavior.

But Murray Flander, Cranston's press spokesman, said that Cranston would reconsider

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P. 1, 14

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(Mount Clipping in Space Below)

Charles H. Keating Jr.
Blamed for demise of Lincoln S&L

Keating heads back to face an unsympathetic Congress

By Jeff Weir
and Jonathan Lansner
The Register

■ WITNESSES: Testimony will detail Lincoln's downfall/A14

■ CONVENTION: Thrift officials brace for more tough times/C1

WASHINGTON — Four years ago, a proud, confident and politically connected Charles H. Keating Jr. lobbied Congress to fight regulations that limited the real-estate investments of thrifts such as his Lincoln Savings and Loan in Irvine.

"It is burning down the house to roast the pig — that's what these regulations are!" Keating told the House Subcommittee on Commerce, Consumer and Monetary Affairs. "To earn money, in my opinion, it is essential to be deregulated."

With that triumphant appearance, Keating — the Phoenix millionaire who had political allies in Congress and the White House, and enthusiastic backing from economists such as Alan Greenspan — put federal regulators on notice that he would fight their attempts to place "suicidal" investment restrictions on savings and loans.

On Tuesday, a dramatically different Charles Keating returns to Capitol Hill for another round of testimony before many of the 225 lawmakers who readily backed his anti-regulation pitch in 1985.

No longer the toast of the town, he returns as a political pariah

see LINCOLN/A14

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who figuratively burned down the house of Lincoln Savings and saddled taxpayers with a $2.5 billion debt, the costliest savings-and-loan bailout in history.

Keating, subpoenaed to testify before the House Banking Committee, is the lead witness in an all-star lineup of regulators and business associates who participated, on one side or another, in what lawmakers now describe as the "debacle of Lincoln Savings."

His long-anticipated appearance Tuesday should cap four weeks of committee hearings on what some committee members have called "the looting of Lincoln Savings." According to members of the committee, the case hinges on regulatory mistakes, political influence-peddling, and Keating's greed.

"This is the biggest bank heist in history," said Rep. Jim Leach, R-Iowa. "The great question that remains to be resolved is whether we have a congressional Watergate in the making."

Despite a history of outspokenness — Keating flatly acknowledged last spring that he expected the recipients of his numerous campaign contributions to use their influence on his behalf — Keating is expected to refuse to testify Tuesday on grounds that his statements might incriminate him.

Keating has refused to comment on the hearings. His lawyers in Washington, however, have repeatedly dismissed the testimony against Keating as "riddled with inaccuracies" that were "too outlandish" to rebut.

Federal regulators seized Lincoln Savings on April 14, one day after Keating put Lincoln's corporate parent, American Continental Corp., into Chapter 11 bankruptcy. In September, the Resolution Trust Corp. filed a $1.1 billion racketeering and fraud lawsuit against Keating, his relatives and various Lincoln executives.

The suit, accompanied by criminal investigations of Keating by the FBI, US Attorney's Office, and Securities and Exchange Commission, alleged that American Continental drained millions of dollars from Lincoln through forged accounting, phony land deals and insider loans.

The House Banking Committee is trying to determine why federal regulators waited until April to take action against Lincoln when they had ample evidence as far back as 1987 of the thrift's shaky financial condition.

So far, most of the sworn testimony suggests that M. Danny Wall, who became chairman of the Federal Home Loan Bank Board in July 1987, pulled the plug on his own investigators by rejecting their recommendations to seize Lincoln. He then took the unprecedented move of transferring jurisdiction of Lincoln's case from the San Francisco office to the bank board's headquarters in Washington, and ordered his staff to work out an amicable settlement with Keating.

The delays gave Keating more time to run up Lincoln's losses, while paying himself a $2 million salary. The delays also allowed Keating to launch new ventures, including the sale of $200 million in now worthless junk bonds to more than 23,000 California investors.

"Clearly, we were shot in the back by the bank board as we battled to protect the taxpayers from Lincoln Savings," said William Black, regional counsel for the Office of Thrift Supervision in San Francisco. "There are two conclusions to draw from the Lincoln debacle. First, it need not have happened and would not have happened if the bank board had showed any backbone. Second, future Lincolns can still happen because the same folks are still in charge of regulating thrifts."

Wall, scheduled to testify before the committee Nov. 21, has repeatedly accused the committee of trying to make him the scapegoat for mistakes that were made by many officials, including the politicians who lobbied on Keating's behalf. Wall also said he only tried to give Keating the same due process that he would give to other owners of troubled savings and loans.

"You don't have to be a rocket scientist to see that there is culpability in Washington," said Leach, the congressman.

As a sidelight to the regulatory inquiry, the banking committee also is probing the network of political contacts that Keating, 66, manipulated to thwart the crackdown on Lincoln, according to the regulators who testified during the past three weeks.

In a city that thrives on political intrigue, the subplot of Keating's influence peddling has become almost more important than unraveling the regulatory whodunit of Lincoln Savings.

To date, the reputations of five US senators, including Democrat Alan Cranston of California, and several ranking members of the House have been sullied by disclosures of the campaign contributions they took from Keating, and by the detailed revelations of their attempts to intervene with regulators on Lincoln's behalf in 1987 and 1989.

Cranston, who solicited nearly $900,000 in campaign contributions from Keating and his associates, originally defended his actions as part of a lawmaker's normal chore of representing constituents. But in recent weeks, he not only has acknowledged the "stupidity" of aiding Keating, but has volunteered to cooperate with a Senate ethics committee investigation of his conduct.

"You could say he was stupid," said Cranston spokesman Murray Flander. "He simply did not

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know."

The web of Keating contacts, moreover, has widened each week as the names of other politicians, including some members of the banking committee, have surfaced as participants in Keating's bid to keep regulators at bay.

One of those is Doug Barnard, a Georgia Democrat who received $20,000 from Keating in 1985 and 1986, and who discussed Lincoln's troubles with then-bank board Chairman Edwin Gray in 1986. Barnard, ironically, presided over the February 1985 subcommittee hearing in which Keating charged that increased regulation would "burn down the house" of the thrift industry.

Another committee member linked to Keating — and who has been conspicuously absent from the first three hearings on Lincoln — is Frank Annunzio, an Illinois Democrat who wrote a Keating-backed resolution in 1985 that urged Gray to relent on his assault of the deregulated savings and loan industry. That resolution was signed by 225 members of Congress.

A third committee member, Carroll Hubbard Jr., D-Kentucky, also has ties to Keating. In April, Hubbard urged Wall to support a rescue plan for Lincoln that would have enabled Keating to sell the institution and get out from under the regulators who wanted to close it.

Cranston and Sen. Dennis DeConcini, D-Ariz., both of whom can claim Keating as a constituent, also asked Wall to consider the buyout proposal. When Wall rejected the bid, Keating put American Continental and its subsidiaries into bankruptcy.

While tarnishing the reputations of many politicians, the hearings have made a star out of the chairman, Rep. Henry Gonzalez, D-Texas. Unlike the senators who accepted more than $1.3 million from Keating, Gonzalez is a financial loner who refuses to take honorariums or money from political-action committees.

Gonzalez has doggedly pursued the Lincoln investigation, even at the risk of embarrassing political colleagues who did favors for Keating when he was riding high as one of the most free-spending political benefactors in the country.

Keating, who once boasted that he had spent $50 million fighting regulators, paid himself and his family $34 million in the three years preceding American Continental's bankruptcy.

In 1986, Keating paid $1 million to his son, Charles III, for serving as American Continental's top real-estate executive. The year before, his son had worked as a busboy in a restaurant. In 1988 — while American Continental was losing money — Keating's son earned $1.1 million, while Keating's son-in-law Robert Wurzelbacher was paid $1.2 million. Another son-in-law, Robert Hubbard Jr., received $570,000 in salaries and bonuses, according to documents filed with the committee.

In addition to taking care of his family with money that the federal government said was siphoned from Lincoln, Keating took care of business associates.

According to the regulators who have sifted through Lincoln's books, Lincoln paid $17 million in finder's fees to a Swiss bank that lined up a $170 million investment by the Kuwaiti government in American Continental's Arizona hotels. Lincoln also bought a minority share for $18 million in a Netherlands Antilles bank that provided down payments for many of Lincoln's real-estate deals.

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56C-LA-101615

Witnesses will detail downfall of Lincoln S&L

y Jonathan Lansner
nd Jeff Weir
he Register

WASHINGTON — Even if Charles H. Keat-g Jr. refuses to testify before the House anking Committee on Tuesday, the other heduled witnesses are expected to provide enty of fireworks about the downfall of Lin-ln Savings and Loan.

The most damaging testimony, especially the politicians who did Keating's bidding, ould come from Edwin Gray, the former deral Home Loan Bank Board chairman o was Keating's primary nemesis in the d-1980s.

Gray ran the nation's savings and loans ring an era of deregulation that allowed titutions such as Lincoln, based in Irvine, forgo traditional home mortgages for high-k investments in real estate and junk nds.

When Gray attempted to crack down on se practices in 1985, he not only incurred ating's wrath, but found himself on the re-ving end of hostile communications from makers who had received campaign con-butions and gifts from Keating.

n addition to telling the committee about calls and notes he received from politi-ns, Gray has said that Keating tried to get fired by the Reagan administration. Gray said Keating once offered him a job as a ans of ousting him from the bank board.

ray said five senators — Alan Cranston, alif., Dennis DeConcini, D-Ariz., John McCain, R-Ariz., Donald Riegle, D-Mich., and John Glenn, D-Ohio — improperly urged him and his staff at two meetings in April 1987 to make rules changes favorable to Lincoln.

Those meetings occurred at the same time that Gray's examiners in San Francisco were recommending Lincoln's takeover. The senators, acting on information from Keating's accountants, also confronted Gray about Keating's claims of harassment from regulators.

Tuesday's hearing also will feature testimony from three men who assisted in Keating's battle against regulators:

■ Jack Atchison, who in 1987 certified the audit of American Continental, of which Lincoln Savings was a subsidiary. Atchison then went to work for Keating in 1988 at a salary of nearly $1 million a year. He is also the person who allegedly persuaded the five senators to confront Gray and his staff about the alleged regulatory harassment of Lincoln.

■ Atlanta attorney Lee Henkel, who was put on the three-person Federal Home Loan Bank Board in November 1986 by the White House at Keating's request. Henkel, who had borrowed more than $60 million from Lincoln, immediately proposed rules that would have allowed Lincoln to increase its speculative real-estate investments. Henkel resigned from the board in April 1987, after disclosure of his borrowings from Lincoln.

■ Larry Taggart, California's former savings and loan commissioner, who approved American Continental's purchase of Lincoln in early 1984. In December 1984, one month before he left office, Taggart also approved Lincoln's request to shift $800 million to subsidiaries for direct real-estate investments.

In January 1985, Taggart went to work for a San Diego financial firm that subsequently sold nearly 20 percent of its stock to Lincoln for $2.9 million. And in August 1986, Taggart complained about Gray's crackdown on the investment practices of savings and loans in a letter to White House chief of staff Donald Regan, according to documents supplied to the committee.

The House Banking Committee hearings originally were scheduled to conclude this week with testimony from Wall. Now, because of the growing nationwide interest in the Lincoln case, the hearings have been extended for at least two more weeks.

Some of the most direct victims of Lincoln's demise, the Southern Californians who bought American Continental junk bonds at Lincoln, only to have them rendered worthless by American Continental's bankruptcy-court filing, are scheduled to testify.

But the House Banking Committee won't have the last word on the Lincoln story. The Senate ethics committee has launched an informal probe of the five senators who helped Keating in 1987. Federal prosecutors, meanwhile, are reviewing the downfall of Lincoln Savings for possible criminal indictments against Keating and some of his associates.

"I hope Congress learns something from all of this," said Rep. Christopher Shays, R-Conn.

(Mount Clipping in Space Below)

Thrift Executive Resists Testifying on S&L Failure

By Jerry Knight
Washington Post Staff Writer

Thrift executive Charles H. Keating Jr. is resisting testifying this week before the House Banking Committee about the collapse of his Lincoln Savings and Loan in California, the industry's most costly failure.

Keating has been scheduled for more than a month to appear before the committee tomorrow, but as of this weekend the government had been unable to serve a subpoena compelling him to appear, sources said.

A lawyer representing Keating asked to postpone the testimony, but so far Banking Committee Chairman Henry B. Gonzalez (D-Tex.) has not ruled on delaying the testimony.

Federal regulators have sued Keating, charging bank fraud and racketeering and demanding $1 billion in damages from Keating, his family and associates for allegedly looting the thrift in Irvine, Calif.

He is the target of a criminal probe by a federal grand jury in Los Angeles, the Securities and Exchange Commission is questioning stock and bond transactions at Lincoln, and the Senate Ethics Committee has begun a preliminary inquiry into his political ties with prominent senators. Keating's lawyers responded that he is innocent and expects to be vindicated.

Two weeks ago it was revealed that the telephone in the Lincoln office used by the S&L examiners had been bugged, its wiring altered so conversations could be heard in offices of Keating's subordinates.

Last week, the examiners told of finding that American Continental Corp. of Phoenix, the holding company that owned Lincoln, had a subsidiary in Panama that did not show up on its organizational chart or reports to shareholders.

One examiner, who questioned payments by ACC to a Panama company, said ACC executives told him the funds went to a financial consulting firm that had been hired to give investment advice. Later, another examiner found records indicating ACC owned a company in Panama. It was only when the two auditors compared notes that they discovered the payments were being shifted from ACC in Arizona into ACC's Panama entity.

Regulators also are seeking information about a transaction involving a Lincoln affiliate in the Bahamas and millions of dollars in apparent losses in foreign currency trading by Keating's companies.

Examiners told the Gonzalez committee that a van equipped with a paper shredder was seen parked outside ACC's headquarters days before Lincoln was seized by the government in April. Witnesses said there were bulging bags of shredded paper in the van, which was labeled Mobile Document Destruction Center.

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The Washington Post
Santa Ana, California

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DAILY NEWS
SAN FERNANDO, CA

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Title: STATE PULLED INTO LINCOLN CONTROVERSY

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State pulled into Lincoln controversy

Attorney General's Office accused of blocking order

By JAMES W. SWEENEY
Daily News Sacramento Bureau

SACRAMENTO — The state Attorney General's Office blocked a regulatory order that "would have dropped an atomic bomb" on junk bond sales by collapsed Lincoln Savings, according to testimony at a legislative hearing Wednesday.

Richard Newsom, a state Department of Savings and Loan examiner, said that the order would have disclosed insider trading violations by Lincoln officials and halted the sale of more than $10 million in now-worthless bonds.

Newsom said that the December 1988 order was scaled back at the request of the Attorney General's Office to cover only unsafe loan practices and that Lincoln continued to sell the uninsured junk bonds until it was seized by federal regulators in April.

Attorney General John Van de Kamp denied that his department ignored the request, saying attorneys for the Savings and Loan Department decided on their own to remove the insider-trading language from the regulatory order.

In a written statement, Van de Kamp said that his office told the Savings and Loan Department it "would pursue whatever action the department chose to file, but asked whether the department was sufficiently sure of its facts."

Van de Kamp, who is seeking the Democratic nomination for governor, opened a criminal investigation last week into whether Lincoln Savings and Loan employees sold uninsured securities to 23,000 Californians without a license.

Newsom's testimony came during a three-hour hearing by the Assembly Finance and Insurance Committee, chaired by Patrick Johnston, D-Stockton. Other developments at Thursday's hearing included:

■ Former state Corporations Commissioner Franklin Tom testified that he contacted his former deputies on behalf of Lincoln a few weeks after leaving office, an apparent violation of state lobbying regulations. Johnston said that he will ask the Fair Political Practices Commission to investigate Tom, now a Los Angeles attorney.

■ Los Angeles attorney Karl Samuelian, chief fund-raiser for Gov. George Deukmejian, said that he helped arrange a meeting with a top administration official where Lincoln owner Charles H. Keating Jr. asked the state to relax its investigation. Keating, his company and his business associates have contributed more than $200,000 to Deukmejian and the state Republican party through Samuelian.

■ California Corporations Commissioner Christine Bender, a former law partner of Samuelian and Tom, said that she did not consider warnings about Lincoln from state and federal savings and loan regulators sufficient to reject its proposal to sell junk bonds through its 29 branches.

Before it was shut down last spring, Lincoln sold about $200 million worth of the uninsured bonds issued by its parent company, American Continental Corp. of Phoenix, Ariz. to 22,000 mostly elderly customers.

Those bonds — formally known as subordinated debentures, meaning all other debts must be paid ahead of them — became virtually worthless when American Continental Corp. declared bankruptcy the day before Lincoln was seized.

Unlike regular deposits, the bonds are not covered by federal insurance.

Newsom, the state savings and loan examiner, said that he discovered "flagrant, unsafe lending practices" as well as violations of federal insider trading laws when he audited Lincoln in 1988.

Testifying before the Assembly Finance and Insurance Committee, Newsom said that he found "outright theft of $20 million followed by lying to shareholders" in the purchase by Keating of the plush Ponchatrain Hotel in Detroit.

Newsom said that Lincoln funds were used to finance deals structured to personally benefit Keating and other officials and that funds from bond sales — the only new cash in the final weeks before seizure of Lincoln — were used to buy back company stock held by Keating and other officials.

Both the unsafe loans and the securities-fraud allegations were included in a proposed cease-and-desist order that Newsom submitted to Savings and Loan Department attorneys in November 1988.

Had the order been issued, he said it "would have dropped an atomic bomb" on the bond sales.

But, Newsom testified that he understood that the securities-fraud allegations were deleted from the order after a deputy attorney general questioned whether there was sufficient evidence to defend the order in court.

Van de Kamp denied that contention in a written statement, and deputy Attorney General R.H. Rehm said that Savings and Loan Department attorneys called him with concerns about the securities-fraud allegation.

Shirley Thayer, the Savings and Loan Department attorney who placed the call to Rehm, could not be reached for comment. But Savings and Loan Commissioner William J. Crawford said that he supported the decision to scale back the regulatory order.

The Savings and Loan Department was one of two state agencies involved in investigations of Lincoln and the sale of American Continental Corp. bonds through Lincoln branch offices.

The other is the Corporations Department, whose head was sharply criticized by Finance and Insurance Committee chairman Johnston for approving the bonds sales beginning in 1987 and renewing the authority in 1988.

Bender said that she was aware of critical reports by state and federal regulators, but noted that the Federal Home Loan Bank Board in Washington had overruled the report of its San Francisco branch and ordered a new investigation.

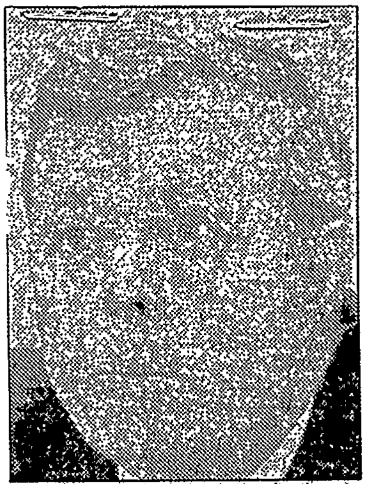
"A regulator, the commissioner, weighed the recommendations of the Federal Home Loan Bank Board and the state Savings and Loan Department and accepted the recommendations of a very influential law firm and a Phoenix corporation," Johnston told reporters after the hearing.

Noting the ties between Bender and her former law partners Samuelian and Tom, Johnston said that Keating "shrewdly used the right kind of lawyers and lobbyists to make himself a big man in Washington and Sacramento."

Bender replaced Tom as corporations commissioner in February 1987 when he returned to the Samuelian law firm. Within the next three weeks, he made two phone calls to Corporations Department officials on behalf of —

Tom said the calls — one seeking transfer of the Lincoln file from San Francisco to Los Angeles and the other asking for an expedited decision on allowing the bond sales — were procedural and not substantive.

But Johnston said that they violate a state regulation barring Corporation Department officials from lobbying their former agency for one year after resigning, adding that he will refer the case to the FPPC.



John Van de Kamp
Attorney general

CRANSTON INQUIRY WIDENS TO INCLUDE SIGNING OF VOTERS

HE SOLICITED FOR DRIVES

F.B.I. Investigating Charges That Registration Groups Sought Out Democrats

By RICHARD L. BERKE
Special to The New York Times

LOS ANGELES, Dec. 5 — The inquiries into Senator Alan Cranston's contacts with Charles H. Keating Jr., who headed a savings and loan institution that failed, have now focused attention on the activities and financing of three voter-registration groups backed by the California legislator.

Federal law-enforcement authorities say they are examining whether employees of two of the organizations were instructed to register more Democrats than Republicans, as employees working for one of the groups have said recently. This would amount to a violation of the tax-exempt status that the groups enjoyed based on their nonpartisanship.

Both Mr. Cranston and his son, Kim, the unsalaried operator of one of the groups, denied in interviews here that the organizations violated their charters by seeking to enroll a disproportionate share of Democrats.

Cranston Denies Wrongdoing

Senator Cranston, the Democratic whip, who is one of five Senators whose ties to Mr. Keating are being examined by a special counsel retained by the Senate Ethics Committee, also denied that the tax-exempt committees were organized to pile up contributions from Mr. Keating's savings-and-loan businesses and from supporters in other corporations.

But the inquiries into the three groups illustrate the trouble that Mr. Cranston, known for his fund-raising prowess, now faces in his home state with both public interest groups and with Federal investigators.

Common Cause, a lobbying organization in Washington, and other associations that examine campaign finance matters are citing Mr. Cranston's activities as a case study in how nonpartisan groups are used to collect political money from financial sources that are restricted in how much they can directly donate to a campaign.

Continued on Page A16, Column 1

Moreover, the Federal Bureau of Investigation is interested in the groups because of the large amounts of money flowing to them from major donors, including Mr. Keating and his associates, according to Federal law-enforcement officials.

Documents Sent to F.B.I.

The officials, speaking on condition of anonymity, said that the F.B.I. became interested in the voter-registration groups after California banking regulators sent them documents last July that showed how successful the organizations were in raising money.

The bureau, as well as the Securities and Exchange Commission, has been investigating Mr. Keating's failed business, the Lincoln Savings and Loan Association, and the Senate ethics committee is looking at what motivated the five Senators to help Mr. Keating in his troubles with Federal regulators.

Federal law-enforcement officials said one reason the F.B.I was particularly interested in the Cranston-affiliated organizations was the sums involved: Mr. Keating or his company gave the groups $850,000 in late 1987 and early 1988, far more than the money he channeled to benefit the other senators' contests. That does not include $47,000 in direct campaign contributions from Mr. Keating or his associates to Mr. Cranston's 1986 re-election campaign, and $85,000 for a California Democratic voter drive that largely benefited the Cranston organization.

The other Senators linked to the Lincoln case are Dennis DeConcini, Democrat of Arizona, who received a $55,000 campaign contribution; John McCain, Republican of Arizona, whose campaign got $112,000; Donald W. Riegle Jr., Democrat of Michigan, who received $76,000, and John Glenn, Democrat of Ohio, who got $34,000 for his campaign and $200,000 for a political action committee he controlled.

Other politicans have established nonprofit charitable or educational foundations that rely on donations from their political supporters. But Mr. Cranston, who describes registration as a "driving force" in his political career, has been the most successful with his voter groups. He raised roughly $7 million for as many as 30 voter groups in the 1988 campaign, his aides say.

In an interview last week, Senator Cranston said he had aggressively solicited contributions for the groups from many longtime political and financial supporters, including Mr. Keating, with whom he met in Phoenix, where the Lincoln thrift's parent company, the American Continental Corporation, is based. But the Senator insisted there was never a "quid pro quo" with donors seeking his influence on senatorial business.

'Not My Responsibility'

Asked whether some donors were less interested in voter registration than in currying favor with him, Senator Cranston replied: "It's not my responsibility to figure out what's in

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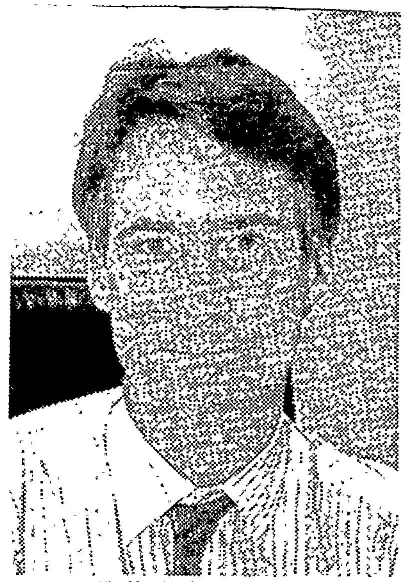

The New York Times/Bart Bartholowmew
Kim Cranston, son of Senator Alan Cranston, is the head of a group being investigated.

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somebody else's head when they're making contributions. As long as they don't ask for a quid pro quo, that's acceptable behavior."

Fred Wertheimer, president of Common Cause, which called upon Federal officials to investigate Mr. Keating and his contributions, said that the Cranston registration groups "open up the whole question as to how people can use money to help public officials in undisclosed ways."

The three groups registered mostly Democrats and relied greatly on Mr. Cranston for making solicitations. The Senator collected virtually all the money for his son's group, the Los Angeles-based Center for Participation in Democracy and for the Forum Institute, a Washington-based group that operated in 13 states. Both organizations are listed by the Government as charitable, thus donors receive tax exemptions on their contributions.

The third group, USA Votes, is also based in Washington and mobilized registration drives in several states. It is not tax exempt. The center and USA Votes paid for extensive fund-raising trips Mr. Cranston made on their behalf.

While it was not required, American Continental filed records with the state of California showing that American Continental gave $400,000 to the Center for Participation in Democracy in 1988. It was by far the largest single contribution of the $1.4 million in donations that the group collected.

In addition, American Continental's contribution schedule shows that the $400,000 was the largest single contribution the company made that year to any foundation or political organization. Another $325,000 went to the Forum Institute and $125,000 to USA Votes.

Operations to Be Suspended

The board of the Forum Institute recently voted to suspend its registration operations beginning Jan. 1 because of the adverse publicity involving Mr. Cranston and Mr. Keating. "They felt like fund raising would be very difficult under the present circumstances," said William H. Jeffress, a lawyer for the group.

For the same reason, the Center for Participation in Democracy has effectively stopped raising money and the board plans to meet soon to discuss whether to disband, said Cruz Reynoso, a former California Supreme Court Justice and the group's current chairman.

One of the law-enforcement officials said he had seen information suggesting that the Center for Participation in Democracy was partisan in nature, which would violate its tax-exempt status.

"We want to establish what the real purpose of these voter registration groups was," said the official, who added that Federal authorities would soon begin questioning donors and employees of the registration groups and would seek workers' payroll records.

Senator Cranston said the groups were as vigorous in registering Republicans as in registering Democrats. He acknowledged that for voter drives, the group selected poor and minority neighborhoods, which were roughly 70 percent Democratic, but noted that such selecting was "perfectly legal and proper."

"It was carefully done in accordance with legal requirements," he said.

Registration groups are permitted to select communities with more potential voters in a particular party, but they are not allowed to use coercion or fraud to build up one party's voter rolls.

Concern About Registration

Dino Blackburn, who registered voters in Oakland, Calif., for several weeks in 1988 for the Center for Participation in Democracy, said he grew concerned with its emphasis on Democrats. Workers, he said, were told to frequently cite the name of the Rev. Jesse Jackson in encouraging blacks to register. If that were true, it could be a violation of the group's tax-exempt status, which prohibits it from promoting a particular candidate.

Mr. Blackburn, a Republican, said the group kept a running tally of how many Democrats each worker registered. "They kept score," he said.. "It was clear that they only wanted Democrats."

Other former workers of the group offered similar views but refused to be identified.

Kim Cranston, who founded the center in 1987 and is now chief of staff to Leo T. McCarthy, the California Lieutenant Governor, described Mr. Blackburn and other critics as among "a few disgruntled former employees."

He said there was no effort by the group's officials to improperly slant registration toward Democrats. "I personally went to three of the large training sessions," Kim Cranston said, "and told people what it meant to be nonpartisan."

Unaware of F.B.I. Inquiry

While he was aware of a broader F.B.I. investigation of the five Senators, Senator Cranston said he had not been aware that officials were closely scrutinizing the voter groups. He said the only contact he had had with the F.B.I. came several months ago when he telephoned the bureau director, William Sessions, to offer his assistance in any inquiry related to Lincoln Savings.

All five Senators met with thrift regulators in an effort that delayed the Federal takeover of Lincoln concern, which is based in Irvine, Calif. Mr. Cranston was able to collect so much more money because of his nonpartisan groups.

While the donors were limited in how much they could give to Mr. Cranston's political campaigns, labor groups, companies and wealthy individuals could give as much as they wanted to his registration projects, get a tax deduction from two of the groups and not be subjected to Federal regulations requiring that the donation be made public.

Robert M. Stern, co-director of the California Commission on Campaign Financing, a private research organization here, called voter registration "a very laudable goal," but added that he was troubled by the suggestion that "the money was given was not good government but to influence a public official."

Senator's Role Is Cited

Several major donors said in interviews that they gave money because they believed that registering voters was an important cause. Yet some acknowledged that Mr. Cranston's in-

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volvement made contributing much more attractive, and said they would not have given to the groups had the Senator not approached them.

Asked why his union gave $25,000 to one of the groups in 1988, George B. Gould, legislative director of the National Association of Letter Carriers, said: "I'm not going to kid you. Alan's involvement was a two-fer for us: He's been a good vote, a good friend legislatively. But this was a good program.'

Mr. Keating is not the only donor to the voter groups that Mr. Cranston has sought to assist. In each case, Mr. Cranston has emphasized, he was only trying to help a constituent.

Fund-raising skills now seem more burden than blessing.

In another example, the investment firm of Drexel Burnham Lambert Inc. gave $25,000 to another Cranston-affiliated group, the Western Center for Voter Education, according to California state records. The money was solicited from Michael Milken, who was head of the firm's junk bond department but has since been indicted on insider trading charges.

Mr. Cranston and some other members of the California delegation in Congress helped to lobby the Securities and Exchange Commission into abandoning its effort to force Drexel Burnham to move its junk bond department from Beverly Hills to New York.

An affiliate of another California thrift group, the Columbia Savings and Loan Association, gave $15,000 to the Center for Participation in Democracy in 1988. The previous year, Mr. Cranston had played a role in Senate passage of an alternative to a proposed amendment, opposed by Columbia, to limit thrift investment in junk bonds.

Several donors commended Mr. Cranston's registration efforts. "The Senator has not been a supporter of the oil industry over the years," said Albert Greenstein, a spokesman for ARCO, which gave $20,000 to one of the voter groups in 1988.

"But we felt that voter registration was an issue that crossed party lines. We felt that this committee would be effective," Mr. Greenstein said.

Asked about the inquiries into the voter groups, Kim Cranston insisted: "People are trying to read ulterior motives in the whole thing. What my motivation was, what my father's motivation was, was basically to increase citizen participation."

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Big Contributors

Donors who gave $15,000 or more in 1988 to the Center for Participation in Democracy, a voter registration group operated by Senator Alan Cranston's son, Kim, according to filings with the California attorney general's office.

American Continental Corp.	$400,000	Gary Goldberg, television producer	$25,000
E & J Gallo Winery	$100,000	Julian Burke	$25,000
Association of Trial Lawyers of America	$100,000	Liz Claiborne Foundation	$25,000
International Brotherhood of Teamsters	$100,000	Barbra Streisand Foundation	$25,000
The Forum Institute	$50,414	Swig Foundation	$25,000
Sheet Metal Workers' International Association	$50,000	L. Lawrence Foundation	$25,000
Western Center for Voter Education	$32,000	National Association of Letter Carriers	$25,000
Hotel Employees and Restaurant Employees International Union	$30,000	American Federation of State, County and Municipal Employees	$25,000
The Gersten Co., a developer based in Beverly Hills, Calif.	$25,000	Southwest Regional Council United	$25,000
First Executive Corp.	$25,000	ARCO	$20,000
I.C.N. Pharmaceuticals, Inc.	$25,000	Wells Foundation	$20,000
Allen & Company	$25,000	Service Employees International Union	$20,000
		Columbia Savings and Loan Association	$15,000

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THE OUTLOOK
SANTA MONICA, CA

(Mount Clipping in Space Below)

Date: THURS., DEC. 7, 1989
Edition: HOME PG, A6

Title: CRANSTON CALLS FBI INQUIRY A POLITICAL PLOY

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Cranston calls FBI inquiry a political ploy

ly Norma Meyer
OPLEY NEWS SERVICE

Sen. Alan Cranston, increasingly on he defensive over his entanglement ith Charles H. Keating Jr., on Vednesday angrily accused the FBI of arboring political motives for reportdly probing three voter registration roups that were backed by the lawaker and received funds from the hrift executive.

In a letter sent to FBI Director Wiliam Sessions, the Democratic senator emanded an investigation into the urce of leaks for a *New York Times* ticle Wednesday that reported the ureau is scrutinizing the activities of e groups, including one headed by ranston's son, Kim.

"It makes my blood boil to see atmpts to smear my son and drag him to the mud," Cranston told reporters his campaign headquarters in rentwood.

Cranston denied assertions attribut- l to FBI sources that two of the n-partisan groups may have violated eir tax-exempt status by deliberately gistering more Democrats than Reiblicans. He also called on the FBI to vestigate a host of Republican-finced voter registration groups and her organizations with GOP sympaies, including Moral Majority and nerican Coalition for Traditional ilues.

"If we are going to have even-hand- justice, if we are going to have an 3I we can respect, I suggest they look o these activities carried on by Reblicans as well as activities carried on by Democrats," he said.

Discipline sought

In the letter to Sessions, Cranston's lawyer demanded that the bureau discipline the government source of the *Times* report.

"These 'anonymous' federal law enforcement officials are behaving extraordinarily improperly and are motivated, we believe, by political rather than law enforcement objectives," wrote attorney William W. Taylor III.

A spokesman for the FBI, while refusing to comment on the reported probe, denied that any of the agency's investigations are politically motivated.

"The FBI has had a long history of being non-partisan in their investigations and I assure you any investigation undertaken is being done so in a non-partisan manner," said Milton Ahlerich, the bureau's assistant director for public affairs.

Quoting the unnamed federal authorities, the *Times* said the FBI is investigating two of the voter registration organizations — including the Los Angeles-based Center for Participation in Democracy headed by Kim Cranston — to determine if employees were ordered to register more Democrats than Republicans.

Large donations

The FBI is also interested in all three groups because of the large amounts of money they received from corporate donors, including Keating's failed Lincoln Savings & Loan Association, according to *The Times*. The other organizations are the Forum Institute and USA Votes, both based in Washington.

Forum Institute, which plans to cease operations in January, and the Center for Participation in Democracy, no longer active in fund-raising, are tax-exempt.

Cranston acknowledged that he solicited money for the groups from Keating, but denied being asked for or granting any favors in return. Keating is believed to have donated $850,000 to the organizations' registration drives in late 1987 and early 1988.

"He and others had a capacity to give and had a record of giving to public causes," Cranston said. "Mr. Keating had contributed to Mother Teresa, he had contributed to antipornography activities."

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LOS ANGELES TIMES
LOS ANGELES, CA

Date: THURS., DEC. 7, 1989
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Title: FPPC PROBE FOCUSES ON 3 IN LINCOLN SAVINGS CASE

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(Mount Clipping in Space Below)

FPPC Probe Focuses on 3 in Lincoln Savings Case

By RALPH FRAMMOLINO and CARL INGRAM
TIMES STAFF WRITERS

SACRAMENTO—The state's Fair Political Practices Commission has opened an investigation into whether two appointees of Gov. George Deukmejian—including Corporations Commissioner Christine W. Bender—violated conflict-of-interest laws in connection with the troubled Lincoln Savings & Loan, it was learned Wednesday.

In addition, the commission is investigating whether Deukmejian's top political fund raiser, Los Angeles attorney Karl M. Samuelian, violated the law by failing to register as a lobbyist when he contacted Bender and other state officials on behalf of Charles H. Keating Jr., chairman of Lincoln's parent company, sources said.

The parent firm, American Continental Corp., early last year secured state approval for the issuance of more than $200 million in high-risk bonds.

"We are looking into alleged violations of the Political Reform Act in connection with Lincoln," said FPPC spokeswoman Sandra Michioku. She declined to elaborate.

It was learned, however, that the allegations before the FPPC grew out of a legislative hearing last week in which Samuelian, Bender and her predecessor as corporations commissioner, attorney Franklin Tom, explained their roles in the Lincoln controversy.

Both Tom and Bender worked for Samuelian's law firm before their appointment by Deukmejian to their public posts. In February, 1987, Tom resigned as commissioner and returned to the law firm. He was succeeded by Bender, his deputy.

Within weeks of his departure, Tom contacted his former agency to request that files for Lincoln's parent company, American Continental Corp. of Phoenix, be moved from San Francisco to Los Angeles and that matters before the commissioner involving the firm be expedited.

A year later, Tom and Samuelian met with Bender and her assistants to seek approval for American Continental to continue selling more than $200 million in high-risk bonds to investors, most of them Southern California retirees. Bender approved the request to sell the debentures. More than 22,000 investors bought the bond, which became worthless with the firm's bankruptcy in April.

Public records filed by Bender state that she received more than $515 in gifts from Samuelian's law firm in the year preceding her decision, including a $350 "luncheon in my honor" in May, 1987; a $15 lunch in June, 1987, and a $150 dinner for herself and her husband in June.

State law says that no state administrative official shall participate in a governmental decision "in which he knows or has reason to know he has a financial interest." The law further defines financial interest as any source of income, including gifts, totaling $250 or more 12 months prior to the decision being made.

It could not be determined late Wednesday whether the gifts are part of the FPPC investigation.

Bender could not be reached for comment late Wednesday, but in an earlier interview she said that she did not agree with the notion that she should sever all her ties with her former law firm.

"The idea that we would never again speak to people we've known before we've become public officials isn't realistic," Bender said.

Two Contacts

During last week's legislative hearing, ex-commissioner Tom conceded that he contacted his former agency twice to discuss American Continental Corp. matters just weeks after he left to go back to work for Samuelian's firm. But he said that those contacts were "ministerial"—and not violations of rules that prohibit a commissioner from representing firms before his former agency for 12 months.

Also during the hearing, attorney Samuelian denied reports that he "lobbied" Bender and her department to give approval for the bonds in March, 1988—an activity covered by the political reform act and requiring public disclosure of the contacts.

Samuelian, who said he was hired as an attorney by Keating in 1985, described his discussions with Bender and her subordinates as meetings to "represent a client as a lawyer."

The issue before the FPPC, however, is whether Samuelian's contacts were within the state's definition of lobbying, The Times has learned.

Robert S. Draper, attorney for Samuelian and Tom, said late Wednesday that he was unaware of the FPPC investigation but said that his clients did not violate state rules.

Staff writer Paul Jacobs contributed to this story.

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(Mount Clipping in Space Below)

IRS Probing Cranston Voter Sign-Up Groups

By PAUL HOUSTON and ROBERT L. JACKSON
TIMES STAFF WRITERS

WASHINGTON—The Internal Revenue Service is investigating whether voter registration groups that received millions of dollars solicited by Sen. Alan Cranston (D-Calif.) violated their tax-exempt status by engaging in partisan activity, law enforcement sources said Wednesday.

IRS auditors in Los Angeles are looking into allegations that the ostensibly nonpartisan groups placed undue emphasis on registering more Democrats than Republicans. Possible violations would be civil, not criminal, said the sources, who requested anonymity.

The main group, the Center for Participation in Democracy, has been operated by Cranston's son, Kim, in Los Angeles.

Cranston, who has come under fire for soliciting contributions from the owner of failed Lincoln Savings & Loan of Irvine, reacted angrily to a reference to his son in a New York Times report saying that the groups were being investigated by "federal law enforcement authorities."

"It makes my blood boil to see attempts to smear my son and drag him into the mud," Cranston said in a statement that he read at a news conference in Los Angeles. "I know personally from Kim of the exquisite pains he took to ensure that registration drives he was associated with were legal, proper and bipartisan."

Cranston called on FBI Director William S. Sessions to find out who had leaked word of the inquiry. Cranston's attorney, William W. Taylor III, suggested in a letter to Sessions that the anonymous sources were "motivated . . . by political rather than law enforcement objectives."

It had been reported earlier that the FBI is conducting a separate criminal review of intervention by Cranston and four other senators on behalf of Lincoln S&L owner Charles H. Keating Jr., who contributed heavily to their campaigns as well as to the voter groups.

Cranston solicited $850,000 from Keating on behalf of three voter registration groups at about the same time that the senator met with federal officials in 1987 to discuss regulatory actions involving Lincoln. Cranston has also received $47,000 in direct campaign contributions from Keating.

The other senators who participated with Cranston in the sessions with regulators—Dennis DeConcini (D-Ariz.), John McCain (R-Ariz.), John Glenn (D-Ohio) and Donald W. Riegle Jr. (D-Mich.)—received a total of about $475,000 in contributions from Keating.

The question of whether the five senators performed favors in exchange for Keating's donations is being investigated by the Senate Ethics Committee, at the request of Common Cause, a citizens' lobbying group.

The government seized Lincoln last April, more than two years after regional S&L regulators had advocated a federal takeover. Its financial collapse will cost taxpayers an estimated $2 billion or more, making it the most costly thrift failure ever.

Cranston has raised a total of more than $7 million in recent years for six voter registration groups, of which five are tax-exempt.

The IRS inquiry focuses on indications detailed by The Times in October that the five tax-exempt groups backed by Cranston might not have lived up to their nonpartisan label.

Interviews, public records and even some of the working documents of the groups showed that special pains were taken to register voters who would be likely to vote Democratic.

IRS officials have said that it is permissible for groups to concentrate registration activities in certain areas as long as people are not pressured into signing up with one party over another.

Cranston has acknowledged that his groups targeted areas likely to produce large numbers of new Democratic voters, but he has insisted that potential Republican voters were not turned away.

In a 1986 letter soliciting funds for the first of his tax-exempt groups, Cranston cited "keeping my Senate seat in the Democratic column" as the first of four issues of "great national significance" at stake in the 1986 elections.

Terrie Monaghan, a former business manager at the Center for Participation in Democracy, said that leaders of the group "got upset if too many Republicans" were registered.

Center leaders expected that Democrats would make up about three-quarters of the names that each worker collected, said Monaghan, herself a Democrat.

Carl Pope, a member of the group's board, said that about 70% of the 233,000 voters that the group registered last year were Democrats.

Kim Cranston, a top aide to California Lt. Gov. Leo McCarthy, was on vacation Wednesday and could not be reached for comment on the IRS inquiry.

Staff writers Keith Love and Kenneth Reich in Los Angeles contributed to this story.

56C-LA-101615-172

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FBI PHOENIX (58C-41605)/ROUTINE/

FBI TAMPA (58C-277)/ROUTINE/

FBI WMFO (58C-2216)/ROUTINE/

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CITE: //3770//

PASS: SSA [redacted] WHITE COLLAR CRIME SECTION, PUBLIC CORRUPTION UNIT. b6 b7C

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56C-101615-173

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Santa Ana Copy

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Routing Slip
FD-4 (Rev. 5-31-84)

Date ____________

To: ☐ Director
Att.: ____________

FILE # ____________

☐ SAC [redacted]
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Room ____________

Title ____________

RE: ____________

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☐ Acknowledge
☐ Assign ☐ Reassign
☐ Bring file
☐ Call me
☐ Correct
☐ Deadline ____________
☐ Delinquent
☐ Discontinue
☐ Expedite
☐ File

☐ For Information
☐ Handle
☐ Initial & return
☐ Leads need attention
☐ Open case
☐ Prepare lead cards
☐ Prepare tickler
☐ Recharge file ☐ serial
☐ Send to

☐ Return assignment card
☐ Return file ☐ serial
☐ Return with action taken
☐ Return with explanation
☐ Search and return
☐ See me
☐ Type

~~SAC~~ Bob Burkholder

Office ____________

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☆ U.S.G.P.O.: 1988 - 202-042/85016

ROUTING SLIP

TO:

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ATTACHED PRESS CLIPPING SENT TO:

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/21/89

[redacted] telephone [redacted] provided the following information:

He has been reading in the newspapers about the involvement of United States Senator ALAN CRANSTON in the registration of voters in California that are members of the Democratic Party.

For three weeks before the November, 1988 Presidential election he, [redacted] registered voters in Desert Hot Springs, California. He was registering the voters for the Republican Party. He learned that there were people in Desert Hot Springs that were registering voters at STATER BROTHERS and VON'S grocery stores. They displayed a Democratic Party sign on their table. [redacted] checked with the Riverside County Registrar of Voters and was told that they could display a Democratic Party sign at their tables.

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[redacted] was told by two people that the people registering for the Democratic Party would only register the people as Democrats. One man who was registered by the Democrats as a Democrat was re-registered by [redacted] because the man wanted to be registered as a Republican.

[redacted] said he thought this was improper that the Democrats would only register voters as Democrats. [redacted] believes that the Democrats were being paid $3.00 per name registered. He believes this money was coming from the Democratic Party.

Investigation on 12/18/89 at Telephonically Palm Springs, California File # 56C-LA-101615 - 174

by SA [redacted] Date dictated 12/21/89

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56d - LA - 106615 [redacted]

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/2/90

Pursuant to a Federal Grand Jury subpoena [redacted] through their attorney. [redacted] provided [redacted] included, among [redacted] the following:

[redacted]

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GRAND JURY MATERIAL
DISSEMINATE ONLY PURSUANT
TO RULE 6 (e)., Fed., R. Crim. P.

Investigation on 12/26/89 at Santa Ana, California File # 56C-LA-101615-175

by SA [redacted] Date dictated 12/26/89

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56C-LA-101615-175

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FBI — LOS ANGELES [redacted]

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/3/90

Pursuant to a Federal Grand Jury subpoena, [redacted] provided [redacted] These [redacted] among others, the following:

[redacted]

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GRAND JURY MATERIAL
DISSEMINATE ONLY PURSUANT
TO RULE 6 (e)., Fed., R. Crim. P.

Investigation on 12/27/89 at Santa Ana, California File # 56C-LA-101615-176

by SA [redacted] Date dictated 12/26/89

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56C-LA-101615-176

SEARCHED [redacted] INDEXED [redacted]
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FBI — LOS ANGELES [redacted]

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/4/90

On January 3, 1989, Special Agents (SA) [redacted] and [redacted] appeared at [redacted] located at [redacted] At this time the above agents met with Attorneys [redacted] Both attorneys identified themselves as attorneys for the law firm of [redacted] telephone

[redacted] said he is representing [redacted]

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The purpose of the above mentioned meeting was to review a Federal Grand Jury Subpoena, which was submitted to the [redacted] on December 14, 1989. [redacted] advised [redacted] is willing to fully cooperate and produce [redacted] requested by the government. [redacted] wanted to know what [redacted] are being requested so as to obtain [redacted] to the government.

[redacted] then provided the following [redacted]

Investigation on 1/3/90 at Los Angeles, California File # 56C LA-101615 - 177

by [redacted] Date dictated 1/3/90

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Th[redacted]nclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

56C-LA-[illegible]-177

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]

JAN [illegible]

FBI — LOS ANGELES [redacted]

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/8/90

Pursuant to a Federal Grand Jury subpoena, [redacted] telephone [redacted] provided copies of [redacted] The copies included, among others, the following:

[redacted]

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GRAND JURY MATERIAL
DISSEMINATE ONLY PURSUANT
TO RULE 6 (e)., Fed., R. Crim. P.

Investigation on 12/28/89 at Santa Ana, California File # 56C-LA-101615 - 178

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by [redacted] Date dictated 12/28/89

56C-LA-101[redacted]-178

SEARCHED [redacted] INDEXED [redacted]
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FBI — LOS ANGELE [redacted]

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FD-302 (REV. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/8/90

Pursuant to a Federal Grand Jury subpoena, [redacted] provided [redacted] The [redacted] included, among others, the following: b3 b6 b7C

[redacted]

GRAND JURY MATERIAL
DISSEMINATE ONLY PURSUANT
TO RULE 6 (e)., Fed., R. Crim. P.

Investigation on 12/28/89 at Santa Ana, California File # 56C-LA-101615-179

by S[redacted] Date dictated 12/28/89 b6 b7C

56C-LA-101615-179

SEARCHED [redacted] INDEXED [redacted]
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FBI — LOS ANGELES [redacted]

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FD-302 (REV. 3-10-82)

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/8/90

Pursuant to a Federal Grand Jury subpoena, [redacted] provided [redacted] included, among [redacted] the following:

[redacted]

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GRAND JURY MATERIAL
DISSEMINATE ONLY PURSUANT
TO RULE 6 (e)., Fed., R. Crim. P.

Investigation on 12/29/89 at Santa Ana, California File # 56C-LA-101615-180

by S [redacted] Date dictated 12/29/89

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56C-LA-105615-180

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]

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FBI — LOS ANGEL[redacted]

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