

**THE ROLE OF JOHN HUANG AND THE RIADY  
FAMILY IN POLITICAL FUNDRAISING**

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**HEARINGS**

BEFORE THE

**COMMITTEE ON  
GOVERNMENT REFORM**

**HOUSE OF REPRESENTATIVES**

**ONE HUNDRED SIXTH CONGRESS**

FIRST SESSION

DECEMBER 15, 16, AND 17, 1999

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## THE ROLE OF JOHN HUANG AND THE RIADY FAMILY IN POLITICAL FUNDRAISING

WEDNESDAY, DECEMBER 15, 1999

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON GOVERNMENT REFORM,  
*Washington, DC.*

The committee met, pursuant to notice, at 1:10 p.m., in room 2154, Rayburn House Office Building, Hon. Dan Burton (chairman of the committee) presiding.

Present: Representatives Burton, Shays, Mica, Souder, LaTourette, Waxman, and Norton.

Staff present: Kevin Binger, staff director; James C. Wilson, chief counsel; David A. Kass, deputy counsel and parliamentarian; Mark Corallo, director of communications; Kristi Remington, senior counsel; James J. Schumann and M. Scott Billingsley, counsels; Kimberly A. Reed, investigative counsel; Renee Becker, deputy press secretary, Robert Briggs, editor and assistant clerk; Robin Butler, office manager; Michael Canty, Toni Lightle, and Maria Tamburri, staff assistants; Nicole Petrosino, legislative aide; Leneal Scott, computer systems manager; Lisa Smith Arafune, chief clerk; Corinne Zaccagnini, systems administrator; Phil Schiliro, minority staff director; Phil Barnett, minority chief counsel; Kenneth Ballen, minority chief investigative counsel; Kristin Amerling, Sarah Despres, David Sadkin, Paul Weinberger, and Michael Yang, minority counsels; Ellen Rayner, minority chief clerk; Jean Gosa, minority staff assistant; and Andrew Su, and Barbara Wentworth, minority research assistants.

Also present: Ty Cobb and Jack Keeney, counsel for Mr. Huang.

Mr. BURTON. Good morning. A quorum being present, the Committee on Government Reform will come to order. You may have a seat right now, gentlemen.

I ask unanimous consent that all Members' written opening statements be included in the record; and, without objection, so ordered.

I also ask unanimous consent that all articles, exhibits and extraneous or tabular material referred to be included in the record, and without objection so ordered.

I ask unanimous consent that questioning in the matter under consideration proceed under clause 2(j)(2) of House Rule 11 and Committee Rule 14 in which the chairman and ranking minority member allocate time to committee counsel as they deem appropriate for extended questioning not to exceed 60 minutes divided equally between the majority and minority. Without objection, so ordered.

I also ask unanimous consent that questioning in this matter proceed under clause 2(j)(2) of House Rule 11 and Committee Rule 14 in which the chairman and ranking minority member allocate time to members of the committee as they deem appropriate for extended questioning not to exceed 60 minutes equally divided between majority and minority. And, without objection, so ordered.

Mr. WAXMAN. Mr. Chairman.

Mr. BURTON. Mr. Waxman.

Mr. WAXMAN. Now that we have agreed to some of these procedural matters before the committee, I read in Roll Call that you are planning to conduct your own Internet broadcast of this and future hearings, and I think this would be a positive development if it is done right. I am a little surprised because you and your staff never consulted with us about it.

As I understand the House rules, we would need unanimous consent to proceed until such time as our committee rules have been changed to permit this in-house broadcasting of committee activities. I would not object today if we could commit together to working together, you and the minority, to amend the committee rules to address this coverage and to provide, one, that the coverage will be in compliance with rule 11, clause 4; two, that the coverage will be fair and nonpartisan; and three, that the minority will have prompt access to a copy of the coverage.

If you are willing to agree to those terms, then I will not object to having the committee go ahead with this new Internet live broadcast even though the rules, until they are changed, won't permit it.

Mr. BURTON. We agree fully with that, Mr. Waxman, and it is our intent to do that. If there has been a misunderstanding we apologize, because we have been planning on this and working on this for several months. One of the reasons that we want to have the Internet coverage is, first of all, it will give the American people both the minority and the majority views on a number of issues. It will give them complete access to our hearings. Right now the media coverage of some of our very important hearings has been rather limited, and in some cases the media has interpreted things that have happened based upon their own philosophy.

We think the American people deserve the unvarnished facts in our hearings and in our investigations, and I think they will get that because the Internet won't leave anything out. We will make sure that the minority has full access to everything, that there is fair distribution of the time allocated, as we have in the past to both the minority and majority, and we will have the rules amended at the first opportunity when we come back in January.

Mr. WAXMAN. If the chairman would permit, I thank you for that statement and your willingness to work together. I just have to say for the record that it makes me nervous when any agency of government—and of course our committee is an agency of government—controls what would be sent to the media. And if we have Internet television coverage of our hearing, and it is our people or your people controlling who will be covered, what they say—not what they say but who the cameras will turn on and things along those lines—I would want us to make sure that the ground rules

are absolutely pinned down to be fair. I sense from what you have said you agree with that.

Mr. BURTON. I do agree with that.

Mr. WAXMAN. And on that basis, even though the Democrats on this committee could insist on a vote to change the rules to be taken before we would permit this to take place, we won't object for today, and we will work together for future hearings.

Mr. BURTON. We thank you, Mr. Waxman. We will now proceed with our opening statements.

I would like to welcome everybody back this afternoon. We have a limited number of Members who are here. Obviously we are in a holiday season and a lot of the Members have other commitments. So we are probably going to have about five or six Members here for the questioning of Mr. Huang and his legal counsel, but I do appreciate the Members who are here being here, and we will try to do this as expeditiously as possible.

Because of the tremendous number of questions we have, the hearing will probably take 3 days and possibly 4 days to complete. I know that is not good news for everybody, but we haven't had the opportunity to talk to Mr. Huang or his counsel for about 3 years now, and since we have the opportunity, we want to make sure we make good use of it and complete it as thoroughly as possible.

I would like to thank you once again for being here. I know your schedules in your districts are very full with all the holiday celebration. So I appreciate you being here.

For those of you who are following these hearings, this hearing is happening during the recess, and as I said, you won't see as many Members of the Congress here as you would when we are in session. However, I expect other Members to join us as we get underway, and they will be coming in and out because of their schedules.

This is a very important hearing. We have been waiting for 3 years to hear Mr. Huang's testimony. For the last 3 years Mr. Huang has been 1 of 122 people who have invoked the fifth amendment or left the country. In our interim report which we filed over a year ago, we noted that 17 people associated with Mr. Huang had either taken the fifth or left the country. The result has been a lot of unanswered questions. These are questions that the American people deserve to get answered.

We voted to grant Mr. Huang immunity in October. He is here today to testify and tell his story and answer questions. In my view, it is better late than never. And, Mr. Huang, we welcome you and appreciate you being here.

I want to say just a couple of things about how we are going to proceed. This is going to take some time. We are going to be at this for several days. We have a large amount of material to go through, and there just isn't any quick and easy way to do it. I plan to work into the evenings if necessary, and I plan to go into the weekend if we have to. This is probably the first and only time that John Huang will testify in public, and we have an obligation to be thorough.

In many ways this is going to be more like a deposition than a hearing. Anyone who has sat through a lengthy deposition knows

that it can be tedious at times, but I think it is necessary to get this information on the record.

Normally, before we hold a hearing we have our staffs interview a witness. In previous sessions, our staffs had deposition authority. That was not extended during this Congress, because at the time we initiated and instituted this Congress we didn't think it was necessary, and when we have staff interviews or depositions our staff goes over all of the issues with a witness in advance. That way, by the time we get to a hearing, we can focus on the most relevant facts. We have not been able to do that this time.

At the time that we voted to immunize Mr. Huang, Mr. Waxman asked that we do all of the questioning in public and I agreed to do that.

So this is going to be a unique situation. We don't know in advance what the answers to many of the questions are going to be. We have an idea because we have received the FBI's interviews. However, they didn't cover all of the issues that we need to cover. At times I think this will be very interesting and at other times it is sure going to be monotonous. However, we have been working on this for 3 years. We have waited a long time, and I think we need to be as thorough as possible and I want to thank everyone in advance for bearing with us.

Before I talk about the substance of the hearing, I want to talk for a moment about the scheduling problems we have had. They could have been avoided and what happened last week left me a little frustrated.

My staff has talked for over a month with Mr. Huang's lawyers, and we had planned to start these hearings yesterday, for many weeks. It wasn't until last week after we noticed the hearing dates that Mr. Keeney informed us that Mr. Huang was scheduled to testify before a grand jury in Los Angeles yesterday. It was clear that this appearance had been planned well in advance, and I don't understand why we didn't know about this earlier, but nevertheless we are here today.

Members of Congress had canceled events in their districts to be here yesterday. I had a subcommittee chairman who wanted to hold a hearing yesterday, and we had to cancel that. So we had that hearing delayed until next year, and unfortunately, because of Mr. Huang's testimony before the grand jury yesterday, he had to fly all night on the red eye. He looks no worse for wear, but it must have been a tough night for him.

Most people think that this foreign fundraising scandal began in 1995 or 1996. It did not. This scandal was born in the summer of 1992. Bill Clinton was the Governor of Arkansas, and he was running for President. James Riady was a billionaire living in Indonesia. Mr. Riady flew from Jakarta to Los Angeles in August 1992. He took a limousine ride with then-Governor Bill Clinton. He promised to raise \$1 million for Bill Clinton's campaign. That set in motion a pattern of illegal activity that was repeated over and over again in 1993, 1994, 1995 and 1996.

Foreign money was funneled to straw donors. Straw donors gave money to the DNC and other campaigns. Campaign officials claimed to have no idea anything suspicious was going on. It happened time and time again with John Huang, James Riady, Charlie



Trie, Pauline Kanchanalak, Ted Sioeng, Johnny Chung, and Mark Jimenez.

The DNC ultimately returned more than \$3½ million in illegal money, and I noted that in the New York Times today it indicated that money was not illegal, but—I can't remember the exact word, "improper"—those were illegal contributions. Not improper, they were illegal.

John Huang's name and Charlie Trie's name were connected to most of it. Since then we have uncovered more illegal foreign money that the DNC still hasn't returned. In the fall of 1992 Mr. Riady worked with Mr. Huang to funnel about \$200,000 through Lippo bank employees. It then went to the DNC, and it also went to some State Democrat parties, including California, Michigan, Ohio, and Missouri. Normally you wouldn't think that an Indonesia businessman would think of directing contributions to Missouri. Who was steering this money to all these States? That is one of the things that we want to find out.

When we published our interim report last fall, we published bank records and memorabilia that showed the contributions were illegal. To my knowledge, not a penny of that money was returned by any of those campaign committees.

More illegal money was given through the Lippo Group in 1993 and 1994. In 1996 the DNC received \$450,000 from an Indonesian couple named Wiriadinata. Forgive me if I don't pronounce all these names correctly. The money came from Indonesia, from a close associate of Mr. Riady. Mr. Huang was listed as the solicitor of these contributions. This is one of the many issues we will be asking him about this week.

The big question is why? Why did James Riady want to raise \$1 million for Bill Clinton's campaign? When you add it all up, the Riadys and their associates gave almost \$2 million to the President's campaign and his other causes. Why? Did they like his health care plan? Did they admire his position on social security? I doubt it.

There was an interesting passage in John Huang's FBI 302 interviews. They were talking about the \$100,000 that Mr. Riady gave to Webster Hubbell. Mr. Huang was asked if there was a purpose behind this money. He responded, "everything has a purpose." I don't know exactly what he meant. That is one of the things we want to ask him about this week.

I doubt that we are going to get all of the answers today. I don't know if Mr. Huang has all of the answers. We reviewed John Huang's FBI 302 interviews. If there is a reason or a purpose behind all this money, I didn't see it there.

If we really want to get the answers, we need to talk to James Riady. He needs to testify. Mr. Riady hasn't set foot in this country in 3 years. I understand from media reports that his lawyers are trying to negotiate a plea agreement with the Justice Department. From what I understand, Mr. Riady wants to clear away his legal problems so he can come back into the United States. If he wants to come back to the United States, the first thing he should do is come forward and explain his role in this whole fiasco to the American people. I think they deserve some answers.

It is clear to me that the Justice Department had enough evidence to indict Mr. Riady a long time ago. I don't know why he hasn't been indicted. The Attorney General made a decision 2 years ago not to appoint an independent counsel. She invited a lot of scrutiny when she did that. We will be watching very closely to see if Mr. Riady gets a sweetheart deal.

I know what kind of deals Republicans got from Janet Reno's Justice Department. There was a man named Simon Fireman. He funneled about \$120,000 to the Bob Dole for President campaign. He got a \$6 million fine. There is a company by the name of Empire Sanitary Landfill. They gave \$129,000 in illegal contributions to Republican campaigns. They were fined \$8 million. Another Republican who was responsible for fewer illegal conduit contributions than Mr. Huang got a \$5 million fine. Unlike Mr. Huang, both of the Republicans got terms of detention.

We will just have to wait and see what happens with Mr. Riady.

The fact that James Riady hasn't been able to come back into the country has not stopped him from keeping in touch with the President. He showed up when the President was in New Zealand for an economic conference in September, and the meeting was captured on videotape.

Because Mr. Riady has thumbed his nose at the campaign finance investigation, we wondered why the President would greet him so warmly and how he could get a seat of honor at an event the President attended. We asked the White House about the meeting, and they were quick to supply two tapes that the White House photographer took, and I would like for you to see the tapes from the White House right now.

[Videotape played.]

Mr. BURTON. OK. That is the end of tape one, and as you can see, it doesn't look like much happened. As a matter of fact, when the tape panned back to the President, he had just passed Mr. Riady, and he hadn't really—it doesn't show him making much contact with him, and you do see a long shot of the wall over there where the TV cameras were. So let us take a look at tape two the White House sent us.

[Videotape played.]

Mr. BURTON. Now, you notice that the tape stopped just as Mr. Clinton approached Mr. Riady.

Now, I would like for you to see tape three. This tape came from a source not connected with the White House.

[Videotape played.]

Mr. BURTON. That shows a little different picture. The White House tapes don't show it, but President Clinton really did pay some special attention to Mr. Riady. This White House is so consumed with covering things up that their taxpayer-funded photographer wouldn't even allow a tape to be made of the President shaking Mr. Riady's hand. No one minded the President meeting Mr. Riady. They just didn't want anyone to know how warmly he was greeted because of the problems surrounding Mr. Riady.

Did the President ask Mr. Riady to come back and explain his role in this scandal? I don't think so. The White House has never shown an intense desire to get all the facts out. The President

should ask Mr. Riady and all the other people who have stayed out of the country to come back and explain their actions.

Some people say the American people don't care anymore, that they don't want to know the facts. Well, I don't think that is true, but the fact of the matter is we have a responsibility on this committee to get to the bottom of it, because illegal campaign contributions coming from foreign sources and foreign governments were given to influence the outcome of the elections in 1996 and 1992.

I think the American people really want to know if foreign governments and foreign individuals are trying to influence our elections. I think they want to know who their government is beholden to. I think we have an obligation to finish what we started. We have an obligation to the history books to get the facts on the record.

Now, Mr. Huang, I have reviewed your opening statement and I read part of it in the New York Times today, and I can't let it go by without some comment. You make it sound like people who are trying to get the facts out are somehow being unfair to Asian Americans. Nothing could be further from the truth. I want to make it crystal clear. Nothing in this committee's work should be interpreted as a slight on Asian Americans or any other ethnic group. There should be no roadblocks to the participation of any American regardless of their ethnicity in our political system. I am very sympathetic to innocent people whose lives have been hurt by the campaign finance scandal, but again, let me make it clear we have had to talk to a lot of people, and the Department of Justice has had to talk to a lot of people because you encouraged them to give contributions, which was breaking the law, because they looked up to you and because they trusted you.

Mr. Huang, you were the vice chair for the finance committee at the Democrat National Committee. You are a very sophisticated player in the U.S. political system. You understand it. You knew the law, and when you decided to break the law, you caused a lot of people to be hurt, and most of them unfortunately were Asian Americans. I really hope you will not try to blame the Justice Department or the Congress for things that you are responsible for.

We have a lot of work to do. There are many, many issues that we want to question you about, Mr. Huang. I haven't even touched on most of them here. In the interest of time, I won't now.

Let me once again thank you for being here, Mr. Huang, and I want to thank members of the committee who traveled during the holiday to be with us here as well, and Mr. Waxman, I will yield to you for an opening statement.

[NOTE.—The FBI interview and summary of John Huang is printed at the end of the hearing.]

[The prepared statement of Hon. Dan Burton follows:]

**Opening Statement  
Chairman Dan Burton  
Committee on Government Reform  
December 15, 1999**

Introduction:

Good morning. I'd like to welcome everybody back this afternoon. I want to thank the Members who are here for interrupting their schedules back in their districts so they could join us. For those of you who are watching, this hearing is happening during a recess. You won't see as many Members of the Committee here as you would when Congress is in session. However, I expect other Members to join us as we get under way.

This is a very important hearing. We've been waiting for three years to hear Mr. Huang's testimony. For the last three years, Mr. Huang has been one of 122 people who have invoked the Fifth Amendment or left the country. In our interim report, which we filed over a year ago, we noted that 17 people associated with Mr. Huang had

either taken the Fifth or left the country. The result has been a lot of unanswered questions. These are questions that the American people deserve to get answered.

We voted to grant Mr. Huang immunity in October. He's here today to testify and tell his story. In my view, better late than never. Mr. Huang, welcome. Thank you for being here.

The Process:

I want to say just a couple of things about how we're going to proceed. This is going to take some time. We're going to be at this for several days. We have a large amount of material to go through, and there just isn't any quick and easy way to do it. I plan to work into the evenings if necessary. I plan to go into the weekend if necessary. This is probably the first and only time that John Huang will testify in public, and I think we have an obligation to be thorough.

In many ways, this is going to be more like a deposition than a hearing. Anyone who's sat through a lengthy deposition knows that it can be tedious at times. But I think it's necessary to get this information on the record.

Normally before we hold a hearing, we have our staff interview a witness. Our staff goes over all of the issues with a witness in advance. That way, by the time we get to a hearing, we can focus on the most relevant facts. We haven't been able to do that this time. At the time that we voted to immunize Mr. Huang, Mr. Waxman asked that we do all of the questioning in public. I agreed to that.

So this is going to be a unique situation. We don't know in advance what the answers to many of our questions are going to be. We have an idea because we've reviewed the FBI's interviews. However, they didn't cover all the issues that we need to cover. At times, I think

this will be very interesting. At other times, I'm sure it's going to be monotonous. However, we've been working on this for three years. We've waited a long time, and I think we need to be as thorough as possible. I want to thank everyone in advance for bearing with us.

Before I talk about the substance of the hearing, I want to talk for a moment about the scheduling problems we've had. They could have been avoided. What happened last week left me a little frustrated.

My staff has talked for over a month with Mr. Huang's lawyers. We had planned to start these hearings yesterday for many weeks. It wasn't until last week, after we noticed the hearing dates, that Mr. Keeney informed us out of the blue that Mr. Huang was scheduled to testify before a grand jury in Los Angeles yesterday. It was clear that this appearance had been planned well in advance.

I don't understand why Mr. Huang's lawyers didn't level with us. On something as simple as scheduling, it seems to me that there's no reason to play games. Members of Congress canceled events in their districts to be here yesterday. I had a subcommittee chairman who wanted to hold a hearing yesterday. He couldn't because of these hearings. An important hearing had to be delayed until next year. Mr. Huang had to take the red-eye from Los Angeles last night.

I don't want to make a mountain out of a molehill, but I hope that when you deal with Congress in the future, you'll at least show us the minimal amount of respect to shoot straight with us. I think we were more than reasonable. We waited a month and a half after immunizing Mr. Huang to hold this hearing. We did that to accommodate your schedules. I was just disappointed that we didn't have a more cooperative relationship as we prepared for this.



Where It All Began:

Most people think that this foreign fundraising scandal began in 1995 or 1996. It didn't. This scandal was born in the summer of 1992. Bill Clinton was the Governor of Arkansas. He was running for President. James Riady was a billionaire living in Indonesia. James Riady flew from Jakarta to Los Angeles in August 1992. He took a limousine ride with Bill Clinton. He promised to raise a million dollars for Bill Clinton's campaign.

That set in motion a pattern of illegal activity that was repeated over and over again in 1993, 1994, 1995 and 1996:

- Foreign money was funneled to straw donors.
- Straw donors gave the money to the DNC and other campaigns.
- Campaign officials claimed to have no idea anything suspicious was going on.

It happened time and time again with:

- John Huang
- James Riady
- Charlie Trie
- Pauline Kanchanalak
- Ted Sioeng
- Johnny Chung
- Mark Jimenez

The DNC ultimately returned more than three-and-a-half million dollars in illegal money. John Huang's name and Charlie Trie's name were connected to most of it. Since then, we've uncovered more illegal foreign money that the DNC still hasn't returned.

In the fall of 1992, Mr. Riady worked with Mr. Huang to funnel about \$200,000 through Lippo Bank employees. It then went to the DNC. It also went to state Democratic parties:

- California
- Michigan
- Ohio
- Missouri

Normally, you wouldn't think that an Indonesian businessman would think of directing contributions to Missouri. Who was steering this money to all these states? That's one of the things we want to find out.

When we published our interim report last fall, we published bank records and memoranda that showed the contributions were illegal. To my knowledge, not a penny of that money was returned by any of those campaign committees.

The Pattern Continues:

More illegal money was given through the Lippo Group in 1993 and 1994. In 1996, the DNC received \$450,000 from an Indonesian couple named Wiriadinata (**Weer-ee-ah-da-nah-tah**). The money came from Indonesia -- from a close associate of Mr. Riady. Mr. Huang was listed as the solicitor of these contributions. This is one of the many issues we'll be asking him about this week.

The big question is, "why?" Why did James Riady want to raise a million dollars for Bill Clinton's campaign? When you add it all up, the Riadys and their associates gave almost \$2 million to the President's campaign and his other causes. Why?

- Did they like his health-care plan?
- Did they admire his position on Social Security?

I doubt it.

There was an interesting passage in John Huang's FBI interviews. They were talking about the \$100,000 that Mr. Riady gave to Webster Hubbell. Mr. Huang was asked if there was a purpose behind the money. He responded: "Everything has a purpose." I don't know exactly what he meant by that. That's one of the things we want to ask him about.

James Riady Should Testify

I doubt that we're going to get all the answers today. I don't know if Mr. Huang has all the answers. We've reviewed John Huang's FBI interviews. If there's a reason or a purpose behind all this money, I didn't see it there.

If we really want to get the answers, we need to talk to James Riady. He needs to testify. Mr. Riady hasn't set foot in this country in

three years. I understand from media reports that his lawyers are trying to negotiate a plea agreement with the Justice Department. From what I understand, Mr. Riady wants to clear away his legal problems so he can come back into the country. If he wants to come back to the United States, the first thing he should do is come forward and explain his role in this whole fiasco to the American people. I think they deserve some answers.

It's clear to me that the Justice Department had enough evidence to indict Mr. Riady a long time ago. I don't know why he hasn't been indicted. The Attorney General made a decision two years ago not to appoint an independent counsel. She invited a lot of scrutiny when she did that. We'll be watching very closely to see if Mr. Riady gets a sweetheart deal.

I know what kind of deals Republicans got from Janet Reno's Justice Department. There was a man named Simon Fireman. He funneled about \$120,000 to the Dole for President campaign. He got a \$6 million fine. There's a company by the name of Empire Sanitary Landfill. They gave \$129,000 in illegal contributions to Republican campaigns. They were fined \$8 million. Another Republican who was responsible for fewer illegal conduit contributions than Mr. Huang got a \$5 million fine. Unlike Mr. Huang, both of the Republicans got terms of detention.

We'll just have to wait and see what happens with Mr. Riady.

The fact that James Riady hasn't been able to come back into the country hasn't stopped him from keeping in touch with the President. He showed up when the President was in New Zealand for an economic conference in September. The meeting was captured on videotape.

Because Mr. Riady has thumbed his nose at the campaign finance investigation, we wondered why the President would greet him so warmly, and how he could get a seat of honor at an event the President attended. We asked the White House about the meeting, and they were quick to supply two tapes that the White House photographer took.

PLAY TAPE ONE

As you can see, it doesn't look like much happened. But I do wonder why we got such a long shot of the wall. Here is the second tape:

PLAY TAPE TWO

Again, it doesn't look like much happened, does it? Then, someone else sent us another tape. It tells a different story:

PLAY TAPE THREE

Now come on. The White House tapes don't show it, but President Clinton really did pay special attention to Mr. Riady. This White House is so consumed with covering things up that their taxpayer funded photographer wouldn't even allow a tape to be made of the President



shaking Mr. Riady's hand. No-one minded the President meeting Mr. Riady; they just didn't want anyone to know about it.

Did the President ask Mr. Riady to come back and explain his role in this scandal? I doubt it. The White House has never shown an intense desire to get all the facts out. The President should ask Mr. Riady and all the other people who've stayed out of the country to come back and explain their actions.

Some people say the American people don't care anymore -- that they don't want to know the facts. I don't think that's true. I think the American people want to know if foreign governments and foreign individuals are trying to influence our elections. I think they want to know who their government is beholden to. I think we have an obligation to finish what we started. We have an obligation to the history books to get the facts on the record.

Now Mr. Huang, I've reviewed your opening statement and I can't let it go by without a comment. You make it sound like people who are trying to get at the facts are somehow being unfair to Asian-Americans. Nothing could be further from the truth. I want to make it crystal clear: nothing in this Committee's work should be interpreted as a slight on Asian-Americans or any other ethnic group. There should be no roadblocks to the participation of any American in our political system. I am very sympathetic to innocent people whose lives have been hurt by the campaign finance scandal. But again, let me be clear. We have had to talk to people, and the Department of Justice has had to talk to people, because you encouraged them to break the law. Because they looked up to you, and because they trusted you. Mr. Huang, you were the Vice Chair for Finance at the Democratic National Committee. You are a very sophisticated player in the U.S. political system. You knew the law. And when you decided to break the law, you hurt a lot of people, and most of them were Asian-Americans. I really hope you will not try

to blame the Justice Department or the Congress for things that you are responsible for.

We have a lot of work to do. There are many, many issues that we want to question Mr. Huang about. I haven't even touched on most of them here. In the interest of time I won't now. Let me once again thank Mr. Huang again for being here. Thank you to the Members of the Committee who are with us today. I'll now yield to Mr. Waxman for his opening statement, and then we'll ask Mr. Huang to give his statement.

Mr. WAXMAN. Mr. Chairman, I had intended to waive my statement today, but I thought more about this hearing, and I thought about it and I realized that it was important to make some facts and observations for the record and certainly part of the record for this hearing.

The Burton investigation started in 1996 after the L.A. Times, the Wall Street Journal, the New York Times, ABC, CBS, NBC, CNN and other media sources broke stories about campaign irregularities in the 1996 Presidential campaign. In the past 38 months, this committee has uncovered little new, but we have settled into a familiar and predictable pattern.

Phase one begins with the chairman making a sensational and unsubstantiated allegation. After that, a newspaper headline follows, and then we move into phase two, when Mr. Burton pledges he won't rest until he gets the facts because the American people have a right to know.

Phase three involves getting the facts, which invariably don't support the original allegations made in phase one. Now this is a problem.

Phase four solves the phase three problem. That is when the chairman accuses the White House, the President, Janet Reno, the Justice Department or Democrats on this committee of stonewalling, obstructing justice or covering up, and Mr. Burton generally says he won't stop until he gets what he wants because the American people have a right to know.

Phase five is always interesting because that is when the White House, the Justice Department or the FBI capitulates, and we actually receive the information, what was said to be a smoking gun, but just as in phase three, that material never seems to support the original allegations.

At that point we enter phase six. Forget the original allegations, forget the facts, pretend it never happened and don't admit a mistake. Instead, make new, sensational and unsubstantiated allegations. Go back to phase one and hope no one ever notices.

There has never been a congressional investigation quite like this one. In 3 years, Chairman Burton has unilaterally issued over 883 subpoenas. Now, let me repeat that because it is really quite unprecedented: 883 subpoenas related to the campaign finance investigation. To fully appreciate how astounding that is, consider that from 1960 to 1994, not a single chairman of any House committee ever issued a unilateral subpoena. It is simply amazing.

Mr. Burton tries to rationalize this by claiming he has been blocked at every turn, but the fact is that the committee has received over 1.5 million pages of documents and deposed over 160 witnesses. Now, the chairman indicated that in the past he has deposed the witnesses before he ever had the hearing, but today we are hearing from Mr. Huang without that deposition preceding the hearing. Of those precisely 161 people who have been deposed by the committee, only 15 were ever brought to a public hearing. That meant the rest had to go behind closed doors to be questioned over and over and over again about every detail, some of which did not even relate to the campaign finance investigation.

Could you imagine being called before a congressional committee and being forced to answer questions behind closed doors about

every possible thing that the attorneys that work for this committee might think could be useful to try to trip you up or someone else up?

Well, Mr. Burton asked this committee to immunize 12 witnesses. Now, the committee Democrats have immunized all 12 witnesses. The reason that is significant is that the committee needs a two-thirds vote, so they need our votes to immunize witnesses, and we have gone along in every instance, even in cases where it didn't make much sense. The committee has had a virtually unlimited budget. We have spent over \$7 million in the last Congress alone, and we don't know the full figures for this one. What do we have to show for this, aside from the fact that we are now hearing from Mr. Huang? The Washington Post wrote that the investigation "runs the risk of becoming its own cartoon, a joke and a deserved embarrassment." The New York Times called it "A parody of a reputable investigation," and Norm Ornstein noted it was, "A case study in how not to do a congressional investigation."

Reputations have been recklessly smeared. Some of those smeared have been public figures like Bruce Babbitt, Maggie Williams, Hazel O'Leary, Cheryl Mills and Janet Reno. Others have been ordinary citizens like Professor Chi Wang, whose bank records were erroneously subpoenaed, or Chief Petty Officer Charles McGrath, the career military officer in charge of the office that was falsely accused of doctoring White House videotapes, and Colonel Raymond Wilson, another career officer who was wrongly accused of witness intimidation and mob tactics for trying to respond to a legitimate Senate inquiry. Even those who have done something wrong, like Webster Hubbell and John Huang, end up in the strange position of being wronged themselves when our committee gets involved.

On October 9, 1997, for instance, when Mr. Burton held his first hearing with a supposed blockbuster witness David Wang, the chairman promised that if Mr. Wang were granted immunity and permitted to testify, his testimony would show that John Huang, who is here today with us, illegally laundered campaign contributions while a DNC official. As the chairman put it, "This is the first time we have found an active person at the DNC who was involved in money laundering, and we will be able to prove that."

Once granted immunity, Mr. Wang confessed to an illegal tax and immigration scheme that was far more serious than his conduit contribution violation, but he was immunized so no prosecution could be taken against him. Even worse, the testimony he gave to the committee about John Huang was demonstrably false. His account was factually wrong and was debunked as he appeared before our committee.

To this day, however, Mr. Burton refuses to acknowledge his mistake and admit that his allegations about John Huang in that particular instance were wrong.

Now, if we don't have a committee owning up to correct the record, let's just at least look to the example set by the Wall Street Journal. They ran an article last week, December 9th, "Highly Publicized Horror Story That Led To Curbs On IRS Quietly Unravels in Virginia Civil Court." And, in this particular instance there was testimony in the Senate about how an IRS agent stormed this

man's home and restaurant amid a misguided criminal inquiry. Well, when they finally got into a trial, it became clear that those inflammatory statements made in a Senate hearing turned out to be inaccurate.

If this investigation has a redeeming feature, perhaps it is that future congressional investigations will have a model of what not to do.

The Burton investigation has suffered from at least five fundamental flaws that future chairmen should avoid at all costs.

First, tread carefully when making allegations. I just mentioned the David Wang fiasco, but that is not the only unsubstantiated allegation made about John Huang. In April 1997, Newt Gingrich, who was Speaker of the House of Representatives, alleged that, "John Huang was clearly being given secrets while going to the Chinese embassy." Mr. Burton suggested on national television that Mr. Huang, "May very well have given information that he shouldn't to the Chinese and others," and he could be a Chinese spy. Well, 2 years have passed, and there is still no evidence to support these over-the-top accusations, but they have resulted in over 7,000 news stories about Mr. Huang, and in a strange and unfortunate way, by raising the stakes, they have actually ended up minimizing the serious violations that Mr. Huang actually committed.

Instead of recklessly crying treason, we could have worked together on a bipartisan basis to shine a spotlight on conduit contributions, but we didn't.

Partisanship is the obvious second flaw of this investigation. Congressional investigations need to be bipartisan to be credible, and all wrongdoing, Democratic or Republican, has to be on the table. When this investigation began, I offered to work with the chairman in a bipartisan way with no holds barred. We would have looked at campaign finance abuses, following the facts to wherever they may lead, whether they be from Democrats or Republicans, let us find out how this system is being abused, and, from my perspective, change what I think is an inherently rotten campaign finance system.

Well, the chairman rejected that offer. I mentioned earlier that, to date, Mr. Burton has issued 883 subpoenas. 874 of those subpoenas have been issued to Democratic targets, and only 9 have been sent to Republican targets. The fact is that the Burton investigation won't ask any questions about Republican wrongdoing.

Last August every Democrat on this committee sent Mr. Burton a letter asking that we investigate a serious conduit contribution scheme that involved Tom DeLay, one of the most powerful Members of the House, No. 3 in the Republican House leadership. A Republican businessman, Peter Cloeren, admitted to participating in a conduit scheme that he said was suggested to him by Mr. DeLay. Mr. Cloeren provided specific and credible information that deserved further scrutiny. Not one subpoena has been issued, no documents have been requested, and no hearings have been scheduled. Remarkably, Mr. Burton has never even had the courtesy to respond to our letters.

Now, it is important to keep in mind that the illegal scheme that Mr. Cloeren participated in was indistinguishable from the one Mr.

Huang participated in. The only difference was that it involved Republicans.

I know some people believe there is more than partisanship at work. They genuinely believe that there is a clear anti-Asian bias and that Mr. Huang has received such extraordinary scrutiny and has been accused of treason without evidence to back it up simply because he is Asian. Those feelings only deepened when one Republican Senator called Charlie Trie's actions, "Classic activities on the part of an Asian who comes out of that culture," and a House Republican joked that we found only, "The tip of the egg roll."

And people are genuinely puzzled why Mr. Huang is being singled out to testify for an unprecedented 4 days on conduit contributions where the FEC has investigated literally hundreds of individuals for similar violations over the past several years. Some believe it is simply partisanship. Some see a clear anti-Asian bias. Whether it is partisanship or bias, it is wrong. A credible investigation can't be selective.

The Burton investigation's third flaw is inexcusable—incompetence. One Republican committee member called it frightening. Sometimes the mistakes, such as staking out the homes of innocent individuals, have been simply embarrassing. At other times, they are almost comical. When the chairman released doctored transcripts of Webb Hubbell's telephone conversations from prison, the doctored transcript quoted Mr. Hubbell as saying, "the Riady is not just—excuse me, the Riady is just not easy to do business with me while I am in here." That was the quote in the transcript released by the committee. The actual tape, of course, was significantly different. What Mr. Hubbell actually said was "the reality is it is just not easy to do business with me while I am here." Never mentioned Riady at all. The bottom line is that careless mistakes undermine credibility. Just as important, booing and fulminating should never replace genuine investigating.

Our fourth mistake is that the committee has often used tactics intended to punish and intimidate witnesses into providing information. Witnesses who don't do what the chairman wants are routinely subpoenaed and threatened with contempt even if they have legitimate reasons for their actions. One witness who crossed the chairman was humiliated in a public hearing simply for asserting his fifth amendment constitutional rights.

Last, future investigators should not fall in love with their theories of wrongdoing. The biggest problem in this investigation is that Chairman Burton has been convinced from the start that he knew what happened. As the chairman said in one revealing interview, "if I could prove 10 percent of what I believe happened, the President would be gone. That is why I am after him." And each time the evidence hasn't panned out, it has only made him more sure he is right, and it seems to have convinced him that everyone is in a conspiracy against him: the White House, Janet Reno, me, other Democrats on the committee.

In recent weeks it has even extended to the media. Despite the fact that it has been investigative reporters from the networks and other major newspapers that have uncovered the scandal, Mr. Burton doesn't think he is getting enough attention. He has accused

the press of ignoring his work and keeping the facts from the American people. So now the media is also part of the conspiracy.

As a result, the chairman has spent thousands of taxpayers' dollars installing this new camera system in this committee room so he can broadcast the hearings himself. His staff calls the expensive new system—at least they were quoted as calling it in the press—“Dan-SPAN.”

Some of you who have closely followed the history of this investigation will remember that last year the chairman directed his staff to build a fake brick wall in the committee room. That, too, wasted taxpayers' dollars. It ended up ruining one of the walls in this room, and then the taxpayers had to foot the bill to repair the wall. I don't know if the new camera system will be worth the thousands of taxpayers' dollars we are spending on it, but it does seem to be yet another indication of lost perspective.

I want to thank everyone for their patience in allowing me to make my observations part of the record, and I want to close with a final word about Mr. Huang.

Mr. Huang, I think you owe the American people an apology for the conduit scheme you participated in. No matter how many mistakes the Burton investigation has made, nothing excuses your illegal conduct, and I hope you will take full responsibility for your actions today, and if any evidence surfaces that supports the most sensational charges against you, I won't hesitate to join Mr. Burton in condemning those actions. At the same time, if there is no evidence to support allegations of money laundering, spying and treason, all of which you have been accused of, I hope the chairman and others will acknowledge that fact and correct any false statements that they have made.

I thank you for this chance to make these opening statements. I look forward to hearing your testimony. I am prepared, Mr. Chairman, to be here at these hearings as long as you plan to hold them.

[The prepared statement of Hon. Henry A. Waxman follows:]



Statement of Representative Henry A. Waxman  
December 15, 1999

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The Burton investigation started in 1996, after the LA Times, Wall Street Journal, New York Times, ABC, CBS, NBC, CNN, and other media sources broke stories about campaign irregularities in the 1996 presidential campaign.

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Phase Four solves the Phase Three problem—that's when the Chairman accuses the White House, the President, Janet Reno, the Justice Department, or Democrats on this Committee of stonewalling, obstructing justice, or covering up. And Mr. Burton generally says he won't stop until he gets what he wants, because the American people have a right to know.

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At that point, we enter Phase Six. Forget the original allegation...forget the facts...pretend it never happened...and don't admit a mistake. Instead, make a new sensational and unsubstantiated allegation, go back to Phase One, and hope no one ever notices.

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Mr. Burton tries to rationalize this by claiming he's been blocked at every turn. But the fact is that the Committee has received over 1.5 million pages of documents and deposed over 160 witnesses. Mr. Burton has asked the Committee to immunize 12 witnesses--the Committee's Democrats have immunized all 12 witnesses, even in instances that didn't seem to

make much sense. And the Committee has been given a virtually unlimited budget -- and spent over \$7 million last Congress alone.

What do we have to show for this, aside from these hearings with Mr. Huang? The Washington Post wrote that the investigation “runs the risk of becoming its own cartoon, a joke and a deserved embarrassment.” The New York Times called it “a parody of a reputable investigation.” And Norm Ornstein noted that it was “a case study in how not to do a congressional investigation.”

Reputations have been recklessly smeared. Some of those smeared have been public figures, like Bruce Babbitt...Maggie Williams...Hazel O’Leary...Cheryl Mills ... and Janet Reno. Others have been ordinary citizens, like Professor Chi Wang, whose bank records were erroneously subpoenaed; Chief Petty Officer Charles McGrath, the career military officer in charge of the office that was falsely accused of doctoring White House video tapes; and Col. Raymond Willson, another career officer, who was wrongly accused of “witness intimidation” and “mob tactics” for trying to respond to a legitimate Senate inquiry.

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I don't know if the new camera system will be worth the thousands of taxpayer dollars we're spending on it, but it does seem to be yet another indication of lost perspective.

I want to thank everyone for their patience in allowing me to make my observations part of the record, and want to close with a final word about Mr. Huang.

Mr. Huang, I think you owe the American people an apology for the conduit scheme you participated in. No matter how many mistakes the Burton investigation has made, nothing excuses your illegal conduct. I hope you will take full responsibility for your actions today.

At the same time, if there's no evidence to support the allegations of money laundering, spying, and treason you have been accused of, I hope the Chairman will acknowledge that and correct any false statements that have been made.

Thank you.

Mr. BURTON. Well, I am happy for that, Mr. Waxman. I just might say before I yield to Mr. Mica for an opening statement that the length of the hearings would not have been necessary had we had the staffs being able to interview these people, interview Mr. Huang, Mr. Mica.

Mr. MICA. Mr. Chairman, could you let us know exactly how much time we will have? Are we going to have 5 or 10 to start?

Mr. BURTON. We are going to go on the 5-minute rule. We wanted to go on 10-minute rounds to be more thorough, but Mr. Waxman insisted on 5-minute rounds. So we will start with that.

Mr. MICA. Thank you, Mr. Chairman.

Mr. WAXMAN. You are not talking about the opening statements, are you?

Mr. BURTON. The opening statement, we will allow some latitude there, but in the questioning it is 5 minutes.

Mr. WAXMAN. I think the gentleman has been recognized for an opening statement. I assume those are generally for Members 5 minutes.

Mr. BURTON. They generally are. Unless you object, we will try to give the Members a little latitude since we don't have as many Members here.

Mr. WAXMAN. I won't object, but I think that was the answer to what I thought the gentleman was asking. Then when we get into the questioning of Mr. Huang, as I understand it, we have agreed to a half hour on the Republican side and a half hour on the Democratic side for Mr. Burton and myself, a half hour on the Republican side for the staff, a half hour on our side for the staff, and then after that we will follow the regular order of 5-minute questioning.

Mr. BURTON. The half hour, as far as the staff is concerned, does not necessarily have to follow right after ours. So we will go directly to the Members after the half hour.

Mr. WAXMAN. Those are the rules. We are going to follow the rules.

Mr. BURTON. That is fine.

Mr. Mica.

Mr. MICA. Thank you, Mr. Chairman, and thank you for clarifying the time allocation.

First of all, Mr. Chairman, members of the committee, I would like to ask unanimous consent to insert at this point in the record some documents and information. First of all, just to clarify the record, I think it is important that we list at this point in the record, particularly after the remarks of the other side in their opening comments, the list of I believe 122 individuals who either fled the country or pled the fifth amendment, and the correct number and that listing I would like inserted in the record.

Mr. BURTON. Without objection, so ordered.

[The information referred to follows:]

**120 Total****79 House & Senate Witnesses Asserting Fifth Amendment**

- Abdulshafi Ahmed Abdulshafi
- Bin Yueh Jerg
- Bradley, Terri
- Brotonef, Marcelino V.
- Brown, Michael
- Chen, Gin F. J.
- Chen, Simon
- Cheng, Zhongwei
- Chi Rung Wang
- Chiang, Charles T.

- Colon, Gilbert
- Crespo, Reynaldo B.
- Delvalle, Jacob
- Dinata, Rowen
- Dijomartono, Sylvana
- Einliarta, Jessica
- Einliarta, Yoahan
- Esperragoza, Richard
- Fourg, Manlin\*
- Fried, David
- Garcia, Manuel G.
- Cozharit, William
- Gandhi, Yogesh
- Gingsby, Calvin
- Hill, Nolandia
- Ho, Men\*
- Hsia, Merle L.
- Hsin Chen Shih
- Hsiu Chu Lin
- Hsiu Luan Tsang
- Hsu, Judy
- Huang, Jane
- Huang, John
- Hubbott, Webster
- Hueulsan Huang\*
- Hwang, Steven
- Hwang, Woody

- Indians, Arapaho/Cheyenne
- Inriago, Charles
- Jen Chin Hsueh
- Jie Su Hsiao
- Jimenez, Mark
- Keller, Len
- Kronenberg, Duangnet
- La, Kent\*
- Lai Bun Tsun
- Landon, Joseph\*
- Lay Kuesek Wa
- Lee, Na-chi "Nancy"\*
- Leonardo, Louis C.
- Lin, Mike
- Lum, Gene
- Lum, Nora
- Luneta, Carmen
- Man Ya Shih
- Mapill, Maria
- Middleton, Mark
- Narvasa, Gregorio
- Ong, Bie Chuan
- Ramirez, Ruth
- Remedios, Raymond Dos
- Ruiz, Juan L.
- Sanchez, Enrique
- Seow Fong Ooi
- Sheng, Jou
- Shu Jen Wu\*
- Sioeng Fei Man\*
- Stuw Mor Lian\*
- Tahir, Jeme Dew
- Trie, Charlie
- Wang, David\*
- Wong, Larry\*
- Wu, Irene\*
- Yee, Melinda
- Yi Chu\*
- Yue Chu\*
- Yumei Yang
- Zhan, Keshi\*
- Zie Pan Huang\*

\* Granted Immunity after pleading 5th Amendment

**18 Witnesses Have Left the Country**

- Chu, Lai
- Einliarta, Laureen
- Einliarta, Sandra
- Einliarta, Sandra
- Einliarta, Yople
- Kurniawan, Didi
- Lee, John H.K.
- Ma, Felix
- Ming Chen
- Pen, Antonio

- Setiawan, Agus
- Sioeng, Ted
- Tanuwijajaja, Subandi
- Tanuwijajaja, Suryanti
- Tanuwijajaja, Susanto
- Tito, Dewi
- Wiradinata, Sorsya
- Wiradinata, Arief

**23 Foreign Witnesses Have Refused to be Interviewed by Investigative Bodies**

- Ardi, Yenti
- Chen, Shi Zeng
- Cheung, Bruce
- Fukunaga, Hogen
- Ho, Yei Jun
- Ho, Stanley
- Hsu, Ken
- Hsuing, Ambrose
- Li Kwai Fai
- Lin, James
- Uiu, Chao Ying
- Muncy, John
- Ng Lap Seng
- Nitarta, Nanny
- Riady, James
- Riady, Mochtar
- Riady, Stephen
- Sheng, Hueren
- Suma Ching Hai
- Tiriadi, Roy
- Wang Jun
- Wu, Daniel
- Wu, Eugene

Mr. MICA. Furthermore, I would like in the record inserted, I heard from the opening statement of—again, the minority referred to 883 witnesses called by this committee in our investigation. From the hearing in which we had Director Freeh and I believe Mr. LaBella and other appearances before us, they told us in fact that they had subpoenaed more or as many witnesses as we had, and I would like that correct number from the record.

Mr. BURTON. Let me correct—

Mr. WAXMAN. Reserving the right to object, I didn't say 883 witnesses. I said 883 subpoenas.

Mr. MICA. Subpoenas, I am sorry.

Mr. BURTON. I think that is what Mr. Mica is referring to, but we will correct that.

Mr. MICA. They did in fact say that they issued more, if not as many, as we did.

We also asked the question—I would like that made a part of the record—about the proportion between Republicans and Democrats, and I believe that is also contained in this record and in a statement by the FBI. I would like that entered into the record at this point.

I would also like to have entered into the record the recommendation of both the chief investigator, Mr. LaBella, and the Director of FBI, their recommendation for an independent counsel, which is also contained in this record, Mr. Chairman.

Mr. BURTON. Without objection, so ordered.

[NOTE.—The information referred to was received after the hearing, and is printed at the end of the hearing.]

Mr. MICA. I would also like to have entered into the record the exact statement and my question in response from the FBI Director in hearings before this committee that never before had he seen anything on the scale of the activity that had taken place that we were investigating. The only place I believe—and I would like his exact response inserted in the record—was with his dealing in the investigation of the mob, and I would like those exact words put into the statement at this point.

Mr. BURTON. Are you talking about Louis Freeh, the FBI Director?

Mr. MICA. Yes, his statement.

Mr. BURTON. Without objection.

[The information referred to follows:]

Mr. BURTON. Mr. Freeh, over 65 people have invoked the fifth amendment or fled the country in the course of the committee's investigation. Have you ever experienced so many unavailable witnesses in any matter in which you have prosecuted or on which you have been involved?

Mr. FREEH. Actually, I have.

Mr. BURTON. You have. Give me a run-down on that quickly.

Mr. FREEH. I spent about 16 years doing organized crime cases in New York City, and many people were frequently unavailable.

Mr. BURTON. So was that the only time you experienced something like that?

Mr. FREEH. It went on for quite a while.

Mr. BURTON. So the only time that you experienced anything like this was when you were investigating an organized crime syndicate.

Mr. FREEH. There have been cases, certainly. You asked me about my experience.

Mr. MICA. This is an important hearing, and why are we here in December a few weeks before the holiday season or during the holiday season for, many people may wonder. The fact is that never



before in the history of an investigation in Congress has there been anything of the scope of corruption of illegal activities of destruction and misuse of the campaign process. We have also been delayed by an unprecedented blocking of information, disappearance of witnesses, a lack of cooperation, again unprecedented in the history of congressional investigations.

The other reason we are here is that there have been supposed investigations and there have been active investigations going on to this date and we have been kept from witnesses and from those we have attempted to learn the details of what went on until this date.

Those are some of the reasons that we are here at this late juncture. I believe it is absolutely critical that we are here and that we continue to conduct this because never before has the system to elect the Chief Executive Officer of this Nation, has the system been so corrupted and the trail of money, whether it is foreign contributions or conduit payments or whatever, but this has really destroyed public trust and confidence in our electoral process and particularly for the highest office of the land.

So I think it is critical that we, one, expose the holes; two, that we find out what were the controlling legal authorities and, if they aren't there, that we make certain we put them in place; and, three, that we disclose violations of law and of that process that is so sacred, that defines our very way of life, in having a Chief Executive Officer elected by the people and a Congress that holds the whole process accountable and a committee and subcommittee that I participate in that conducts investigations and oversight so that our system can be responsible, work and that the American people can have faith in that system.

So with those comments, Mr. Chairman, I yield back the balance of my time.

Mr. BURTON. Thank you, Mr. Mica.

Mr. Souder.

Mr. SOUDER. Thank you, Mr. Chairman. I will open with a brief explanation from my standpoint of what I think we have seen these last frustrating 5 years. And one of the questions is, what is really important? What are we trying to get at?

And sometimes when we bring a witness forward, we don't necessarily find what we were wondering, what might be there. Sometimes it seems that the administration is protecting lower-level witnesses under the guise of ongoing investigations when we are looking at some really critical fundamental things.

For example, I was one frustrated Member of Congress during the impeachment debate because there is redacted materials that had direct bearing on that impeachment debate, and we didn't bring them forth because our side thought that the President lying about sex with some little girl was more important than getting to some fundamental things and because there were ongoing investigations.

And this type of frustration to me leads—and I think many American people are getting frustrated. What we know is, a fact is, that our national secrets went to China. We don't know how they got there. We know decisions were made that were incorrect, and we don't know how they got there. We don't know whether any in-

dividual did it, which individuals, which connections of individuals, but we know that certain things have happened in this country.

And part of our responsibility is not to focus on little bits and pieces. And this is what some of our side does tend to exaggerate on individual cases or get overexcited.

During the impeachment process, one Member of the Republican party said that the Freeh and LaBella memos alleged that it led to the President of the United States, which then was discredited because that's not what the Freeh and LaBella memos said. What the Freeh and LaBella memos said, which was damning enough, was that they believed that there had been a deliberate separation of the campaign finance investigations so that, just like Nixon asked the Justice Department to do under Watergate, there could not be an attempt to see what levels this went up to, and it could have lead to the Vice President or the President, but they didn't know because there had been a deliberate attempt to see how all the pieces fit together.

That is the problem with the 122 people who fled is we don't know how the pieces went together. That's the problem with people taking the fifth amendment. The fifth amendment says you can't incriminate yourself. Well, if you don't have anything to incriminate yourself, you're not likely to plead the fifth amendment. Now, whether it's the matter we are asking is a different question. But the fact is if you take the fifth amendment, presumably you have got something you don't want to incriminate yourself.

We have had 122 people to do that. It's been a village that won't talk. It has been a very frustrating process to the American people and to us. Quite frankly, I don't think that what we are likely to hear in the next few days is going to lead us to any sweeping conclusions about any of the major questions. It's just another piece.

What I saw in reading the 120 pages that I have gone through so far is the seamy side of campaign finance. It is not like other Members of Congress, other Presidents.

To compare what went on in this White House to other Presidents and what goes on day to day here, which is bad enough, and I was hoping that these hearings, quite frankly, our committee and Thompson's hearings over time would lead to changes in campaign finance laws, but they didn't because they were blocked, because instead we got into partisanship, and there wasn't—because people didn't want to acknowledge that the origination of the year-round campaign in this administration led to a different approach to campaign finance.

It is like comparing the flu to cancer, because with the year-round campaigns, with the taking of occasional use of the Lincoln bedroom into a constant hotel, taking occasional breakfasts to constant breakfasts, taking radio broadcasts that occasionally brought in contributors to a cash event almost every time, to taking a group of people like the Asians—we are not the racists, it is the people who told the Asians that the only way they could get positions in the administration, the only way they could get to a radio address, the only way they could get to the Lincoln bedroom was to give money. That is the racist approach. And that we took it from what—when you can get it in the election year, people are focussed on the election, but when you go year round, the off year is when

it's hard to raise money. And in the off year when you are raising money, when you don't have an election, then you have to ask what did the people want.

And when we see money coming in from Chinese intelligence officials through some people, through the Riadys and Indonesian interests and other people, through other people who may want a change in a lower-level decision on Indian casinos, we have every right in the world to have investigations and say what is happening inside this administration; that all sorts of decisions seem to be being made for monetary reasons.

And that part of my concern in pursuing this is that there isn't an Alex Butterfield who had a tape that was unedited going on. It's not clear we would ever learn what happened in Watergate if he hadn't popped out at a congressional hearing that there was a tape. It may be history will have to take until we hear people writing books for money and coming through, because we are just going at the edges.

And I think we are going to hear a number of days of very disappointing testimony about how our U.S. Government works, and it sickens my stomach. And I hope that part of this will clean it up, and it will be a lesson to future Presidents. Do not let your administration become what this administration became.

I yield back.

Mr. BURTON. Mr. LaTourette.

Mr. LATOURETTE. I thank you, Mr. Chairman, not only for conducting this hearing, but also for granting me the time.

I would tell you that, although having the opportunity to see you and the distinguished ranking member at yet another fundraising investigation right before the millennium is a source of great joy. My excitement is tempered, however. It is tempered for the reasons that have already been spoken about by you, Mr. Waxman, Mr. Souder, Mr. Mica, that precious little has been revealed in these hearings; and I think through no want of trying on behalf of a number of the members of the committee.

And I would suggest that there are a number of reasons for that result. I think clearly the fact that there have been so many people who have expressed a strong desire to be a participant in our political process by funneling cash into campaigns, but have been unwilling participants in our judicial system and have fled the long arm of the law and have obfuscated, have stonewalled, have chosen to leave the country, or who have sought refuge under what is certainly permissible, the fifth amendment of the Constitution, has made this an exceedingly difficult and in many cases a painful process for people who are interested in finding out what happened in the last election and the election before that.

Also the pace of the investigations and queries by the Department of Justice, the choices that they have made at the Department of Justice, the timing, the decisions or the nondecisions, I think, has given at least this Member the impression that Lady Justice is not only blind, but in some instances deaf and dumb as well.

And, finally, the conduct of this committee that Mr. Waxman talked about. I really think that we have missed a golden opportunity to punish a number of people that deserve to be punished

for blatantly, blatantly violating the campaign laws of this country. And I don't think it's confined to either side. I listened intently to Mr. Waxman, and apparently Republicans, and Republicans on this committee, are bad guys and gals because of what we have done over the last 3 or 4 years. But I will tell you that there are some on this side that want to get the President at all costs. Well that's stupid. Likewise, there are people on his aisle that want to protect the President at all costs. That's likewise as stupid.

The purpose of this investigation is to follow the money, and if the money goes to the President of the United States, then he and everybody in his wake should be punished. Likewise, if it stops at a certain level, it stops at a certain level.

And I think today's hearing is a perfect example, with all due respect to the distinguished ranking member, of how our priorities are misguided.

I think that we have a witness before us today who, although a number of things have been said about him, regardless of whether he is a good guy, bad guy, the fact of the matter is he has pleaded guilty to, I believe, about a million seven in conduit contributions improperly made to political campaigns in this country. He has a great deal of information, from reviewing his FBI testimony, about the enlightened way that the Democratic National Committee has raised money from noncitizens in the last election.

It is my understanding that, rather than having a hearing where we could ask laser-like questions wherein the answers would be illuminating to not only the U.S. Congress but also the people in this country, instead we are going to have 4 days of a full deposition of Mr. Huang, creating great expense and inconvenience to not only him, but to the committee, when this could have been handled by a briefing by the competent staff of both Members.

And then, quite frankly, Mr. Waxman, and I will be glad to yield to you, you made it sound as if our staff, your staff and the majority's staff, take these folks into a room with a bare light bulb and rubber hose and beat the snot out of them. That is not the way this thing happens.

The fact of the matter is that the lawyers that work for you and Mr. Burton and the majority are competent, professional people, who I think have done the best that they can.

Since I have used your name, I will be happy to yield to you.

Mr. WAXMAN. I thank you very much for the courtesy of yielding to me. Let me tell you how the rules were changed in the depositions. The rules were changed—it used to be the Republicans' side would ask questions of a witness in a deposition for a half hour. Then the Democrats would have a half hour, then the Republicans a half hour. Well, the rules were changed, and the new rules said the Democrats have to sit there however long it may take until the Republicans ask every question they might possibly want to ask, and that amounted to hours. And then if we had time, Democrats were permitted to ask questions.

Questions were asked to witnesses that were absolutely improper—about their drug use, their personal lives—that had nothing to do about campaign finance issues. They objected. We objected. And then the chairman said, well, the witness had to answer the question. A witness under those circumstances had to

take his or her chance that this committee wouldn't hold them in contempt of Congress. It was just far easier to answer whatever questions were asked. People were abused.

And, again, 161 people went in for depositions. Only 15 ever came before the committee that had something worthwhile to say in open hearings.

I think the American people, if you really want to let them know the truth, let's have these questions asked in public. And if they're abusive questions, let the public see that abusive questions are being asked.

Mr. LATOURETTE. I thank you, and if I can take back my time because I only get 5 minutes unlike the other distinguished members of the committee, the ranking member and chairman.

I just want to indicate there were 161 people who went in. They all came out, to my knowledge. None of them are missing in action, and all of them have survived. It is also my understanding that the Democratic side may not have used their time in the travel office investigation to ask questions.

Last, I think the point I am trying to make is we should be able to do better than that on both sides of the aisle.

The last thing I want to say, Mr. Chairman, is the notion which has already come up, and I think will come up rather early in the witness's written statement as I reviewed it, is that somehow the notion that investigating individuals who improperly channel conduit contributions illegally to political campaigns in this country is responsible for hate crimes in this country is horse dung.

I thank you very much, and I yield back my time.

Mr. BURTON. Mr. Shays.

Mr. SHAYS. Thank you, Mr. Chairman, for holding these hearings.

And, Mr. Huang, it's good to have you here.

We had 121 witnesses who have failed to cooperate with the committee based on a number of reasons. They fled the country. They just simply didn't answer questions, and we didn't want to pull them before the committee. And the vast majority used their fifth amendment rights not to have self-incriminating testimony. That was 122. Now we can say we have 121 who are failing to cooperate, because you're here, and I think we will learn a lot.

We will learn a lot about our corrupt campaign system. And we will also learn about how people became corrupt using that system, and that will be helpful. It will be helpful to hold people accountable if we can, but it will also be important to hold people accountable for changing the system that is corrupt.

I think you may have brought it to a new art form. I don't consider you a minor player here. You were in the DNC, and you worked in Commerce, and Commerce became a polluted government agency used in many ways to raise money instead of do its job for the American people.

Bottom line, it's been against the law since 1907 for corporate treasury money to be used in campaigns. It's been against the law since 1947 for union dues money to be used in campaigns. It's been against the law since 1974 for foreign governments to contribute to campaigns. And it's been against the law since God knows when for people to use Federal buildings to raise money.

All four happened under the protection of it being called soft money, the unlimited sums from corporations, labor unions, foreign governments, and individuals. And I hope in the process of holding you and others accountable that we wake up and change this corrupt campaign system.

Mr. Chairman, I want to thank you again for holding these hearings. It hasn't been easy for you to do this, and I appreciate that you have persevered. Thank you.

Mr. SOUDER. Mr. Chairman.

Mr. BURTON. Mr. Souder.

Mr. SOUDER. May I have unanimous consent to say something? I don't believe Mr. Waxman would object.

Mr. SHAYS. I would be happy to have him use the balance of my time if he would like. I am happy to yield to the gentleman.

Mr. SOUDER. I thank the gentleman from Connecticut.

I think it's important for the record to show, and I think most of us here would agree with this, that, often, we will get off into arcane questions about whether money—why corporations can't give money. But the reason for the law is the American government and people were concerned that decisions could be compromised by having money, conduits moving in either unforeseen or enlarged sums. And that is why we have the campaign laws. This isn't just some kind of technicality. And it applies to both parties. And I know the gentleman from Connecticut has been a leader and is concerned with this.

That is really why we are out here. We are not out here to catch somebody because we want to get them. What we are really concerned about is, OK, we saw the illegalities and what did they impact in our government. And that is why we have to have those laws.

Mr. SHAYS. I yield back the balance of my time.

Mr. BURTON. The gentleman yields back the balance of his time.

Mr. Huang, will you stand to be sworn?

[Witness sworn.]

Mr. BURTON. Be seated.

Mr. HUANG. Mr. Chairman, shall I proceed with my statement, please?

Mr. BURTON. Yes, Mr. Huang, you can proceed with your opening statement.

#### STATEMENT OF JOHN HUANG

Mr. HUANG. Mr. Chairman, Congressman Waxman, members of the committee, thank you for this opportunity to appear and address whatever issues may be of interest to you and the American people. I have long hoped for this opportunity.

Indeed, as you are aware, in 1997, I offered to testify at the commencement of the Senate hearings chaired by Senator Thompson. At that time, neither the Senate nor the Department of Justice were willing to immunize my testimony as to political fundraising for which I subsequently received probation.

As the Department of Justice subsequently acknowledged, I am not and never was a spy. I was honored to serve this fine Nation and took my Department of Commerce duty as principal Deputy Assistant Secretary for International Economic Policy very seri-

ously. I also took my role at the Democratic National Committee very seriously.

In addition, while things might have gone easier for me were I able to implicate the President or Vice President in wrongdoing, I never had a base upon which to do so. In fact, I maintain very high regard for each of these dedicated men.

The past 3 years have been a terrible ordeal for me and my family and for many Asian Americans. While there are legitimate and substantive issues to merit inquiry, such as campaign finance reform and ensuring effective access to the political process for minority groups, the focus instead has been on the national origin of individuals like myself and attempts to tar public servants that I, like other Americans, believe in and have served. People seeking publicity have lied about me repeatedly in the press and even before this committee without consequence.

For example, a former Member of this body, Mr. Solomon, in attacking the administration, accused me of economic espionage on the basis of what I am advised was an anonymous source at a cocktail party with whom, it turned out, did not even mention my name or do anything other than perpetrate a rumor against an unidentified Asian American, a rumor which Mr. Solomon was only too eager to embrace and capitalize upon.

It is my hope that in the hearings this week the questioning will be substantive rather than merely accusatory, purposeful and of assistance to the American people to the extent it contributes to the accountability of those who both raised and received funds.

As for myself, I have made mistakes. Embarrassed and saddened though I am by the unfortunate attention my conduct and notoriety brought upon my community, the dated and isolated offenses, which I have openly acknowledged, will not deter me from my career-long efforts to promote understanding between the citizens of the United States and those of China, Taiwan, and the rest of Asia.

While the United States is a participatory democracy, too few of its citizens participate, and many groups are without sufficient resources to ensure the fair and dispassionate consideration of their views, needs, and concerns.

Indeed, as the Department of Justice has concluded, my motivation was not personal gain but was instead the integration of Asian Americans into the political process of their chosen country. This, of course, is merely an explanation and by no means excuses my conduct, which, unfortunately, remains largely misunderstood, except by the Department of Justice and the court.

I along with my wife and two sons were deeply moved by the fact that, after almost 3 years of investigation by the Department of Justice and based upon the nature of the offenses and my extensive truthful and complete cooperation, the U.S. District Judge Richard Paez, after a thorough review of all relevant facts, granted me probation. He did so in conformity with the recommendation of the prosecutors who assured him of the genuine nature of my remorse.

In addition, based upon weeks of interrogation of an army of law enforcement agents and the staffs of independent counsel offices, the Department of Justice advised the court at my sentencing that it considers me a man of good character and selfless honesty.

Moreover, the Department of Justice not only publicly acknowledged my fitness to vote and wrote in support of restoration of my right to do so, it also commended me to the court as an individual uniquely qualified to serve Asian Americans and this great country by building on my demonstrable successes in weaving the Asian community into the intellectual and political fabric of our collective society. The court agreed. I am grateful for their confidence and for the opportunity for continued public service within my community.

Not only am I deeply appreciative of the opportunity provided by Judge Paez for community service, but, after enduring years of scurrilous, ill-motivated, and false allegations, I am eager to proceed both with my service and my life. Those who know me well have honored me with their continued respect and support. Some who view me only as a means to a questionable end do both themselves and the Nation a disservice and persist in unjustifiably demonizing me and other Asian Americans.

While I am due criticism and am working at atonement, character assassination alone, divorced from legitimate ends, degrades not me but those who promote themselves not by deeds but by resorting to demagoguery and vitriol.

Americans have nothing to fear from me, but they do have much to fear from within. Hatemongers, bigots, and, regretfully, even some of our elected officials continue to tear at America's greatest strength, its diversity, in an alarming and escalating pace.

The politics of pitting religious, ethnic, and racial groups against one another threaten to harm this great country at its foundation, as evidenced by the recent and unbearable series of hate crimes resulting in the death or injury of a Jewish American, African Americans, and Asian Americans in Los Angeles, Chicago, and Bloomington, IN. Only through the practice of compassionate, inclusive policies can communities and the Nation overcome those who preach fear and exclusion. And while I am by no means a perfect servant, it is to this end that I devote my future.

In that effort, I am sustained by my family and friends, whose love and support have enabled me to survive this 3-year ordeal during which we have been largely defenseless in the face of an onslaught of unfounded allegations. As a result, and tired as I am after arriving in D.C. this morning after a long day yesterday of cooperation with the Department of Justice in Los Angeles, I am pleased by this opportunity to assist the committee. I am looking forward over the next few days to purging the misinformation which currently taints the public's understanding of my efforts over time and to the creation of a credible, factual foundation from which the committee, the American people, and I and my family can move forward, ideally with dignity.

Thank you, sir.

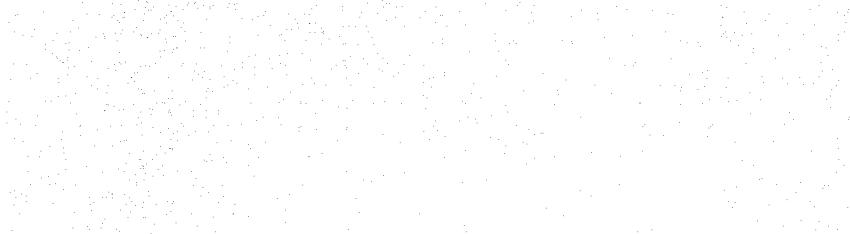
Mr. BURTON. Thank you, Mr. Huang.

[The prepared statement of Mr. Huang follows:]



**STATEMENT OF JOHN HUANG  
BEFORE THE CONGRESS OF THE UNITED STATES  
COMMITTEE ON GOVERNMENT REFORM  
WEDNESDAY, DECEMBER 15, 1999**

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STATEMENT OF JOHN HUANG

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Americans have nothing to fear from me, but they do have much to fear from within. Hate-mongers, bigots and, regrettably even some of our elected officials, continue to tear at America's greatest strength—its diversity—and at an alarming and escalating pace. The politics of pitting religious, ethnic and racial groups against one another threaten to harm this great country at its foundation as evidenced by the recent and unbearable series of hate crimes resulting in the death

or injury of Jewish Americans, African Americans and Asian Americans in Los Angeles, Chicago and Bloomington, Indiana. Only through the practice of compassionate, inclusive policies can communities and the nation overcome those who preach fear and exclusion. And, while I am by no means a perfect servant, it is to this end that I devote my future.

In that effort I am sustained by my family and friends, whose love and support have enabled me to survive this three year ordeal, during which we have been largely defenseless in the face of an onslaught of unfounded allegations. As a result, and tired as I am after arriving in D.C. this morning following a long day yesterday of cooperation with the Department of Justice in Los Angeles, I am pleased by this opportunity to assist the Committee. I am looking forward, over the next few days, to purging the misinformation which currently taints the public's understanding of my efforts over time and to the creation of a credible, factual foundation from which the Committee, the American people and I and my family can move forward—ideally with dignity.

Mr. BURTON. Before I start the questioning, I would like to make—go ahead and start the clock so this will be on my time. I would like to respond just briefly to Mr. Waxman's comments, first of all, regarding the new system we have here so that, through the Internet, the American people can watch the proceedings from gavel to gavel. We are not the first committee to do this. We won't be the last. The International Operations Committee is installing a system like this right now. The Transportation Committee has had one for some time. And we believe that the American people's right to know is extremely important.

One of the great strengths of our society is the openness of our government and to eliminate the doubt about various things that happened in committee hearings, we thought it would be a good idea and a relatively inexpensive idea to make sure that the American people got unvarnished facts from our hearings.

And as I said to Mr. Waxman at the outset, we are going to make absolutely sure that there is fairness on both sides. His statement today, which was pretty much an attack on me and the way we have conducted our hearings, the American people saw today unvarnished. You have a right to say those things. And I, as the chairman of this committee, have a right to refute those if I can.

And one of the things that I want to say is you made some comments about Mr. Hubbell. I would like to refresh your memory and tell you that, after the accusations were made, the next day we released all 16 hours of the Hubbell tapes without any change whatsoever. So within 24 hours of the accusations, all Hubbell tapes were released to the American press and to the American people.

Regarding the bias that we have and the bias that our government has toward people on the Democrat side and people involved in this campaign finance scandal, Mr. Huang really was not fined any financial penalty whatsoever, although Mr. Huang and Mr. Trie were involved in over \$2 million, we believe, from illegal conduit contributions that came from foreign sources. And much of this money, probably 90 percent of it, has been returned. So they were directly involved, and there is no question about it or else the DNC would not have returned that.

While, at the same time, the Dole for President Committee got \$120,000, much less than the \$2 million, from a man named Simon Fireman. He was fined \$6 million. The Empire Sanitary Landfill, they gave \$129,000. They were fined \$8 million. Another Republican who was responsible for much fewer illegal conduit contributions than Mr. Huang had a \$5 million fine. And both of the Republicans got terms of detention.

Now, none of that has happened to any of the Democrat conduit contributors that we know of—a \$5 million fine, \$8 million fine, \$6 million fine. And so as far as the equal application of justice, it doesn't appear to me that there has been an equal application of justice by this Justice Department. And I have talked about that a number of times.

And I said that I thought the Attorney General was showing a bias, was blocking our investigations, wasn't cooperating with this committee. And I said the same things with the White House.

Now, I stand by what I said in the past. I understand—and much of what you said today, Mr. Waxman, you have said time and time

again. You tried to make a comedy out of our hearings. You tried to denigrate our hearings. You tried to say we have been on a witch-hunt. You tried to say all kinds of things, and you said it again today. And you have a right to say those things. But the fact of the matter is we are determined, if it's at all possible, to get to the bottom there of campaign finance scandal, and we are going to be vigilant, and we are going to continue.

And I fully expect at future hearings you will say the same things over and over again. You will attack me over and over again. But I want you to know, Mr. Waxman, I and this committee will not be deterred, and now the American people can watch gavel to gavel and judge for themselves from the questions and answers of the witnesses whether or not we are being fair. And I think that they are going to be pretty fair when they judge what we do.

Let me start with the questions, Mr. Huang.

When was the last time that you spoke to James Riady?

Mr. HUANG. I think around May or June this year.

Mr. BURTON. May or June of this year.

Mr. HUANG. Yes, sir.

Mr. BURTON. And when was the last time you spoke to Mochtar Riady?

Mr. HUANG. It was about the same time, sir.

Mr. BURTON. About the same time.

Mr. HUANG. Yes, sir.

Mr. BURTON. Was that on a long distance call or in person?

Mr. HUANG. No. I was visiting Jakarta.

Mr. BURTON. You were in Jakarta?

Mr. HUANG. Yes, sir.

Mr. BURTON. OK. Did you speak to any other individuals from the Lippo Group at that time?

Mr. HUANG. There were some Lippo employees at that time. And because it was Mr. Mochtar Riady's 70 years birthday, I was invited to attend.

Mr. BURTON. OK. How much were you in contact with James Riady during 1997 and 1998?

Mr. HUANG. I'm sorry, sir?

Mr. BURTON. How much were you in contact? How many times, do you recall? Were you in contact with him a lot during 1997?

Mr. HUANG. No. There was only one occasion I traveled in Asia in 1987.

Mr. BURTON. 1997.

Mr. HUANG. 1997. I'm sorry. I did visit around August 1997. I had occasion to meet with Mr. Riady in Singapore.

Mr. BURTON. And in 1998.

Mr. HUANG. That was 199—that was 1998, I'm sorry. 1999, this year, I went to Jakarta.

Mr. BURTON. Uh-huh. Do you know—do you recall the substance of the communications you had with Mr. Riady during those visits?

Mr. HUANG. OK. In 1998, that was the first meeting I had after all these campaign finance matter erupt. So for the last previous few years, I never had an opportunity. Apparently he read of a lot of articles and news account, watching on TVs. He expressed some concern to see how I could hold on on this matter. So, more or less, it was a concern about me.

Mr. BURTON. Did you talk to them on the telephone in addition to those meetings?

Mr. HUANG. There was a couple phone calls like at Christmas time, the New Year's, just saying Happy New Year. That's about all.

Mr. Chairman, let me correct my statement and add a little point in. Both of my trips I went to Asia in 1998 and 1999 were approved by the Department of Justice.

Mr. BURTON. OK. Did you receive any money from the Riady family since September 1996?

Mr. HUANG. Yes, I did. Some gift money.

Mr. BURTON. Some gift money?

Mr. HUANG. Gift money, yes.

Mr. BURTON. How much money was that?

Mr. HUANG. The first time in—I believe is in the Christmas time around 1997 was around \$18,000. The second time during the trips in 1998, I received \$20,000.

Mr. BURTON. So you received \$18,000 in 1997 and \$20,000 in 1998. And you say that was a Christmas gift?

Mr. HUANG. No, it was gift money.

Mr. BURTON. What was it given for?

Mr. HUANG. As a gift. Because I have not been working for all these years, you know. I was a friend, so probably he was just showing a concern about me.

Mr. BURTON. This was during the height of our campaign finance investigation that they gave you these gifts?

Mr. HUANG. I think that the investigation was still going on, yes. I don't know whether it was the height or not, sir.

Mr. BURTON. Were there any stipulations, or did they just give these to you because they felt like you needed the money?

Mr. HUANG. There is no stipulation, no.

Mr. BURTON. Have you gotten any more money since the \$20,000 you received in 1999?

Mr. HUANG. As I indicated, I made a trip in 1999 this year. There was just a few thousand dollars to cover my travel expenses.

Mr. BURTON. So they paid your travel expenses over there and back?

Mr. HUANG. That's right.

Mr. BURTON. But in addition to the \$18,000 in 1997 and \$20,000 in 1998—or 1998 and 1999, you have received no other funds?

Mr. HUANG. No, sir.

Mr. BURTON. Have you read any of the campaign finance depositions?

Mr. HUANG. About myself, or about the others?

Mr. BURTON. Have you read any of the campaign finance depositions of yourself or anyone else?

Mr. HUANG. I did not.

Mr. BURTON. Are you aware of any of the statements from any of the witnesses regarding the campaign finance investigation?

Mr. HUANG. I do not.

Mr. BURTON. Have you watched any of the campaign finance hearings or read any of the transcripts from any of our hearings? Have you had an opportunity to do that?

Mr. HUANG. With all due respect, I don't have a cable. I really didn't have a chance to do that.

Mr. BURTON. So you haven't heard or read anything of the statements of the witnesses?

Mr. HUANG. No. I read a newspaper occasionally, but I don't even subscribe regularly to a newspaper on that, sir.

Mr. BURTON. Have you had any contact with Charlie Trie since the investigation began?

Mr. HUANG. Yes. On one or two occasions very briefly, because, sir, his wife was very ill. I believe she was suffering from cancer while I was traveling in Asia, and people told me about his wife's situation. I expressed a concern so I called him just to express my sympathy on that.

Mr. BURTON. But that is the only contact during the investigation?

Mr. HUANG. That is the only other contact, sir.

Mr. BURTON. How about Maria Hsia?

Mr. HUANG. She did call my home before. My wife answered the phone, but I did not really speak directly to her.

Mr. BURTON. And when was this?

Mr. HUANG. This was I believe the one time this year. Now there was some—one occasion at the beginning of the investigation right after the 1996 matters came out, there were some conversations, but it was not really detail. That was a little bit—a few more minutes. It was a little bit longer conversation.

Mr. BURTON. Did the conversation relate in any way to the campaign finance problems or investigation?

Mr. HUANG. If I remember vaguely, there was—I am trying to identify whether there was a copy—copy of checks which some of her contributors have made, whether I have a copy for that or not.

Mr. BURTON. She wanted to know if you had a copy of the check.

Mr. HUANG. A copy of the check.

Mr. BURTON. Did you have a copy?

Mr. HUANG. Well, I was still at the DNC, though, sir.

Mr. BURTON. You were still at the DNC?

Mr. HUANG. Yeah. But, afterwards, I remember there was also one conversation. But I cannot recall very extensive what the detail was about.

Mr. BURTON. Have you talked to Pauline Kanchanalak?

Mr. HUANG. Not with her at all.

Mr. BURTON. And Ted Sioeng and his family?

Mr. HUANG. I had only one meeting with Ted Sioeng at the beginning. It was in 1996. Why my—when my matter erupts, his matter was not coming out yet.

Mr. BURTON. You said when you would talk to Mr. Riady, he said, how could you hold on or—

Mr. HUANG. No. He was trying to see how I had held on.

Mr. BURTON. How are you holding up, is that what he meant?

Mr. HUANG. That's right. That's right.

Mr. BURTON. So he wasn't asking any question about whether you could keep quiet about something?

Mr. HUANG. Oh, no, not in that nature, sir.



Mr. BURTON. All right. Did James Riady fly from Indonesia to the United States to attend the fundraiser with Governor Clinton on August 14, 1992 in California?

Mr. HUANG. I think 1986 you're talking about, right?

Mr. BURTON. No, I'm talking about 1992 where James Riady—did he fly from Indonesia to the United States to attend a fundraiser for Governor Clinton in California on August 14, 1992?

Mr. HUANG. Yes, he did.

Mr. BURTON. James Riady entered the country with \$24,400 in cash. Do you remember what he did with that money?

Mr. HUANG. That I don't know.

Mr. BURTON. You don't know.

Mr. HUANG. I don't know with the cash, no.

Mr. BURTON. Exhibit 15, and do we have that to put up or is it in the book? I think you have a book, exhibit 15, if you could refer to that. It is an August 12th, 1992 memo from Melinda Yee to Annette Castro, providing information about Mr. Riady so he could attend an Asian Pacific American Roundtable discussion. Do you recall if James Riady attended the APA Roundtable discussion on August 12, 1992?

[Exhibit 15 follows:]

TO: ANNETTE CASTRO (via fax - [REDACTED])  
FR: MELINDA YEE ([REDACTED])  
RE: LIST OF ASIAN PACIFIC AMERICAN PARTICIPANTS  
FOR ROUNDTABLE DISCUSSION  
DATE: AUGUST 12, 1992

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James Riady  
Date of Birth: [REDACTED]  
SS#: [REDACTED]

James Riady is the Deputy Chairman of Lippogroup and a long-time acquaintance of BC's. The group is in financial services in the U.S. and throughout Asia. Mr. Riady lived in Arkansas from 1985-1987 where he was president of Worthen Bank in Little Rock.



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Mr. HUANG. I do not recall there was any roundtable discussion in August 1992, no.

Mr. BURTON. You don't recall being at a meeting like that on August 12th?

Mr. HUANG. No. There was only the fundraising, the event on August 6, 1992.

Mr. BURTON. So you don't recall James Riady being at that meeting?

Mr. HUANG. I did not even know there was such a roundtable.

Mr. BURTON. OK.

Mr. HUANG. Yes.

Mr. BURTON. On exhibit 17, there is a memo from Melinda Yee to Governor Clinton. It has talking points for Governor Clinton for the August 14, 1992 fundraiser. At the top, it says, the event is hosted by Fong Eu and John Huang. Did you host that fundraiser along with Fong Eu?

[Exhibit 17 follows:]



ASIAN PACIFIC AMERICAN UNITY FUNDRAISING LUNCH  
AUGUST 14, 1992

TO: Governor Bill Clinton  
FR: Melinda Yee  
RE: Asian Pacific American Unity Lunch

EVENT:

This fundraising lunch, hosted by California Secretary of State March Fong Eu and John Huang, a banker (who had met you when he was with James Riady who opened a bank in Arkansas in 1985) is an extremely important political hit as well in the Asian Pacific American community. It is your first major Asian Pacific American fundraiser and expected to raise \$250,000. Dan Quayle was just in town doing a similar fundraising hit in the Asian Pacific American community.

MESSAGE:

Key talking points should be:

- Recognize the Asian Pacific American community, now 10% of the population in California, as a critical constituency for your campaign. Asian Pacific American elected officials in California like March Fong Eu, Michael Woo, Bob Matsui, and Norm Mineta are already playing an important role.
- It is outrageous that despite being 10% of the population, currently there are no Asian Pacific Americans in the state house (no Assembly or State Senators). Political empowerment is critical to the Asian Pacific American community and the Clinton Administration will encourage Asian Pacific Americans to run for office and high-level appointments will be made in the Clinton Administration (perhaps a cabinet position?).
- Education is a critical issue for the Asian Pacific American community. I fully support affirmative action, oppose English as the official language, and support bilingual education. University admissions policies should be fair and should not discriminate against Asian Pacific Americans.
- The passage of the voting rights act is imperative. All Americans must be given a fair opportunity to participate in the electoral process. When necessary, multi-lingual material/ballots should be used in the voting process.
- I am supportive of the Justice for Wards Cove Workers Act in which 2,000 Americans, primarily those of Asian Pacific American descent were excluded from the 1991 Civil Rights Bill. We cannot tolerate a civil rights bill that excludes any Americans.
- Race relations have deteriorated and anti-Asian violence, particularly Japan-bashing, is on the rise. We must ensure that the civil liberties of all Americans is protected.
- After the LA riots over 2,500 Korean American businesses were destroyed. Federal aid has been slow and unresponsive. We must do all we can to help the small business owners who lost

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their stores and enhance minority business opportunities, in general.

- Family unification should be the cornerstone of U.S. immigration policy. We must eliminate the tremendous backlogs which separate families for years.

- In foreign policy matters, human rights violations in Asia must not be tolerated. Most Favored Nation status in China should be granted, but with respect for human rights, political liberalization and responsible international conduct.

Mr. HUANG. I hope the date of the memo is correct. We did have a fundraising event I was hosting with March Fong Eu in honor of then-Governor Clinton, Candidate Clinton at that time in San Gabriel, CA. That was a luncheon, fundraising.

Mr. BURTON. And how did you become the host or co-host of that event?

Mr. HUANG. I was very much involved in the community affairs, and also I was helping out the political causes before.

Mr. BURTON. That was with the Asian Pacific American organization.

Mr. HUANG. Yeah, called Pacific Leadership specifically, yes.

Mr. BURTON. Did you pledge to raise or contribute a certain amount of money to become the host of that hearing or that meeting?

Mr. HUANG. Essentially, yes. It's about \$100,000.

Mr. BURTON. You pledged to raise \$100,000?

Mr. HUANG. That's correct.

Mr. BURTON. Exhibit 18 is a schedule for Governor Clinton for the August 14, 1992 fundraiser. That is exhibit 18.

[Exhibit 18 follows:]



Mr. HUANG. Yes.

Mr. BURTON. Did Mr. Riady, in fact, greet Governor Clinton at the elevator prior to that event?

Mr. HUANG. With the other people as well, like the Madam March Fong Eu, the other community leaders, at the same time.

Mr. BURTON. So there was a group of people?

Mr. HUANG. There was a group of people.

Mr. BURTON. So there was nothing specific about the Riady meeting with him at that point?

Mr. HUANG. No, sir.

Mr. BURTON. OK. Were there any discussions at that elevator, anything of substance, or just a greeting?

Mr. HUANG. It was just a greeting, and then Governor Clinton was escorted to the main dining room.

Mr. BURTON. OK. On exhibit 19, if you could turn to that, is a memo from Melinda Yee to Governor Clinton regarding a limousine ride that Mr. Riady was supposed to take with Governor Clinton on August 14th. Where did Melinda Yee get that information about the limousine ride that was to take place with Governor Clinton?

[Exhibit 19 follows:]



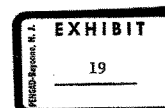
CAR RIDE WITH JAMES RIADY  
AUGUST 14, 1992

TO: Governor Bill Clinton  
FR: Melinda Yee  
RE: Car Ride with James Riady

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James Riady is the Deputy Chairman of Lippogroup and a long-time acquaintance of yours. The group is in financial services in the U.S. and throughout Asia. Mr. Riady lived in Arkansas from 1985-1987 when he was president of Worthen Bank in Little Rock.

He has flown all they way from Indonesia, where he is now based, to attend the fundraiser. He will be giving \$100,000 to this event and has the potential to give much more. He will talk to you about banking issues and international business. This is primarily a courtesy call.



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Mr. HUANG. OK. May I read this first, please, sir?

Mr. BURTON. Sure.

Mr. HUANG. That was through the request of Mr. James Riady through me.

Mr. BURTON. So you were requested by James Riady to set up a limousine ride where he could talk to Governor Clinton?

Mr. HUANG. That's correct.

Mr. BURTON. Privately.

Mr. HUANG. Right. Mr. Chairman, I might have made a mistake on the date. If that August 14 is similar to the date I was thinking about the fundraising event, then August 14 is probably the correct date, sir.

Mr. BURTON. OK. How much did the Riadys give for that event on August 14th; do you recall?

Mr. HUANG. Well, as I mentioned to you, I committed for \$100,000. That is about all we did.

Mr. BURTON. The Riadys gave \$90,000 of that; is that correct?

Mr. HUANG. With all the companies all together, approximately that amount, yes.

Mr. BURTON. So it was from the Riady Group?

Mr. HUANG. The group, yes.

Mr. BURTON. And why did Mrs. Yee say that the Riadys gave \$100,000 when they gave \$90,000?

Mr. HUANG. I believe probably the other \$10,000 is probably coming from me and my wife.

Mr. BURTON. So your wife gave \$10,000. Was that her own money?

Mr. HUANG. Myself and my wife.

Mr. BURTON. It was your own personal funds?

Mr. HUANG. At that time, it was.

Mr. BURTON. Would Melinda Yee have thought that this \$10,000 was going to be coming ultimately from the Riadys through you?

Mr. HUANG. No. No, sir, Mr. Chairman.

Mr. BURTON. Since Mr. Riady was not a United States citizen and since he then permanently resided in Indonesia, did anyone express to him any concerns that it was illegal for him to contribute money to the—to a U.S. political campaign?

Mr. HUANG. No, sir. If I—if I remember correctly, Mr. Riady at that time still had the green card status, sir.

Mr. BURTON. Was he living in the United States?

Mr. HUANG. No, he was traveling back to Indonesia. But he still had the green card status. He maintained a home in the United States.

Mr. BURTON. But he was living in Indonesia.

Mr. HUANG. He spent a lot of time over there at that time, yes.

Mr. BURTON. All right. How did Melinda Yee know that James Riady had the potential to give much more? That is a quotation she used.

Mr. HUANG. I can't speculate. Maybe just all the impression she had on the group, the size of the group, the business the Riady family had.

Mr. BURTON. Did you indicate in any way to her that the Riadys were capable and willing to give much more?

Mr. HUANG. If I did give that impression, I don't remember at this time, Mr. Chairman.

Mr. BURTON. Was Melinda Yee aware, to your knowledge, that Mr. Riady was going to give much more by funneling it through his companies and employees?

Mr. HUANG. The detailed parts, no. No. How the money is going to be funded, no, was not known to any of the other people, Mr. Chairman.

Mr. BURTON. Well, before the limousine ride took place, did you know that Mr. Riady was going to tell the then-Governor Clinton that he was going to raise \$1 million for him?

Mr. HUANG. I did not, no.

Mr. BURTON. Until after then—right.

Mr. HUANG. But, however, I do know the fact that he did indicate he really wanted to give something; he ought to give more instead of less.

Mr. BURTON. I'm not sure I understand. He would give less because he was concerned—

Mr. HUANG. In other words, he would give a large amount and have a greater impact that way.

Mr. BURTON. I see. Apart from the information in Mrs. Yee's memo, did Governor Clinton have any other information to believe that James Riady lived in Indonesia at that time? I mean, he knew he flew in from Indonesia to meet at this fundraiser. Did he know, aside from flying in for the fundraiser, that he was living in Indonesia?

Mr. HUANG. No. I don't know what Mr. Clinton knows about that. But I suspect Mr. Clinton would know because the Lippo Group is quite extensive. They have a position in different parts of the world.

Mr. BURTON. If you could look at exhibit 20, now, it is a chart of Lippo-related contributions that were given prior to—before the August 14, 1992, fundraiser. Were David Yeh's contributions given for the August 14, 1992, fundraiser?

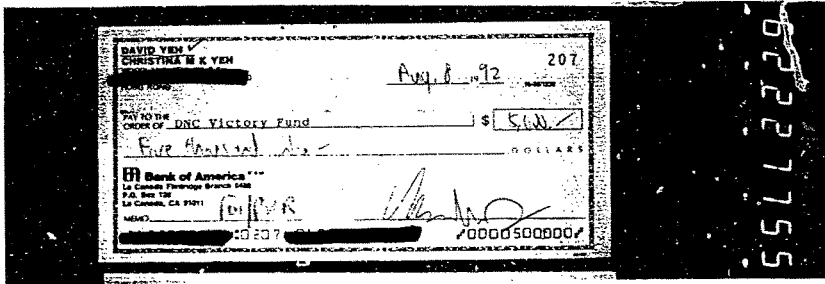
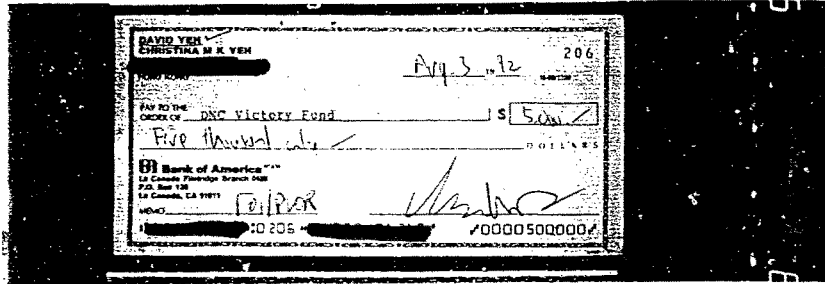
[Exhibit 20 follows:]

**RIADY – RELATED CONTRIBUTIONS  
AUGUST 3 – 13, 1992**

**Sam Woo Seafood Restaurant Event with Gov. Clinton  
August 14, 1992**

David Yeh	8/3/92	\$5,000	DNC
David Yeh	8/8/92	\$5,000	DNC
Jane Huang	8/10/92	\$5,000	California Democratic Party
Jane Huang	8/12/92	\$5,000	DNC
Hip Hing Holdings	8/12/92	\$50,000	DNC
James Riady	8/13/92	\$5,000	California Democratic Party
James Riady	8/13/92	\$15,000	DNC
Aileen Riady	8/13/92	\$5,000	California Democratic Party
Aileen Riady	8/13/92	\$15,000	DNC
<b>Total</b>		<b>\$110,000</b>	









NAME JAMES T. RIADT  
ACCOUNT NO. [REDACTED] 08/13/ 19 92 9-108/1228  
PAY TO THE ORDER OF CALIFORNIA DEMOCRATIC PARTY/VICTORY FUND 92/ \$ \*\*5,000.00\*\*  
FEDERAL ACCOUNT  
\*\*FIVE THOUSAND ONLY\*\* DOLLARS  
LIPPOBANK  
721 WEST COLLIER STREET  
LOS ANGELES, CA 90014  
[REDACTED] [REDACTED] ⑈000050000⑈  
*James T. Riady*

NAME AILEEN RIADT  
ACCOUNT NO. [REDACTED] 08/13/ 19 92 9-108/1228  
PAY TO THE ORDER OF CALIFORNIA DEMOCRATIC PARTY/VICTORY FUND 92/ \$ \*\*5,000.00\*\*  
FEDERAL ACCOUNT  
\*\*FIVE THOUSAND ONLY\*\* DOLLARS  
LIPPOBANK  
721 WEST COLLIER STREET  
LOS ANGELES, CA 90014  
[REDACTED] [REDACTED] ⑈000050000⑈  
*A Riady*



00000295374

NAME AILEEN RIADY 790  
 ACCOUNT NO. [REDACTED]  
 PAY TO THE ORDER OF [REDACTED] 08/18/1992  
 \$\*\*1,524.42\*\*  
 FIFTY TWO AND 42/100 DOLLARS  
 LIPPOBANK  
 711 WEST COLLEGE STREET  
 LOS ANGELES, CA 90012  
 310-395-6391  
 703-01-71678-395639F  
 AILEEN RIADY  
 0000152442

NAME JAMES T. RIADY  
 ACCOUNT NO. [REDACTED]  
 PAY TO THE ORDER OF [REDACTED] 08/17/1992  
 \$\*\*15,000.00\*\*  
 FIFTEEN THOUSAND ONLY DOLLARS  
 LIPPOBANK  
 711 WEST COLLEGE STREET  
 LOS ANGELES, CA 90012  
 FAIRSGA  
 JAMES T. RIADY  
 0001500000

NAME AILEEN RIADY  
 ACCOUNT NO. [REDACTED]  
 PAY TO THE ORDER OF [REDACTED] 08/17/1992  
 \$\*\*15,000.00\*\*  
 FIFTEEN THOUSAND ONLY DOLLARS  
 LIPPOBANK  
 711 WEST COLLEGE STREET  
 LOS ANGELES, CA 90012  
 FAIRSGA  
 AILEEN RIADY  
 0001500000

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Mr. HUANG. I could not really tie that in it at this point. It could be at this time, sir.

Mr. BURTON. Are all of these contributions that you see illegal? And if not, can you identify the ones that are legal and explain why they are legal?

Mr. HUANG. I am not a lawyer at this time to judge about that, whether they are legal or not on the surface on that, sir.

Mr. BURTON. Well, as you can see, you have got David Yeh. You have got Jane Huang. You have got Hip Hing Holdings and the Riadys, both James and Aileen.

Mr. HUANG. Mr. Chairman, yeah, let me consult with my lawyers a little bit, sir.

Mr. BURTON. Sure.

Mr. HUANG. At that particular moment, Mr. Dave Yeh was a green card holder. At that time, I believe he was legal. He could legally give. For instance, my wife is an American citizen. She could give. And the Hip Hing Holdings was the U.S. entity at that time and also had a U.S. revenue, and I believe at that time they could give. James Riady and Aileen Riady were green card holders, so at that time I believe they could give.

But later on when things developed and some of the money, I believe, they were somehow being reimbursed or taken care of.

Mr. BURTON. They were being reimbursed from the Lippo Group in Indonesia?

Mr. HUANG. Except the Riadys' money, which I certainly have no doubt that they were being reimbursed. They were very rich themselves already.

Mr. BURTON. I understand. But the others there, you or your wife, David Yeh and the others were—to your knowledge, were they reimbursed by the Lippo Group in Indonesia?

Mr. HUANG. I did not check for sure, but I believe they were probably taken care of like Mr. David Yeh.

Mr. BURTON. In Indonesia.

Mr. HUANG. No, he was not in Indonesia. He was in Hong Kong, Mr. Dave Yeh.

Mr. BURTON. But the money was coming from over there, and he was being reimbursed.

Mr. HUANG. It could be there from there, yeah.

Mr. BURTON. Who was David Yeh?

Mr. HUANG. Mr. David Yeh was the president of the Lippo Bank California, later on was transferred to Hong Kong as the managing director of one of the group companies that handled real estate in Hong Kong.

Mr. BURTON. Where was he living at the time?

Mr. HUANG. At the time, I believe he was just being transferred to Hong Kong.

Mr. BURTON. So he was living in Hong Kong?

Mr. HUANG. Yes, sir.

Mr. BURTON. Was David Yeh—well, you said you believe he probably was reimbursed for his contributions.

Mr. HUANG. I don't know for sure. The reason I speculate there is because the matter relating to me, I was taken care of. I believe some of the executives who made a contribution were also being taken care of.

Mr. BURTON. Now, were you and your wife reimbursed for that \$10,000 that you contributed through your bonus in 1992.

Mr. HUANG. Yes, sir.

Mr. BURTON. And that was from the Lippo Group in Indonesia.

Mr. HUANG. Yes. From the Lippo entity somewhere, yes.

Mr. BURTON. Who was the DNC or Clinton-Gore contact for these contributions?

Mr. HUANG. In 1992, I believe, was Mary Leslie.

Mr. BURTON. Mary Leslie.

Can you look at exhibit 21 now? It is a DNC donor card for James Riady's \$5,000 contribution to the California Democrat party on August 13, 1992. Do you know who filled out that donor card for Mr. Riady? Do you know who filled it out?

[Exhibit 21 follows:]



Democratic National Committee  
DNC VICTORY FUND '92  
DONOR CARD

Thank you for your generous contribution to the DNC's Victory Fund 1992. In order to fully comply with Federal Election Commission guidelines we ask that you take a few moments to fill in the information below.

NAME James T. Riady  
COMPANY Lippo Bank  
OCCUPATION/TITLE Chairman  
BUSINESS ADDRESS 711 West College St  
CITY Los Angeles STATE CA ZIP 90012

HOME ADDRESS  
CITY STATE ZIP

WORK PHONE HOME PHONE

SOLICITOR (Who asked you to support Victory Fund '92?)  
Raymond Chin  
EVENT Aug 11 Asian Lunch

Democratic National Committee Headquarters, 3rd Floor  
430 South Capitol Street, S.E.  
Washington, D.C. 20003  
(202) 863-8000

Your contribution to the DNC Federal Account is for use in connection with federal elections and is subject to federal contribution prohibitions and limitations. Individual contributions in excess of \$20,000 and all corporate or labor organization funds are used to support DNC work in connection with state and local elections. Your contribution is not tax deductible for federal income tax purposes.

NAME JAMES T. RIADY

ACCOUNT NO. [REDACTED] 08/13/ 19 92 6-4138/1

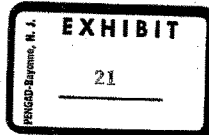
PAY TO THE ORDER OF CALIFORNIA DEMOCRATIC PARTY/VICTORY FUND 92/ \$ \*\*5,000.00\*  
FEDERAL ACCOUNT

**\*\*FIVE THOUSAND ONLY\*\*\*\*\*** DOLLAR

**LIPPOBANK**  
711 WEST COLLEGE STREET  
LOS ANGELES, CA 90012

MEMO [REDACTED] [REDACTED]

*James T. Riady*



F 0037055

Mr. HUANG. The donor card's handwriting I don't know.

Mr. BURTON. It was not your writing?

Mr. HUANG. That was not my handwriting. Excuse me, it does not appear to me to be Mr. Riady's handwriting either.

Mr. BURTON. Did anyone tell Mr. Riady to put Lippo Bank U.S. as his business address even though he lived in Indonesia?

Mr. HUANG. I don't know. I don't know what happened there. Apparently people might have the impression that he was over there.

Mr. BURTON. Now, the Hip Hing Holdings \$50,000 contributions for August 14, 1992, if you could look at exhibit 22, there is a—it's an August 17, 1992, memo from you and Agus Setiawan—I hope I pronounced that correctly—to Mrs. Ong Bwee Eng. Did you request a \$50,000 Hip Hing Holdings contribution to be reimbursed?

[Exhibit 22 follows:]

To: Mrs. Ong Bwee Eng  
 From: John Huang / Agus Setiawan  
 Date: August 17, 1992  
 Re: Fund for - Hip Hing Holdings, Ltd.  
       - San Jose Holdings, Inc.



-----

Please kindly wire:

- USD.146,500.00 (One hundred forty six thousand five hundred dollars) to Hip Hing Holdings, Ltd. account.
  - USD.7,500.00 (Seven thousand five hundred dollars) to San Jose Holdings, Inc.
- at Lippobank - Los Angeles, Attention: John Huang / Agus Setiawan.

= HHH, Ltd. - The funds are needed for:

- BNP - Interest June 29, 1992 - August 31, 1992	\$ 65,625
- DNC Victory - Contribution	\$ 50,000
- Operating Exps. - August 1992 - Salaries, etc.	\$ 28,000
- Car Insurances, Car Registration & Others	\$ 2,875
= Total	<u>\$146,500</u>

= San Jose Holdings, Inc. - The funds are needed for:

- BNP - Interest July 13, 1992 - August 13, 1992	\$ 7,280
- Others	\$ 220
= Total	<u>\$ 7,500</u>

Please kindly let me know if you have any questions.

Best Regards.



HHH 0238

Mr. HUANG. That memo has my name, but I believe that was sent by Mr. Agus Setiawan.

Mr. BURTON. Well, now, did he—are you saying that he asked that the Hip Hing Holdings contribution be reimbursed?

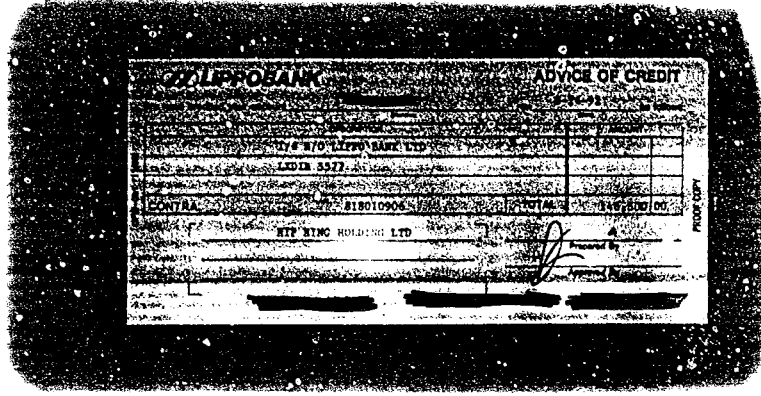
Mr. HUANG. That item was listed there. Mr. Chairman, let me explain to you, routinely on a very regular basis whatever expenses incurred in Hip Hing Holdings, the comptroller of the company, meaning Agus Setiawan, and my colleague at that time, would send a report back to Indonesia to indicate how much was spent during that period of time and would request for replenishment of the money coming back.

Mr. BURTON. So even though your name is on there, you are saying that Mr. Setiawan is the one who initiated that?

Mr. HUANG. Mr. Chairman, by no means I shirk my responsibility on this part, because my name was there. And also I was more or less had senior position in that operation. So I take responsibility of that part, sir.

Mr. BURTON. Exhibit 23, if you can take a look at that, it's a wire transfer from the LippoBank Limited to Hip Hing Holdings. Where is LippoBank Limited located?

[Exhibit 23 follows:]



L 004273





Mr. HUANG. It is not really readable on my copy here.

Mr. BURTON. Where is LippoBank Limited located?

Mr. HUANG. That was located in Jakarta, Indonesia.

Mr. BURTON. Jakarta.

Does that \$146,500 wire from LippoBank, does that include reimbursement for the \$50,000 Hip Hing Holdings contribution?

Mr. HUANG. Yes, it is.

Mr. BURTON. It does?

Mr. HUANG. Uh-huh.

Mr. BURTON. Were you and Mr. Setiawan aware that it was illegal to reimburse a political contribution?

Mr. HUANG. At that time probably it is totally—I did not really think about that issue at that moment, at that moment.

Mr. BURTON. You did not know it was illegal at that time?

Mr. HUANG. Did not think of it as this was done.

Mr. BURTON. How many times prior to the limousine ride did you or James Riady speak to Governor Clinton on—in August 1992?

Mr. HUANG. I don't believe in that year Mr. Riady had ever spoken to Mr. Clinton then. But I did have one or two occasions, because, during the campaign trail, I met with then Governor Clinton. One time I believe is in February, the other time was probably March. If I am not mistaken, I also had arranged a get-together session for him to meet with some Chinese-American or Asian-American community leaders in Chinatown, Los Angeles in April.

Mr. BURTON. In April of that year?

Mr. HUANG. In that year, yes.

Mr. BURTON. Was the purpose of the limousine ride solely so Mr. Riady could tell Governor Clinton about his plan to raise \$1 million for his campaign?

Mr. HUANG. I don't know that that was our original intention for him to tell Mr. Clinton personally that or not. But that was the occasion—because it was a long time since they both had met after Mr. Riady left Little Rock, AR. So it more or less just get acquaintance on that issue.

Mr. BURTON. Do you know if Mr. Riady wanted to discuss banking issues or international business with Governor Clinton during that ride in the limousine?

Mr. HUANG. I didn't think those issues came about, Mr. Chairman. The ride was very, very short. It was virtually from point of the restaurant in San Gabriel to go to another location in the same town, in San Gabriel, probably no more than 5 minutes or 10 minutes ride, sir.

Mr. BURTON. Why would Mr. Riady want to give \$1 million to then Governor Clinton's campaign for the President? That is quite a bit of money. I know they are very wealthy people, but why would they want to give \$1 million? Would they expect anything in return for that, or what did they want for that?

Mr. HUANG. I really could not really speak of—speak of Mr. Riady's mind, but if you want me to speculate, I can do that.

Mr. BURTON. Go ahead.

Mr. HUANG. As I indicated to you earlier, you know if we really want to contribute, even contribute \$10,000 contribution, but may not create a big impact. If you really want to make an impact, you

want to make a very large amount of contribution. It's a better impression that way.

Mr. BURTON. OK. But if you want to make an impact, for what reason do you want to make the impact?

Mr. HUANG. So people would notice of you, you know, on that basis.

Mr. BURTON. They would notice you, so you would have influence and be able to get things done; is that correct?

Mr. HUANG. You would get attention, more or less, I think.

Mr. BURTON. From whom?

Mr. HUANG. From the candidate or from campaign or other people. You know, you have a different status. The larger donors definitely have the better status. Definitely.

Mr. BURTON. So they have more access?

Mr. HUANG. That's correct.

Mr. BURTON. OK. Mr. Waxman.

Mr. WAXMAN. Thank you, Mr. Chairman. You started off your half hour time period for asking questions by reacting to some of the criticisms that you heard in my opening statement, and I want to point out that if you read the statement over carefully, you will find the harshest of the comments were not mine, but attributed to reputable news sources and even Republican staff people and Members.

And I also want people who may be watching this hearing to know that notwithstanding the fact that the chairman said we are going to have free and open coverage of what goes on in these hearings, they are on C-SPAN coverage, gavel-to-gavel complete. In a sense there is a redundancy to have a committee control its own gavel-to-gavel coverage.

I just want to point out that we have gavel-to-gavel media coverage, so everyone can see everything that is said at this hearing. But what the American people won't see is what is not called before the members of this committee: serious campaign finance violations and allegations of violations that have been ignored by this committee. The chairman alone has issued subpoenas. So Members on our side have asked him to pursue an investigation into various allegations that have come up over the last several years about serious Republican fundraising abuses.

For example, there is a Republican National Committee chairman, Haley Barbour, who worked with a group called the National Policy Forum, and he got millions of dollars into this National Policy Forum from a noncitizen in Hong Kong named Ambrose Young, and then he used that money to help Republicans. It appears from what I have heard of it to be illegal. We asked that it be investigated, and it wasn't.

There is a group called the Triad Management Services. This is a group that advised Republicans on how to launder campaign money and avoid the limits under the law.

There were allegations as well about Republican fundraising on Federal property. For example, there was a Republican party to come and meet Senator Dole when he was a Senator for \$15,000 in the Senate Caucus Room; or for \$45,000, you could have met and had lunch with then Speaker Newt Gingrich. And we will go into it again now and then later.

The most serious of the allegations is the one made by a fellow named Peter Cloeren, who said that he was asked by the Majority Whip Tom DeLay to make a conduit contribution to a Republican House candidate. Here is the fellow who made the contribution saying how he was told and asked by a Republican leader, a Republican leader, to make this illegal contribution and we can't get the chairman to even respond to a letter of the Democrats asking to investigate it.

We asked at one time that this committee in looking at campaign finance violations try to find out why the Republican leadership in 1997 wanted to give a \$50 billion tax break to the tobacco industry. And, of course, it followed the Republican National Committee receiving \$8.8 million from the tobacco industry.

So you who are watching this hearing will see what goes on today. But what you won't see is what the chairman doesn't want you to know about, and those are serious violations by Republicans. That is why this whole investigation is not credible. I am not saying there have not been serious violations of the campaign laws by Democrats and by Mr. Huang. But if this were a legitimate investigation, we wouldn't be so limited in our ability today to present—or not just today, at any other time—to get to the bottom of things, to get the facts wherever they may lead us.

Mr. Huang, you have admitted that from 1992 to 1994, while working for the Lippo Group headquartered in Indonesia, you took part in a scheme to make illegal conduit campaign contributions. These are serious offenses. They are felonies. And you have pled guilty to a felony violation of the campaign finance laws for making these conduit contributions. No one should minimize these or tolerate these violations. They are serious and deserve punishment. Do you agree with that?

Mr. HUANG. Yes, I do, Mr. Waxman.

Mr. WAXMAN. These are the kinds of things that unfortunately have happened too much in the abuses of our campaign laws. Congressman Shays, as a member of this committee, introduced a bill which I supported to try to plug up the complete abuse of the campaign finance system. The reality is that all those limits and restrictions, whether they be on corporation contributions or labor union money, or all these phony organizations that are set up to receive the money and then spend more than individual candidates can spend, these are tolerated now and acceptable and have become par for the course.

I think what you did, Mr. Huang, was scandalous, but I think what is being done every single campaign—and now this coming year will probably be done in a greater magnitude than what we saw even in 1996 and 1998—it is just quite scandalous and needs to be repaired.

You are the central figure in the allegations of campaign finance abuse during the 1996 Presidential election because of conduit contributions. That is what you pleaded guilty to.

My staff has done a LEXIS-NEXIS search of media records that mention your name. Since October 1996, there have been over 7,000 articles that mention your name in newspapers around the country. The reason you have been the center of so much attention is that Republicans in Congress have repeatedly alleged that you

were part of a Chinese conspiracy to influence the United States elections, that you gave national secrets to the Chinese, and that you were part of a scheme involving President Clinton and the DNC to knowingly solicit illegal foreign campaign contributions.

We even heard some of these allegations and innuendo in the opening statements of some of my colleagues today. These allegations of conspiracy and espionage are extraordinarily serious, extraordinarily serious. And I voted for immunity so that you would testify today because I wanted to learn whether they were true and to find out what really did and did not happen during the 1996 Presidential election.

My approach to questioning you is different than the chairman's. The chairman has scheduled your testimony for 4 days of hearings because he wants to conduct this hearing like a deposition. He apparently wants to ask you about virtually everything that you have done since 1992.

In fact, I was told that he has over 100 pages of questions that he is intending to ask you. He has told us to be ready to meet here until late tonight, tomorrow, the next day, maybe the day after.

Three years ago, when we began this investigation, that might have been appropriate and might have made some sense. But today we know what the central issues are, and those are what we should be asking you about. So I am going to ask you about the major allegations that have been made in this investigation, and let's get those statements on the record.

You are under oath. You are testifying before us under a grant of immunity, so you can tell us the truth without fear of prosecution. And you are under oath, and if you do not tell us the truth, you will be guilty of perjury.

Mr. Huang, do you have any knowledge that would implicate the President of the United States in any illegal activity?

Mr. HUANG. No, sir, Mr. Waxman.

Mr. WAXMAN. Do you have any knowledge that would implicate the Vice President of the United States in any illegal activity?

Mr. HUANG. No, Mr. Waxman.

Mr. WAXMAN. Do you have any knowledge that would implicate the First Lady in any illegal activity?

Mr. HUANG. No, Mr. Waxman.

Mr. WAXMAN. Do you have any knowledge that would implicate the Democratic National Committee in any illegal activity?

Mr. HUANG. No, Mr. Waxman.

Mr. WAXMAN. One of the first allegations about your conduct was made by former House Speaker Newt Gingrich in the Wall Street Journal in October 1996.

According to Speaker Gingrich, the Riady contribution which you arranged "makes Watergate look trivial." He went on to allege that "we have never in American history had an American President selling pieces of this country to foreigners."

[The information referred to follows:]

The Wall Street Journal  
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Monday, October 14, 1996

GOP Seeks U.S. Probe Into Lippo Contributions  
 By Wall Street Journal Staff Reporters Jill Abramson, Glenn R. Simpson And  
 John R. Wilke

WASHINGTON -- Several Republican lawmakers have called for the appointment of an independent counsel to investigate whether the Democratic Party has received illegal foreign contributions, including nearly \$1 million from individuals tied to an Indonesian financial conglomerate, Lippo Group.

Federal regulators and congressional investigators also are examining the ownership structure of Lippo Bank, a California institution that has as some of its major stockholders members of the **Riady** family of Jakarta, which controls Lippo Group. A former Lippo and DNC official, John Huang, has raised \$4 million to \$5 million in contributions to the Democratic Party, mainly from the Asian- American business community.

Mr. Huang's fund-raising and the Lippo contributions were the focus of articles in The Wall Street Journal last week. It is illegal for foreign companies and individuals to contribute to U.S. candidates or parties. However, it is legal for permanent residents and the U.S. subsidiaries of foreign companies to donate to U.S. candidates and political parties.

Sen. John McCain, an Arizona Republican and prominent Dole campaign supporter, called on Attorney General Janet Reno to appoint an independent counsel to probe the contributions. "Americans don't want foreigners influencing our elections," Sen. McCain said during an appearance on CNN's Late Edition, "and that's clearly what's been going on." Democratic Sen. Russ Feingold of Wisconsin, also appearing on the program, said, "I think this has to be investigated very thoroughly."

Other Republicans jumped on the issue. Scott Reed, the Dole-Kemp campaign manager, said during an appearance on Fox News Sunday: "This will make **Watergate** look like a tea party." Appearing at a GOP rally in Georgia, House Speaker Newt **Gingrich** said the **Riady** family's generosity "makes **Watergate** look trivial," adding, "We have never in American history had an American president selling pieces of this country to foreigners." (Mr. **Gingrich** is himself the subject of a probe by the House ethics panel stemming from charges that he improperly used taxexempt funds for political purposes.)

Vice President Al Gore defended the propriety of the Lippo-related contributions. "There have been no violations of law, no violations of the regulations," he said on NBC-TV's "Meet the Press." "We've strictly complied with every single one of them." However, the DNC was forced to return a \$250,000 contribution solicited by Mr. Huang after checking into questions posed by the Los Angeles Times and finding the contribution came from a South Korean company. Mr. Gore said it wasn't unusual for political parties to return contributions.

Meanwhile, officials of the Federal Reserve and Federal Deposit Insurance Corp. began consulting last week on why Lippo Bank falls under oversight of the FDIC instead of the Fed. Banks controlled by foreign corporations are required to register with and be examined by the Fed, which is considered more politically independent than the FDIC. A senior Fed official confirmed yesterday that the Fed's "banking supervision and legal staff are working with the FDIC to get more information." In addition, Republicans on the House Banking Committee's oversight and investigations panel are pressing regulators for ownership data on the bank and its relationship to Lippo Group.

In Lippo Group promotional material, Lippo Bank is described as an affiliate. The bank is organized as a

domestic institution and is an FDIC-member bank, meaning that it is federally insured. But federal officials said that some major stockholders may be foreign nationals.

While no evidence has emerged showing foreign control, regulators have bad memories of the 1990 scandal involving Bank of Credit & Commerce International, which secretly gained control of a Washington-based U.S. bank. In the wake of the BCCI scandal, a 1991 law required all banks controlled by foreign corporations to submit to Fed regulation.

Lippo Bank has been the subject of two major regulatory actions by the FDIC since 1990. In a December 1994 action, the bank ran afoul of money-laundering statutes and agreed to comply with controls, including keeping records on large cash transactions and prompt reporting of known or suspected criminal activity. It settled with the FDIC in a cease-and-desist order in which it admitted no wrongdoing; the FDIC examination report that prompted the action is confidential.

In 1990 the bank was cited by the FDIC for other abuses, including "hazardous lending" and lax controls. In 1985, a bank in which the Riady's were major investors, Worthen Bank of Little Rock, Ark., was subject to enforcement action by the Office of the Comptroller of the Currency for excessive loans to Riady interests and to the other major investors, the Stephens family, also of Little Rock. Ties between President Clinton and Lippo developed when Lippo was a major investor in Worthen.

Separately, according to Newsweek, the U.S. Export-Import Bank has issued letters of credit totaling \$900,000 for deals involving Lippo Bank. The White House says there is no evidence Mr. Clinton intervened to help Lippo.

The White House late Friday released correspondence between Mr. Clinton and a prominent Lippo-related contributor, Arief Wiradinata, who, with his wife, has given \$450,000 to the Democratic Party. In a letter, the president thanked Mr. Wiradinata, the son-in-law of a prominent Lippo investor, for attending a White House breakfast and a Democratic National Committee fund-raising event. The Wiradinatas are now living in Jakarta, although Mr. Wiradinata has a green card, according to Knight Ridder. The contributions were made in 1995 and 1996, and during some of that time the Wiradinatas lived in suburban Virginia.

Amy Weiss Tobe, a spokeswoman for the DNC, said the White House breakfast Mr. Wiradinata attended in late 1995 was not a fund-raising event. "The DNC holds events at the White House honoring political and financial supporters. We pay for all costs, A to Z," she said. The White House cannot be used for fund-raising, although political meetings can be held in certain rooms of the White House as long as taxpayer funds aren't used. The Republican National Committee also used the White House for such meetings during the Reagan-Bush years, according to Ms. Weiss Tobe.

Other correspondence released by the White House included a get-well note from Mr. Clinton to Mr. Wiradinata's late father-in-law, who had suffered a heart attack while visiting the U.S. in 1995. The get-well letter was written at the request of James Riady, according to White House spokesman Mark Fabiani. The note was hand-carried to the hospital by Mark Middleton, a White House deputy to presidential adviser Mack McLary. Mr. Middleton, an Arkansan, also personally knows the Riady family, according to Mr. Fabiani.

Ms. Weiss Tobe said yesterday that Mrs. Wiradinata had given another \$25,000 to the DNC since June 30. (The new donation will be listed on the party's quarterly filing due at the Federal Election Commission this week).

(See related letter: "Letters to the Editor: This Is No Watergate" -- WSJ Oct. 29, 1996)

(See related letter: "Letters to the Editor: Lippo Didn't Receive Ex-Im Bank Coverage" -- WSJ Nov. 7, 1996)

---- INDEX REFERENCES ----

COMPANY (TICKER): LIPPO BANK PT (P.LBK)

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NEWS SUBJECT: Central Banks; Politics; World Equity Index (CBK PLT WEI)

MARKET SECTOR: Financial (FIN)

INDUSTRY: Banks, Regional Non-U.S.; All Banks (BAF BNK)

GOVERNMENT: Congress; Export-Import Bank; Executive; Federal Deposit Insurance Corp.; Federal Reserve Board (CNG EIB EXE FDC FED)

REGION: Far East; Indonesia; North America; Pacific Rim; Southeast Asia; United States (FE IO NME PRM SSA US)

LAYOUT CODES: Large Majors (LMJ)

Word Count: 1143

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END OF DOCUMENT

Mr. WAXMAN. In essence, Speaker Gingrich was alleging that President Clinton was selling U.S. foreign policy in exchange for campaign contributions that you helped to arrange. That is treason.

Is it true, were you involved in a scheme to buy favorable policy decisions for foreigners with campaign contributions?

Mr. HUANG. No, sir.

Mr. WAXMAN. Did you ever have any conversation with the President or any of his advisors in which the President or his advisors discussed making a policy decision in order to benefit campaign contributors?

Mr. HUANG. No, sir.

Mr. WAXMAN. Are you aware of any evidence of any kind that supports Speaker Gingrich's allegation that the President was selling pieces of this country to foreigners?

Mr. HUANG. No, sir.

Mr. WAXMAN. One of the major allegations that has been made is that you were part of a conspiracy involving Charlie Trie and Johnny Chung to funnel illegal campaign contributions from the Chinese Government to the President with the President's knowledge.

Senator James Inhofe from Oklahoma was one of the many who made this allegation, and I want to quote what he said on the Senate floor earlier this year.

"John Huang, Charlie Trie, Johnny Chung, James Riady and others with strong ties to China were deeply involved with the President's knowledge in raising Chinese-tainted cash for the Clinton campaign."

I want to ask you about the assertions made in this allegation. Were you part of a fundraising conspiracy involving Charlie Trie and Johnny Chung, as Senator Inhofe and others have alleged?

Mr. HUANG. No, sir.

Mr. WAXMAN. Were you part of a conspiracy to raise campaign contributions from the Chinese Government?

Mr. HUANG. No, sir.

Mr. WAXMAN. Do you have any knowledge about any efforts by the Chinese Government to make illegal campaign contributions to President Clinton?

Mr. HUANG. No, sir.

Mr. WAXMAN. Part of Senator Inhofe's allegation is that President Clinton knew that you and others were raising Chinese-tainted cash. Chairman Burton has made similar allegations about the President's knowledge. Is this true?

Mr. HUANG. No, sir.

Mr. WAXMAN. Did President Clinton participate in or have any knowledge of efforts to raise illegal foreign campaign contributions as far as you know?

Mr. HUANG. No, sir.

Mr. WAXMAN. Did you ever have any discussions with the President about who you were raising campaign contributions from?

Mr. HUANG. No, sir.

Mr. WAXMAN. Another major allegation is that you were a Chinese spy. Let's get that on the table. Speaker Gingrich, for example, went on national television in April 1997, to allege that "John



Huang was clearly being given secrets while going to the Chinese embassy.”

Chairman Burton made a similar accusation on national television in February 1997 when he said that “Mr. Huang may very well have given information that he shouldn’t have to the Chinese and others.”

In fact, when Chairman Burton was asked on national television whether you were a Chinese spy, he alleged, “that’s a possibility.”

Let me ask you about this well-publicized possibility. Are you now or were you ever a Chinese spy?

Mr. HUANG. No, sir.

Mr. WAXMAN. Have you at any time ever given any classified information, directly or indirectly to the Chinese Government?

Mr. HUANG. No, sir.

Mr. WAXMAN. Did anyone ever ask or suggest that you pass classified information or any other information to which they were not entitled, to the Chinese Government?

Mr. HUANG. No, sir.

Mr. WAXMAN. Another accusation is that if you were not a Chinese spy, you were in effect a spy for the Lippo Group.

Former Congressman Jerry Solomon, who was the chairman of the House Rules Committee and a Member of the Republican leadership, repeatedly made this allegation. For example, he alleged on national television in June 1997, that you gave national secrets to the Lippo Group. Specifically, he stated, “Mr. Huang was passing on classified information both dealing with economic espionage and breaches of national security to a foreign corporation with connections to the Chinese Government.”

These allegations made front-page news, and they were treated very seriously. Are Mr. Solomon’s allegations true?

Mr. HUANG. No, sir.

Mr. WAXMAN. Are any part of them true?

Mr. HUANG. No, sir.

Mr. WAXMAN. When you were at the Department of Commerce, were you an agent of the Lippo Group, as Mr. Solomon has alleged?

Mr. HUANG. Would you repeat the question again?

Mr. WAXMAN. When you were at the Department of Commerce, were you an agent of the Lippo Group, as Mr. Solomon has alleged?

Mr. HUANG. I missed the agent’s name. I was not, no. Definitely not.

Mr. WAXMAN. Well, you have immunity. Did you do anything for the Lippo Group while you were at the Department of Commerce?

Mr. HUANG. No, sir, no.

Mr. WAXMAN. Have you at any time ever given classified information to the Lippo Group?

Mr. HUANG. No.

Mr. WAXMAN. Did anyone ever ask you to give classified information to the Riadys or Lippo Group?

Mr. HUANG. No, sir.

Mr. WAXMAN. Did you ever use your position at the Commerce Department to help the Riadys or the Lippo Group?

Mr. HUANG. No, sir.

Mr. WAXMAN. Another major allegation is that you were illegally laundering campaign contributions while you were employed at the

DNC. Here is what the chairman said about these activities in September 1997, to the Associated Press, "there is no question that Mr. Huang did this. This is the first time we have found an active person at the DNC who was involved in money laundering. Mr. Huang, while he was an executive at the DNC in the finance area, was laundering money, and we will be able to prove that."

Was Mr. Burton right? Did you launder campaign contributions while at the DNC?

Mr. HUANG. No, sir.

Mr. WAXMAN. Mr. Chairman, let me point out that you requested the Justice Department to provide this committee with the notes from a number of FBI interviews. Mr. Chairman, may I have your attention? You asked for the Justice Department to give our committee a number of FBI interviews related to Mr. Huang and the campaign finance investigation. And I understand the Justice Department agreed to provide these notes, they are called 302s, to the committee this afternoon. I think we have received some of them.

I would like to request at this time that you also ask the Justice Department to provide the committee with the notes from the FBI interview of former Representative Jerry Solomon. Chairman Solomon told the media that he knew of evidence that John Huang committed economic espionage and breached our national security by passing classified information to his former employer, the Lippo Group.

I believe the American people have the right to know what the evidence was that Mr. Solomon had, if any such evidence actually existed. And, Mr. Chairman, I would like to see if you will agree to ask the Justice Department to provide Mr. Solomon's 302 along with all the other 302s to this committee this afternoon.

Mr. BURTON. I have no problem with that. We will request that from the Justice Department.

Mr. WAXMAN. Thank you very much, Mr. Chairman.

Mr. Huang, you have said that you facilitated a number of conduit contributions between 1992 and June 1994. In some instances you identified Lippo employees who could legally make contributions and solicited contributions from them with the understanding they would be, "taken care of" by James Riady.

In other instances, you made the contributions yourself and expected to be reimbursed in your annual bonus. And you also prepared memos to get reimbursements from overseas for corporate contributions made by Lippo's U.S. entities.

This sounds to me like a pretty elaborate plan. It was blatantly illegal. Didn't you know that this plan was illegal?

Mr. HUANG. I knew that it was not proper. I was sorry for that, Mr. Waxman.

Mr. BURTON. Would the gentleman yield briefly?

Mr. WAXMAN. Yes.

Mr. BURTON. Senator Lieberman said in the hearings that were held in the Senate, "Non-public evidence presented to the committee demonstrates a continuing business intelligence relationship between the Riadys and the People's Republic of China Intelligence Service."

Now, that is classified information which we cannot bring out in this committee. But I suggest that you and I and the committee

probably ought to check with the intelligence agencies to take a look at that because Mr. Lieberman probably had that information. He is a Democrat Senator.

Mr. WAXMAN. Well, Mr. Chairman, I would be happy to join with you in getting that information. But we have Mr. Huang here and he is under oath and he is under immunity.

What do you say to the chairman's quote from Senator Lieberman?

Mr. HUANG. Mr. Chairman, would you repeat? I'm sorry about that.

Mr. BURTON. If the gentleman would yield.

Mr. WAXMAN. Sure.

Mr. BURTON. Senator Lieberman said, "Non-public evidence," he is talking about intelligence evidence from FBI or from CIA, "presented to the committee demonstrates a continuing business intelligence relationship between the Riadys and the People's Republic of China Intelligence Service."

Mr. WAXMAN. Do you know anything about that?

Mr. HUANG. I don't know whether it is the intelligence service or not, but the Riady group does have some business partnership with some Chinese corporations in Hong Kong. I don't know if that's what he related to or not. I don't know that entity in Hong Kong or entities in Hong Kong where is the arm of the Chinese, you know, espionage units or not. At that time, I certainly did not know. At this moment, I don't even know.

Mr. WAXMAN. And this scheme that you did know about, because you engineered it, did you at any time question whether it was proper to make these conduit contributions?

Mr. HUANG. No, I did not.

Mr. WAXMAN. You felt that it might not be proper or legal. Why did you decide to break the law?

Mr. HUANG. Mr. Waxman, in the human life, sometimes you have to make decisions in a crossroad and sometimes, you know, you have to make decision. By not making decision is also a decision. By that time I made a decision to continue that. And I certainly regret those things that happened at the time. Maybe it was anticipation probably it would not be found out.

Mr. WAXMAN. That is usually what people think when they break the law.

Mr. HUANG. That's correct, sir. I definitely regret that.

Mr. WAXMAN. But what you did was a serious violation of the law, and I think you owe the American people an apology.

Mr. HUANG. Yeah, I do, Mr. Chairman—Mr. Waxman.

Mr. WAXMAN. In August of this year, you reached a plea bargain with Justice; and I understand that you pleaded guilty to making illegal conduit contributions. According to the Justice Department's announcement of your plea, you were "responsible for arranging approximately \$156,000 in illegal campaign contributions from Lippo Group overseas to various Democratic and Republican political committees "between 1992 and June 1994."

So I want to ask you about these activities in some detail.

I understand that the individuals who were involved in these conduit contributions were primarily James Riady and other Lippo executives. Is that right?

Mr. HUANG. That is correct, sir.

Mr. WAXMAN. Was the DNC aware that these contributions were illegal conduit contributions?

Mr. HUANG. No, sir.

Mr. WAXMAN. Was the President or Vice President aware that these contributions were illegal conduit contributions?

Mr. HUANG. No, sir.

Mr. WAXMAN. In your statement to the FBI, you indicated that James Riady told you about a limousine ride he took with then-Governor Clinton in August 1992 in which Mr. Riady told Mr. Clinton that he would like to raise \$1 million for his Presidential campaign. Chairman Burton has said that this conversation proves that the President was a knowing participant in the illegal conduit contribution schemes.

Here is what the chairman said on national television on November 2nd of this year. "Huang said that James Riady told the President he would raise \$1 million from foreign sources for his campaign. The President knew that James Riady was doing it. He knew that it was foreign money coming in from the Lippo Group in Jakarta, Indonesia, and he didn't decline it. He accepted it."

Is the chairman correct? Did the President know that these contributions were illegal?

Mr. HUANG. No, I have no knowledge that the President knows about it. I don't believe that the President knew about this.

Mr. WAXMAN. To the best of your knowledge, in their conversation did Mr. Riady in any way indicate to the President the source of the money that he was going to raise?

Mr. HUANG. No, I have no indication that way.

Mr. WAXMAN. At the time Mr. Riady had the conversation with the President, he was a legal permanent resident of the United States. As such, he was legally entitled to make campaign contributions or to raise contributions from others; is that right?

Mr. HUANG. That is correct.

Mr. WAXMAN. Let me ask you the bottom-line question. Did you ever at any point in time have any conversation with President Clinton where you indicated to him that any foreign or illegal contributions were being made, or did he ever indicate to you that he had any knowledge of foreign contributions?

Mr. HUANG. No, sir.

Mr. WAXMAN. Mr. Huang, you've been accused of soliciting illegal foreign contributions while working at the DNC in 1996. Let me ask you a series of questions that cover the entire time period that you worked at the DNC as a fundraiser. That was from December 1995, to October 1996.

While at the DNC, did you ever knowingly solicit or accept any foreign political contributions?

Mr. HUANG. No, sir.

Mr. WAXMAN. While at the DNC, did you ever knowingly assist any foreign government or company to funnel money in any form into the U.S. political system?

Mr. HUANG. No, sir.

Mr. WAXMAN. Did anyone at the DNC or at the White House ever ask you or suggest to you that you solicit illegal contributions of any kind?

Mr. HUANG. No, sir.

Mr. WAXMAN. Did you ever talk to the President or Vice President about the source of any political contributions you solicited?

Mr. HUANG. No, sir.

Mr. WAXMAN. Did anyone at the DNC know that foreign contributions were being made?

Mr. HUANG. No, sir.

Mr. WAXMAN. Mr. Huang, you are here under oath. You are also here with a vote for immunity so you cannot be held criminally liable for your conduct except if you lie to us. And if it turns out that you did lie to this committee, while Mr. Burton and I don't see eye to eye on many things, he and I will be working together to ask that there be a prosecution for perjury against you.

I've asked you a series of questions that go to the most serious allegations that have been made against you for the last 3 years. I want you to take a moment and reflect on your answers and tell us if there is anything else you think we ought to know about relating to those questions that I asked you.

Mr. HUANG. Mr. Waxman, I'm sorry, I don't have any reason to have any knowledge that I answered your questions incorrectly at this time, sir.

Mr. Waxman, also, I don't know what the report is about. I did not have any benefit—

Mr. WAXMAN. You do not have any benefit of—

Mr. HUANG. No. You have the benefit of reading whatever report is being supplied by—

Mr. WAXMAN. You know the truth of what you know.

Mr. HUANG. I answered the questions truthfully to all those interrogations or investigations.

Mr. WAXMAN. And my questions to you today, you have answered truthfully?

Mr. HUANG. That's correct, yes.

Mr. WAXMAN. Mr. Huang, our committee has had its share of blunders and mistakes. In fact, we have been called a parody of reputable investigations and a case study on how not to do an investigation. And I want to ask you about one of our true lows.

In 1997, we had a hearing we held with a fellow named David Wang. This hearing was held in October 1997. Prior to the hearing, the chairman told the Associated Press that the hearing was going to prove that John Huang laundered illegal campaign contributions while at the DNC. He said this was, "the first time in my memory we have seen evidence of such blatantly illegal activity by a senior national party member."

In the hearing, David Wang testified before this committee under oath that you, Mr. Huang, came to his place of business in Los Angeles in August 1996 and gave him cash in return for a campaign contribution. I introduced evidence that showed that this could not have happened. This evidence included hotel receipts and affidavits to show that you were in New York, not Los Angeles, on the day in question.

The Democratic members also suggested that perhaps this was a case of mistaken identity. In fact, Representative Kanjorski said that perhaps the person that Mr. Wang met was Charlie Trie, not John Huang.

Now, we had all the receipts showing you were in New York. We had clear evidence that show that you were in New York on the day that Mr. Wang said that you went to his place of business in Los Angeles. And in light of that evidence, I asked the chairman to retract his allegation. And to this day, however, the chairman has refused to correct the record.

I'd like to now ask you about what really happened. Mr. Huang, was David Wang telling the truth when he said that you met with him in August 1996 while you were at the DNC and gave him cash to make an illegal conduit contribution?

Mr. HUANG. No, sir, Mr. Wang was not telling the truth.

Mr. WAXMAN. Mr. Chairman, I have additional proof that Mr. Huang is telling the truth here today. The committee recently received the FBI notes of the FBI interviews with Charlie Trie. In these notes, Mr. Trie says that it was he, not Mr. Huang, who met with David Wang. I ask unanimous consent to introduce these FBI interview notes into the hearing record at this point.

Mr. BURTON. Without objection.

Just 1 second. Pardon me.

The FBI has asked us not to release those or put those in the record yet because there is information they would still like to redact, and I have told the FBI Director and the FBI that we would honor that. So I don't think we should put it in the record at this time until they have made the redactions that they think are necessary.

Mr. WAXMAN. Mr. Chairman, I think they should be in the record. I think you are mistaken. But I will withdraw my request, and we will talk further about it.

Mr. BURTON. Once the redactions are made, we will check with the FBI. I have no objection once that happens.

Mr. WAXMAN. But I think once this information comes out, and I know you share my view, the American people ought to have all the truth, it will be clear that you were mistaken, we all make mistakes, and you were mistaken about Mr. Wang's accusation that Mr. Huang came to his place of business. And if that is true that you were mistaken, I hope, Mr. Chairman, that you will admit that there was a mistake and that was an allegation, the allegation you made based on that, that was based on incorrect facts.

Mr. BURTON. If there is a mistake in the record, we will correct that.

Mr. Shays.

Mr. SHAYS. Mr. Chairman, before I start my 5 minutes, I would just like to ask a question. We have had 30 minutes from the chairman and the ranking member, and then from this point on we're going to be going in 5-minute segments and then continuing to come back. So we'll do 5 minutes, the next person, and just keep going down and doing that; is that correct?

Mr. BURTON. That's correct, until we are ready to finalize; and then we will have 30 minutes for staff.

Mr. SHAYS. Thank you.

Mr. BURTON. Would you like a break, Mr. Huang?

Mr. HUANG. Please, Mr. Chairman. Thank you.

Mr. BURTON. We'll take about a 10-minute break. We stand in recess until the call of the gavel.

[Recess.]

Mr. BURTON. Mr. Huang, what we were discussing was nothing of major significance. Since you and your legal counsel flew on the red eye, we assume that you are kind of tired. So what we are going to do is go until 6 o'clock today and then we will recess until tomorrow morning at 10 o'clock rather than go to later in the evening.

Mr. HUANG. Mr. Chairman, I am supposed to tell the truth. I did not fly red eye. I did arrive at 1 o'clock. So it is not considered red eye fully on that basis. But my eyes are red.

Mr. SHAYS. Mr. Huang, it is good to have you here.

Mr. HUANG. Thank you, Mr. Shays.

Mr. SHAYS. And I am going to take your statement as I think you mean it. It seems somewhat conciliatory. It seems somewhat regretful. But I also want to take what you say to coincide with your statement. I need to first ask you what you mean by saying, "I've made some mistakes." What are the mistakes you've made?

Mr. HUANG. As far as the illegality, you know, funneling the funds, campaign contributions.

Mr. SHAYS. So what are the mistakes?

Mr. HUANG. The campaign contributions. Talking about during 1992 through 1994, that period of time when I was with Lippo, there was a lot of money being handled through me and funneled through me. Essentially, I meant that, sir.

Mr. SHAYS. You are 1 of 79 people who have exercised their right to use their fifth amendment privileges for self-incrimination, and it is a right that is available to all Americans and you had that right and you exercised it. But you were one of so many. And being the non-lawyer that I am, you begin to get a feeling when there are so many that there is something here that people do not want us to know.

I am going to focus in eventually on security issues because that is an area that my subcommittee is responsible for. But my understanding is, since 1985 through July 1994, you worked for the Riadys in various capacities. You worked for them, the Lippo Group, and so on. You worked for the Riadys. Is that correct?

Mr. HUANG. That is correct, Mr. Shays.

Mr. SHAYS. And then my understanding is that from July 1994 to December 1995 you worked for the Commerce Department.

Mr. HUANG. Yes, sir.

Mr. SHAYS. And then since then, excuse me, from December 1995 to October-November 1996, you worked for the Democrat National Committee.

Mr. HUANG. That's correct, sir.

Mr. SHAYS. And you raised money from the Riadys when you worked for the DNC.

Mr. HUANG. I did not raise from the Riadys, though.

Mr. SHAYS. From someone who gave to the Riadys? I mean, were the Riadys not involved in any of your campaign fundraising efforts?

Mr. HUANG. Somebody—

Mr. SHAYS. I don't want to split hairs here. I want you to be accurate.

Mr. HUANG. Yes, somebody's family had partnership with Riady's family business.

Mr. SHAYS. So you raised money from the businesses of the Riadys?

Mr. HUANG. No. No. No. Individuals.

Mr. SHAYS. Individuals who worked for the businesses.

Mr. HUANG. Whose family had partnership with Riady's family business.

Mr. SHAYS. Fair enough.

Mr. HUANG. But to my knowledge they are green card holders.

Mr. SHAYS. Would it have been illegal for you to raise money from the Riadys when you worked for the DNC?

Mr. HUANG. I'm sorry, sir?

Mr. SHAYS. Would it have been illegal for you to have raised money from the Riadys? You seem to want to make clear to me that somehow during that time while you worked at the DNC you did not raise money from the Riadys but you raised money from people who had business acquaintances and agreements with the Riadys.

Mr. HUANG. Because I had the knowledge at that time Mr. Riady has relinquished his green card status back to the United States and he was no longer holding the PR, so-called permanent resident status in the United States, he was not eligible to take care of any further.

Mr. SHAYS. Well, you could have raised soft money from them. That is not a campaign contribution.

Mr. HUANG. But he did not have the status, though.

Mr. SHAYS. The bottom line is you chose not to raise money from the Riadys but from people who worked for the Riadys in that business relationship.

In 1997 you had a gift of \$18,000 from the Riady family; and in 1998, \$20,000 from the Riady family; and in 1999 they paid your travel expenses to go to Jakarta, correct?

Mr. HUANG. I paid before. They gave me back the money, yes.

Mr. SHAYS. Now, so the picture I see is a relationship from 1985 to really now, a relationship with the Riady family.

Mr. HUANG. Yes. Yes.

Mr. SHAYS. And the one distinction you want me to be clear on is that when you worked at the DNC you chose not to raise any money from the Riadys?

Mr. HUANG. They could not give either in my mind, yes.

Mr. SHAYS. And when you say, "mistakes," would you define any of those mistakes as illegal?

Mr. HUANG. Yes, it is.

Mr. SHAYS. Now, tell me the illegal things you did.

Mr. HUANG. The reimbursement part. In other words, although I was legally able to give money, but I was reimbursed later on by the Riadys.

Mr. SHAYS. And is that the extent of your testimony before this committee? That is the extent of your illegal activities?

Mr. HUANG. That's one part.

Mr. SHAYS. OK. Give me the other parts.

Mr. HUANG. Because I have knowledge about at least some of the—



Mr. SHAYS. Let me just say something to you. I'm not going to be satisfied if you tell me that you didn't have knowledge at the time that this was illegal. Let's just agree that if it was illegal, whether or not you knew it, it is illegal.

Mr. HUANG. Mr. Shays, please clarify the times you you're talking about.

Mr. SHAYS. I do not want to clarify times. I want to know what illegal acts you have done. And you regret all of them and you have immunity for all these illegal acts. I do not want to know the ones I know. I want to know the ones you know, too.

Mr. HUANG. OK. I was not supposed to be reimbursed for all the campaign contributions that I made, but somehow I did, or reimbursed through those money.

Mr. SHAYS. And that is your testimony before us? That that is the extent of any of the illegal acts that you have done?

My time is up. I will come back. Is the answer to the question yes? Is that the extent of all your illegal acts?

Mr. HUANG. I also knew the other people being reimbursed as well, that was not proper—that was not illegal—that was illegal, I'm sorry.

Mr. SHAYS. And that's the extent of all the illegal acts you have done?

Mr. HUANG. To the best I can comprehend, yes.

Mr. SHAYS. We will talk some more. Thank you.

Mr. HUANG. Yes, please. Thank you.

Mr. BURTON. Mr. Mica.

Mr. MICA. Thank you, Mr. Chairman.

Mr. Huang, I wanted to discuss with you some of your participation and some of the events surrounding the Presidential debate which took place in East Lansing, MI, October 19, 1992. I am going to be referring first to exhibit 31. And if you have that there, if you might pull that up and we can put that on the screen.

On a document for the Presidential debate in East Lansing, MI, on that date, October 19, 1992, James and Aileen Riady are listed as guests along with Melinda Yee's name. Again, their names are listed as guests along with Melinda Yee's name next to theirs.

By the time of the debate on October 1, 1992, Lippo related contributions topped some \$570,000. Is that figure approximately correct to your knowledge?

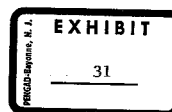
[Exhibit 31 follows:]

STEPHANIE SOLIEN  
PRESIDENTIAL DEBATE

East Lansing, Michigan

October 19, 1992

- 
1. Stewart Applebaum, AFSCME (Rick Bloomingdale)
  2. Lenore Miller, RWDSU (Rick Bloomingdale)
  3. Frank Garrison, (Chuck Richards)
  4. Lenore Miller, RWDSU (Chuck Richards)
  - Lynn Williams, USWA (Chuck Richards)
  5. Al Shanker (Chuck Richards)
  6. Rochelle Horowitz, AFT (Chuck Richards)
  7. Tom Donahue (Chuck Richards)
  8. Hugh Jarvis, Pres. AFT MI (Chuck Richards)
  9. David Hermeling (Sara Ehrman)
  10. Steve Grossman (Sara Ehrman)
  11. Richard Choi (Melinda Yee)
  12. Shan Thever (Melinda Yee)
  13. T.S. Chung (Melinda Yee)
  14. Richard Park (Melinda Yee)
  15. Jim Shimoura (Melinda Yee)



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16. Penny Shimoura (Melinda Yee)
17. James Riady (Melinda Yee)
18. Aileen Riady (Melinda Yee)
19. Roland Huang (Melinda Yee)
20. Ramesh Kapur (Melinda Yee)
21. Allen Lynch (Jerry Bowen)
22. Doug Ross BC Advisor, Former Secretary of Commerce  
(Ellis Mottur, Caren Wilcox)
23. Ralph Gerson, Guardian Industries (EM, CW)
24. Dennis Rivera (Maria Echaveste)
25. Bill Richardson (Maria Echaveste)
26. Gloria Molina (Maria Echaveste)
27. Henry Cisneros (Maria Echaveste)
28. Maria Echaveste
29. Donald Blinken (Saul Benjamin)
30. John Brademas (Saul Benjamin)

Mr. HUANG. I don't know for sure, but it's definitely over a few hundred thousand dollars, yes.

Mr. MICA. And the Riadys personally contributed—we have \$410,000 of that total. They also contributed hundreds of thousands of dollars at that point?

Mr. HUANG. I don't know exactly the date, but they did make quite a few hundred thousand dollar contributions approximately that time, yes.

Mr. MICA. The document listing the guests for the East Lansing debate lists a James and Aileen Riady. Next to their names is the name of Melinda Yee, apparently signifying that Yee, a DNC employee detailed to the Clinton-Gore campaign, was the person who arranged for their invitation. Melinda Yee was also the individual who informed Governor Clinton about the limousine ride and James Riady's \$100,000 contribution to the August 14, 1992, fundraiser.

The questions that I have are as follows: The list that is on exhibit 31 is a guest list to the October 19, 1992, Presidential debates in East Lansing, MI. On the second page it lists James and Aileen Riady. Did Mr. and Mrs. Riady attend the Presidential debate in East Lansing to your knowledge?

Mr. HUANG. Mr. Mica, they did not attend, to the best of my knowledge.

Mr. MICA. They did not. Did the Riadys fly in from Indonesia with the intent of intending to attend the debate?

Mr. HUANG. I don't know if they were in Indonesia or not. But I do know they did not attend, because I attended it.

Mr. MICA. Did Melinda Yee arrange—was she making arrangements for the Riadys to attend, and then were you substituted in their place?

Mr. HUANG. I couldn't quite recall right now for sure, but I did not know exactly. But I do know that I did attend and my wife did attend.

Mr. MICA. Well, did you work with Mr. Riady to arrange the contributions so that someone could attend the event? And I guess originally it had been Mr. Riady who was going to attend.

Mr. HUANG. I was not sure whether it was related to the contribution or not. Apparently, during that period of time, there were guests on the list by DNC, you know, being recommended to be invited.

Mr. MICA. But did you get there through Mr. Riady's contribution or through contributions that you personally had made?

Mr. HUANG. Well, I was actually raising the money at that time from various people in the group, Lippo Group, so I don't know the determination on the invitation list was because the money being raised was a key factor or not.

Mr. MICA. But, again, I am trying to find out at this juncture in October, were you the recipient of money that was given for you to participate in the event or was the money given from the Riadys for the Riadys to participate in the event?

Mr. HUANG. You know, at that period of time, to my best recollection, I was giving the money, my wife was giving the money, and certainly at that time part of the money was given by the Riady family, as well.

Mr. MICA. What were you doing at that time?

Mr. HUANG. In 1992, I was still working for Lippo Group in California.

Mr. MICA. And what was your approximate income at that time?

Mr. HUANG. At that time——

Mr. MICA. 1992.

Mr. HUANG. Probably \$150,000 in that range.

Mr. MICA. And how much did you give in 1992 to either the campaign or the inaugural committee?

Mr. HUANG. Solid campaign, I could not really recall exactly. Probably over \$30,000 or \$40,000 at least.

Mr. MICA. Were you reimbursed by Mr. Riady or the Lippo Group for those funds?

Mr. HUANG. Later on, yes.

Mr. MICA. What about the funds that were—now, I see some funds in your name and is it Jane? Is that your wife?

Mr. HUANG. That's my wife, yes.

Mr. MICA. And she was also contributing funds I guess in her name also?

Mr. HUANG. Yes, when I talk about the total amount, it was including my wife's contribution also.

Mr. MICA. And was she also reimbursed for those contributions?

Mr. HUANG. I was handling, Mr. Mica.

Mr. MICA. The money came to you and the checks were written.

Mr. HUANG. Yes.

Mr. MICA. Mr. Chairman, are we doing double——

Mr. BURTON. We are doing 5-minute rounds right now. So if you like, we will be back to you.

Mr. MICA. Thank you.

Mr. BURTON. Mr. Souder.

Mr. SOUDER. Thank you, Mr. Chairman.

I want to apologize, Mr. Huang, for the fact that each of us are taking kind of different lines of questioning and because we could not get in the rules 10 minutes where you can kind of get an order to it. You will see I am going to be asking a series of questions regarding Mr. Hubbell, and I'll come back to that every so often. So you will kind of see a pattern here, but your mind is going to be pretty tired because you are going to be moving between different scenarios because we could not get a longer questioning period.

The first question I would like to ask is, when did you first learn that Webb Hubbell needed financial help?

Mr. HUANG. Probably in spring of 1994.

Mr. SOUDER. Was this at a reception? I believe your FBI deposition said it was at a reception in the spring.

Mr. HUANG. Mr. Souder, can you hold on just a second?

Essentially, the news I've learned I believe from Mr. Doug Buford of the law firm from Little Rock, AR; and, basically, I believe he mentioned to me I was told he was indicating Mr. Hubbell needs some help, financial help.

Mr. SOUDER. Was that at the reception where you first heard it?

Mr. HUANG. No. That was a phone call separate.

Mr. SOUDER. So you first heard it at a reception. And then Mr. Buford, was he talking about Mr. Hubbell's children?

Mr. HUANG. No. I believe I heard that through phone call ahead of time from Mr. Buford. The reception was in Washington, DC, and I was given a business card later on from Mr. Hubbell.

Mr. SOUDER. I want to go back to the reception where it first started. Was it at the White House, at the DNC? What kind of reception was it?

Mr. HUANG. I cannot remember the location of the reception. I do not believe it was in the White House, though.

Mr. SOUDER. Do you believe it was a political reception, or you don't remember?

Mr. HUANG. I do not remember.

Mr. SOUDER. You have said before and here on the record that it was in the spring. Mr. Hubbell called Lippo Bank twice on May 19, 1994. Do you think that was approximately the time that the reception?

Mr. HUANG. I would believe, if your records indicating the phone call is made in May, probably that reception was happening before that already.

Mr. SOUDER. Because it also shows up a little bit later in June that you have said that Mr. Riady asked you to set up a meeting. So probably the order here was that you heard at a reception that he needed help, and clearly he made some calls on May 19 to the Lippo Bank. And then do you know approximately the date when Doug Buford would have called you?

Mr. HUANG. I cannot really speculate. I do know for sure it is prior to that.

Mr. Souder, in terms of the sequencing on that, the best I can recollect is I learned this information from Mr. Buford through phone call indicating he was needing the help and also learned somebody was trying to set up a trust fund for the children. And then, over time, I had a conversation with Mr. Riady about the fact and that Mr. Hubbell needed help. And then the reception, probably there was a chance I met with Mr. Hubbell and there was an indication to Mr. Hubbell saying Mr. Riady might be coming back to the United States in June sometime.

So I'm pretty sure the main call was pursuing for when might be the appointment for exactly the time they might be able to meet. I was trying to arrange the meeting at that time.

Mr. SOUDER. Could you explain for the record who Doug Buford is?

Mr. HUANG. Mr. Buford is an attorney with Wright, Lindsey and Jennings. It is a law firm in Little Rock, AR. He's also a friend of mine and also to the Riady family.

Mr. SOUDER. So it is Bruce Lindsey's law firm?

Mr. HUANG. Former law firm yes, sir.

Mr. SOUDER. And he was a friend of yours when you were previously with the Bank of Arkansas and others?

Mr. HUANG. I know him not that early.

Mr. SOUDER. Did you know him in Arkansas, or did you know him only once you came to Washington?

Mr. HUANG. I knew him when I was still with the Lippo Group in California then.

Mr. SOUDER. When there was any of these contacts to you, when you first heard he was needing help in or the trust and/or the trust

fund regarding the children, was there any mention in the same discussions about the independent counsel investigation or his cooperation?

Mr. HUANG. No, I did not know that.

Mr. SOUDER. In other words, it was not even discussed not necessarily in toto?

Mr. HUANG. No, sir.

Mr. SOUDER. I mean, it seems just to a casual observer that there have been a lot of concern and a lot of discussion anytime Webb Hubbell would have been around about what is happening in the counsel's office. So you did not hear any kind of concern about Mr. Hubbell and him feeling persecuted or what these crazy Republicans in the House are going to do next?

Mr. HUANG. To the best of my knowledge, I did not. It did not register in my mind at that time.

Mr. SOUDER. After you heard that Mr. Hubbell needed help, did you discuss it with Mr. Riady?

Mr. HUANG. Yes, I did.

Mr. SOUDER. And when approximately would that have been?

Mr. HUANG. Again during that springtime. Probably April, May, around that time.

Mr. SOUDER. But before the visit in June?

Mr. HUANG. Definitely, yes, sir.

Mr. SOUDER. Multiple times?

Mr. HUANG. Occasionally Mr. Riady will call and continue on average, like once a week, or checking in what's going on in our operation in the United States. So we talked about various things.

Mr. SOUDER. Did you ever discuss with Mr. Riady about Mr. Hubbell's problems and why he was having problems, that he was being investigated and because of that reason he would need money?

Mr. HUANG. Not in detail.

Mr. SOUDER. What does "not in detail" mean?

Mr. HUANG. My hunch is Mr. Riady probably has the CNN and overseas he would know about that. I just mention to him he's really in trouble and he needs help, information to him about somebody trying to set up a trust fund on that basis. The trust fund's only limit—I believe a person can only give up to \$15,000 maximum. I passed those information to Mr. Riady.

Mr. SOUDER. Thank you. I will return later.

Mr. BURTON. Mr. LaTourette.

Mr. LATOURETTE. Thank you, Mr. Chairman.

Mr. Huang, I want to go back to your opening statement for just a second; and then I want to talk to you about some Presidential fundraising events that happened back in 1996.

One of the things that struck me in the first paragraph of your opening is you said, "in addition, while things might have gone easier for me and were I able to implicate the President and the Vice President in wrongdoing, I never had any basis to do so." And that is what you answered in a question from Mr. Waxman. But I think that you stand convicted, do you not, of conspiracy to defraud the United States of America that stems from the illegal political contributions that you made and Lippo Group entities made

between 1992 and 1994? That's the crime, basically, that you stand convicted of, is it not?

Mr. HUANG. That is correct, sir.

Mr. LATOURETTE. And the sentence that you received was 1 year of probation and a \$10,000 fine; is that right, too?

Mr. HUANG. And also 500 hours community service.

Mr. LATOURETTE. I was just struck when you said that things might have gone easier for you. I think, I was a prosecutor for 6 years, and the only thing that could have gone easier is if they had given you nothing. That is a pretty good sentence. I do not know if Mr. Cobb and Mr. Keeney were your lawyers, but if they were, they are excellent lawyers and they are to be commended for negotiating that agreement.

But then when you were talking to Mr. Waxman, and I want to be real clear about this, that crime to which you stand convicted today was for activities that occurred between 1992 and 1994; is that right?

Mr. HUANG. That's correct.

Mr. LATOURETTE. Specifically in response to Mr. Waxman's series of questions, you indicated that while at the DNC, the Democratic National Committee, that you engaged in no illegal activities and, likewise, that you are not aware and that you did not participate in the making of any illegal contribution either to the Democratic National Committee or President Clinton's re-election campaign in 1996. Is that right?

Mr. HUANG. That is correct.

Mr. LATOURETTE. There was just a television program on recently where they would ask a series of questions and they had lifelines where you could phone a friend or 50/50. And I would ask you, is that your final answer, that you did not commit the same type of conduit scheme to defraud the United States of America in 1996 that you engaged in between 1992 and 1994?

Mr. HUANG. To the best of my knowledge, yes.

Mr. LATOURETTE. OK. Let's talk, then, about some fundraising events that took place in 1996. And I want to turn your attention first to one that occurred on February 19, 1996. You are familiar with that fundraising event?

Mr. HUANG. Yes, Congressman.

Mr. LATOURETTE. And it is my understanding that that was the first major fundraising event that you might have been involved in after you went to the DNC; is that correct, also?

Mr. HUANG. That is correct, sir.

Mr. LATOURETTE. OK. Do you remember what the goal of that fundraiser was?

Mr. HUANG. Actually, I tried to set \$1 million, sir.

Mr. LATOURETTE. And is that a figure you established for the fundraising event? Was that a figure given to you by the DNC, the Presidential campaign? How did you come at \$1 million?

Mr. HUANG. I set the goal for \$1 million, sir.

Mr. LATOURETTE. And do you recall—if this was on February 19th, do you recall when you would have started beginning the planning for that event?

Mr. HUANG. Yes, ever since I joined in the DNC, starting from December 1995.



Mr. LATOURETTE. Do you recall communicating to anyone else that you needed to raise \$1 million at that February 19th event in order to get the President's attendance at that fundraiser?

Mr. HUANG. Maybe, yeah.

Mr. LATOURETTE. And, in fact, do you recall such a conversation with Charlie Trie—

Mr. HUANG. Yes, I do.

Mr. LATOURETTE [continuing]. That the \$1 million would be required to secure the President of the United States's attendance at this fundraising event?

Mr. HUANG. I really cannot, Congressman, equate million dollars to get the President coming here. Probably lesser amount you can get the President coming here. So I set my goal, hopefully I can raise \$1 million. That would be the first time the Asian American community raise that kind of money on record.

Mr. LATOURETTE. You just mentioned "Asian American community." Was there a target audience or group that you hoped to solicit to attend this event on February 19th, or was it anybody that was inclined to give President Clinton money to run for re-election?

Mr. HUANG. Primarily the Asian American community, sir.

Mr. LATOURETTE. And the price for this event, my understanding, was \$12,500 was the cost of a ticket to attend this event; is that right?

Mr. HUANG. That is correct.

Mr. LATOURETTE. And that included not only the dinner on the 19th but also a breakfast the next morning with the Vice President of the United States, Mr. Gore?

Mr. HUANG. That is correct, sir.

Mr. LATOURETTE. Was there another requirement as to a different contribution level to be entitled to sit at the head table at that event?

Mr. HUANG. I did not set that level, but people—some of the people might have given more money. Some of the people might have historically made supporting Democratic party, which is known to everybody, and also because of diversity, for the diversity basis, I try to have a different Asian American community to be represented on the head table as well, sir.

Mr. LATOURETTE. Did you select the composition of the head table at that event?

Mr. HUANG. Primarily yes, yes, myself, yes.

Mr. LATOURETTE. Did you, as you sit here today, and maybe we can go in the next 5 minutes if you don't remember, do you remember what the head table was comprised of at the February 19th fundraiser?

Mr. HUANG. I can remember some of them.

Mr. LATOURETTE. Can you just name them for us?

Mr. HUANG. Pauline Kanchanalak.

Mr. LATOURETTE. Pauline Kanchanalak?

Mr. HUANG. Yes.

I think either Mr. Ted Sioeng or Mr. Ted Sioeng's guests. I just need to go back to the list to know.

Mr. LATOURETTE. That is fine. We can talk about that in a little bit. I am not trying to stump you, but we will go over some names maybe in my next 5 minutes.

But specifically, Charlie Trie, and maybe the chairman asked you, when did you meet Charlie Trie?

Mr. HUANG. The first time probably in the summer of 1994. I heard of him much earlier, but the first time I met with him was in summer of 1994.

Mr. LATOURETTE. According to the information that I've reviewed, Charlie Trie was a very active donor to the Democratic National Committee, but he was not an active fundraiser, if you understand the distinction, in that he would contribute money on his own, but until you got to the DNC, based upon what I've reviewed, is the first time he became a solicitor of others. Would you agree with that observation?

Mr. HUANG. That I would not know, but he was—he was a donor at that time, already established record in front of DNC before I arrived at the DNC.

Mr. LATOURETTE. Did you have conversations with him to encourage him to become not only—continue as a donor, but also be a solicitor of others?

Mr. HUANG. I did. I did encourage him to do that.

Mr. LATOURETTE. After he got to the DNC?

Mr. HUANG. That is right, because I was trying to set a goal for \$1 million. I need everybody's help. That's why I asked him.

Mr. LATOURETTE. Thank you, Mr. Huang.

Thank you, Mr. Chairman.

Mr. BURTON. Mr. Waxman.

Mr. WAXMAN. Thank you, Mr. Chairman.

I have got 5 minutes now. I basically covered, I think, the essential important questions in this whole investigation, and I appreciate your answers to them, but I'd like to ask some clean-up questions if I might.

Mr. Huang, there have been a lot of allegations about the relationship between the Lippo Group and Webster Hubbell. William Safire, for example, wrote in July of this year, "we will never know if the \$100,000 that the Riady family paid Hubbell was, in Thomas Jefferson's phrase, 'hush money' to keep him from telling prosecutors about the part played by his Rose Law Firm 'billing partner' Hillary Clinton in his sham deal." Mr. Huang, that is what Mr. Safire had to say. You had a role in the payment to Mr. Hubbell. Was the money paid by the Lippo Group to Mr. Hubbell hush money?

Mr. HUANG. To the best of my knowledge, it was not.

Mr. WAXMAN. What do you know about the money Mr. Hubbell received from the Lippo Group?

Mr. HUANG. Basically was a help from a friend, a friend that's in trouble.

Mr. WAXMAN. Why do you think Mr. Hubbell was paid this money?

Mr. HUANG. Mr. Riady was just trying to—based on the friendship, would just like to help him.

Mr. WAXMAN. To your knowledge, was the President involved in any way in the decision of the Riadys to hire Mr. Hubbell?

Mr. HUANG. No, I don't know about that.

Mr. WAXMAN. Mr. Huang, while working for the DNC, you played a role in organizing an event at the Hsi Lai Temple in Cali-

ifornia in April 1996. The event was attended by members of the local Asian American community, along with Vice President Gore. Since then there have been allegations that members of the temple made illegal contributions to the DNC. In fact, one woman, Maria Hsia, faces trial next year for conspiring with temple leaders to make conduit contributions.

Now, let me ask you, Mr. Huang, did you know anything about these alleged conduit contributions?

Mr. HUANG. I did not know.

Mr. SOUDER. Parliamentary inquiry. May I make a parliamentary—at that time, did Mr. Waxman—

Mr. BURTON. Gentleman may state his parliamentary inquiry.

Mr. SOUDER. We have a lot of redacted material related to that particular fundraiser. Are we going to be allowed to ask questions about that? What is the standard going to be in these hearings?

Mr. BURTON. We can ask questions as far as the redacted material is concerned. That has been redacted by the Justice Department and the FBI. But questions can be asked of Mr. Huang.

Mr. SOUDER. Continuing my parliamentary inquiry, then people should realize that when we get answers, that he may not be able to say certain things, and we may not be able to put certain things in the record that would clarify those questions because we are restricted as to what we can talk about.

Mr. BURTON. Yes, I think that's correct. I think you can stipulate that in your questions.

Mr. SOUDER. I thank the chairman and the gentleman for yielding, and he should get the time. I apologize.

Mr. COBB. May I ask a question in response to Congressman Souder's question?

Mr. BURTON. Well, we normally don't allow counsel to ask questions.

Mr. COBB. I just want to make sure that my client understands the ground rules because he indicated that Mr. Huang may be under some restriction as to what he can answer, and I don't—that's not my understanding.

Mr. BURTON. There is no restriction whatsoever on questions that he may want to answer, and I apologize, but the counsels are not allowed to answer questions. That's a very strict rule.

Mr. Waxman, we are going to give you additional time.

Mr. WAXMAN. Thank you, Mr. Chairman.

I appreciate Mr. Souder's point because I think the essential thing with redacted information is that if we had that information, we are not permitted to make it public, but we are certainly permitted to ask you questions about what you know about matters that we may have had some information about, and I asked you whether you knew anything about these alleged conduit informations at the Hsi Lai Temple.

Mr. HUANG. I do not, I do not know.

Mr. WAXMAN. And did the Vice President know anything about these alleged conduit contributions, to your knowledge?

Mr. HUANG. I don't think so. I don't believe he did.

Mr. WAXMAN. Were you at that event?

Mr. HUANG. I was at that event.

Mr. WAXMAN. Was it a Democratic party event, or was it a community event?

Mr. HUANG. I have a misgiving in explaining those things. I don't know I should at this particular time or not. Originally, there was a fundraising event supposed to be in a different location, and there was supposed to be a community event in the Hsi Lai Temple, but later on the scheduling problems and everything was planned, so we had to combine everything together. So, so I don't know how to answer that. Basically it's a lot of community people coming in.

Mr. WAXMAN. A lot of community people from the Asian American community were at this event?

Mr. HUANG. A lot of community people came into the event, yes.

Mr. WAXMAN. And the Vice President was there, but were there other officerholders there?

Mr. HUANG. Some. I think one of the supervisors in L.A. County, Don Knabe, he was invited as a guest.

Mr. WAXMAN. I think he's a Republican, the last time I checked.

Mr. HUANG. That's correct.

Mr. WAXMAN. You have admitted soliciting contributions for Bill Clinton and the DNC in 1992 and 1993, but you also solicited and contributed money for a variety of national and local candidates, including Republican Senators such as Al D'Amato, Mitch McConnell and Larry Pressler. I'd like to ask you about those contributions. Did you contribute money to Mitch McConnell, the Republican Senator from Kentucky?

Mr. HUANG. Yes, I did.

Mr. WAXMAN. How much money did you contribute?

Mr. HUANG. I don't know if it was \$1,000 for myself and another thousand for my wife or not. It could be only \$1,000 at this time.

Mr. WAXMAN. Why did you make this contribution?

Mr. HUANG. The reasoning is at that particular moment we were trying to push the immigration bill. So we can, we can do—get help from the Democratic side, so we thought we need to get the help from the Republican side as well. I—so I think that was conscious decision from then in the PLC, Pacific Leadership Council's member, we need to do something for the Republican Senators as well.

Mr. WAXMAN. And was that your reasoning in giving to Senator Pressler and Senator d'Amato as well?

Mr. HUANG. The other minor reason was Elaine Chou Lin was also introducing Senator—not Senator d'Amato—I am talking about Mitch McConnell again. She was also there.

Mr. WAXMAN. She was. Was that his wife at the time?

Mr. HUANG. Not then. She was a very distinguished, you know, Chinese American community leader then. Now, she's his wife. For Mr. D'Amato was a—was a different reason. There were more reasons, because I receive a call from Mrs. Elaine Chou because I was a banker then, was in the banking business, and she was asking would I support Mr. D'Amato because Mr. D'Amato was coming in town, indicating Mr. D'Amato was in the Banking Committee. So with his recommendation I did support Mr. D'Amato.

Mr. WAXMAN. I'm out of time, but these don't seem like they're significant to me. Do they have any significance to you and to the reason we are holding this hearing? Do you have anything to tell

us about it that might show some significance in regard to these contributions?

Mr. HUANG. The only thing is that these funds were reimbursed later on.

Mr. WAXMAN. They were reimbursed?

Mr. HUANG. They were reimbursed later on, into one lump sum group basically, whatever the contribution I made, and I totaled it up, and in a future date I got reimbursed. So this is a part of that.

Mr. WAXMAN. So these are part of the conduit contributions?

Mr. HUANG. That is correct, sir.

Mr. WAXMAN. Thank you, Mr. Chairman.

Mr. BURTON. Were the individuals like Senator McConnell ever made aware of that money being conduit contributions?

Mr. HUANG. No, sir.

Mr. BURTON. Well, we probably ought to tell them about it. They may want to send some of that back.

Let me ask you about the temple. You had 11 nuns who have taken a vow of poverty that each gave \$5,000. To whom did they give that money?

Mr. HUANG. I believe the check was made out to DNC, if I'm not mistaken.

Mr. BURTON. Who took the money? Did you take it?

Mr. HUANG. I did not.

Mr. BURTON. Who did?

Mr. HUANG. A stack of checks was handed to me on my way from Los Angeles to—

Mr. BURTON. So you had the stack of checks in your possession?

Mr. HUANG. No. Through—in an envelope through Maria Hsia.

Mr. BURTON. But you saw the checks?

Mr. HUANG. I did not really examine the checks.

Mr. BURTON. You didn't look at the checks?

Mr. HUANG. Until I get back to—

Mr. BURTON. When you came back to Washington, did you look at the checks?

Mr. HUANG. I did.

Mr. BURTON. Did you see that they came from the nuns?

Mr. HUANG. Yes, I knew they came from nuns, yes.

Mr. BURTON. Where did you think the nuns got that money?

Mr. HUANG. All right. Here's the understanding, Mr. Chairman. In our culture, in our society, some nuns or even individual, they made a lot of money. They may decide—feel their life is still empty, they gave the money.

Mr. BURTON. You thought the nuns actually gave the money themselves?

Mr. HUANG. No. They gave the money to the temple, for instance. They gave every property to the temple. Basically they're very wealthy themselves. There are quite a lot of people like that.

Mr. BURTON. I know, but where do you think the nuns got the \$5,000 that they gave to the DNC?

Mr. HUANG. I was told some of these nuns were very wealthy, it was their money.

Mr. BURTON. So you believed that the 11 nuns gave the \$5,000 themselves?

Mr. HUANG. Yes, I did.

Mr. BURTON. You had no doubt about that?

Mr. HUANG. I did not at the time.

Mr. BURTON. Let me go back to my original line of questioning. Why did Mr. Riady need to tell President Clinton in the back of the limousine that he was going to give him \$1 million for his campaign?

Mr. HUANG. I do not know.

Mr. BURTON. Who proposed that he ride in that limousine with President Clinton? Did you have anything to do with that?

Mr. HUANG. I had something to do with that.

Mr. BURTON. Why did you arrange for Mr. Riady to ride in the back of the limousine?

Mr. HUANG. Mr. Riady would like to have chance to have a little moment with Mr. Clinton.

Mr. BURTON. But you didn't know anything about the million dollars he was going to talk about?

Mr. HUANG. At that moment, no, in terms of how much amount he was trying to do.

Mr. BURTON. Were there other people that were involved in asking that Mr. Clinton ride in the limousine, like Melinda Yee or Bruce Lindsey or Governor Clinton or Rahm Emanuel or Melissa Moss?

Mr. HUANG. I would not know about that.

Mr. BURTON. But you arranged for him to ride in the back?

Mr. HUANG. The primary persons that I was contacting was Melinda Yee, because Melinda Yee at that time was working with the DNC.

Mr. BURTON. But she didn't say anything about anybody else asking her about meeting with Mr. Riady in the limousine?

Mr. HUANG. I did not recall there was any other persons were involved.

Mr. BURTON. When were you told that he was going to be taking that ride, was it just before, or was it some time before?

Mr. HUANG. It was before.

Mr. BURTON. Just recently or some time before? Was it a day before, a week before?

Mr. HUANG. Very close to the event, because they could not really find out what would be the format for them to meet.

Mr. BURTON. Who told you that?

Mr. HUANG. I don't know if that was Melinda Yee or not. I tend to think it was Melinda Yee.

Mr. BURTON. It wasn't Bruce Lindsey or Rahm Emanuel or Melissa Moss?

Mr. HUANG. No, I did not know Bruce Lindsey then.

Mr. BURTON. OK. When did James Riady conceive the plan, or do you know when he conceived the plan to give \$1 million to the President's campaign?

Mr. HUANG. Probably a few weeks before that.

Mr. BURTON. But you didn't know about it until the limousine ride?

Mr. HUANG. No, I did not know about the limousine ride.

Mr. BURTON. Did you know about the million dollars that was going to be offered to him before the ride?

Mr. HUANG. I was trying to explain to him, Mr. Chairman, remember when I testified to you, originally tried to mention he was friends, we need to support him, and I was suggesting something like that much less amount, if we need to support, maybe we should support like \$100,000. He was thinking about the concept if he really want to support, why not support a much larger amount.

Mr. BURTON. So you suggested to Mr. Riady a \$100,000 contribution before the limousine ride?

Mr. HUANG. That was way back, a few weeks back already.

Mr. BURTON. But it was well before then?

Mr. HUANG. Right.

Mr. BURTON. Who else besides Mr. Riady knew about this plan of giving a large amount of money to the President before the limousine ride? Did you convey that to anybody else besides Mr. Riady?

Mr. HUANG. Oh, no, no.

Mr. BURTON. You didn't tell anybody else that?

Mr. HUANG. No.

Mr. BURTON. How long did that limousine ride last?

Mr. HUANG. Probably about 5, no more than 10 minutes, if it's—the driver drive slowly. As I testified to you earlier, Mr. Chairman, the two locations was already in the same city, in San Gabriel.

Mr. BURTON. Who was in the car besides the President and Mr. Riady?

Mr. HUANG. I don't know because everything is under security. So they all went into the elevator, go all the way downstairs to the parking lot.

Mr. BURTON. So you don't know if Bruce Lindsey was in the car with him?

Mr. HUANG. I would not know, sir.

Mr. BURTON. Were any notes taken of the conversation that you know of between the President and Mr. Riady?

Mr. HUANG. I would not know, sir.

Mr. BURTON. Following the limousine ride, did you and Mr. Riady discuss what happened?

Mr. HUANG. Yes.

Mr. BURTON. And can you tell me what he told you?

Mr. HUANG. He said he mentioned to—I could not say the exactly words, but I can paraphrase as close as possible, sir. He said he would like to help Mr. Clinton for his campaign or fundraising, whatever, raise \$1 million and Mr. Clinton's—Mr. Riady showed me the response of Mr. Clinton was very surprised suggestion.

Mr. BURTON. Did Mr. Riady indicate that he wanted anything in return for the million dollars?

Mr. HUANG. Oh, no, no, sir.

Mr. BURTON. He just wanted to give it out of the goodness of his heart?

Mr. HUANG. Right. Mr. Chairman, he likes to help friends. They knew each other.

Mr. BURTON. Well—

Mr. HUANG. And also—

Mr. BURTON [continuing]. I wish I knew some friends like that. Just give him \$1 million for his campaign out of the goodness of his heart.

Mr. HUANG. To give a political contribution, certainly you will get some recognition on political fronts. Mr. Riady probably has multiple purposes in doing so, you know, for his business and also—

Mr. BURTON. So you believe he had some multiple purposes, but you don't know what they were at the time?

Mr. HUANG. I can speculate for you right now.

Mr. BURTON. You cannot speculate?

Mr. HUANG. I can.

Mr. BURTON. Can you speculate right now?

Mr. HUANG. For the status, as I mentioned already, you know, the standing, and also the benefit for the business, later on he would get recognition, and also can tell the people in Asia he knows Mr. Clinton, and all these things probably would be part of the benefits that I think he might be able to get.

Mr. BURTON. But you don't know whether or not he discussed anything in particular with Mr. Clinton?

Mr. HUANG. Oh, no, no, sir.

Mr. BURTON. Mr. Shays.

Mr. SHAYS. Mr. Huang, given the 5-minute process, we are—keep doing 5 minutes, going to the next, so I am just going to review where you are with me. Where you are with me is that you made a statement that said you regretted your mistakes. You didn't call them illegal actions, so it is illegal actions plus mistakes. Where you are with me is basically that—the recognition that you worked for the Riadys from 1985 to July 1994; you worked for Commerce from July 1994 to December 1995; and you worked at DNC, Democrat National Committee, from December 1995 to October/November 1996 where you raised money. And where you are with me is that afterwards your relationship continued with the Riadys. They gave you a \$18,000 gift in 1997, \$20,000 gift in 1998, and they paid for your travel to Jakarta in 1999. So that's kind of where we are at.

You then acknowledged that you regretted illegal acts that took place in 1992. I want you to spell out what those illegal acts were. What did you plead guilty to?

Mr. HUANG. I get reimbursement for my contributions. I knew some of my colleagues who were reimbursed, and I also—I forgot to mention to you in the last round, I just thought of that—and also I gave some of my colleagues money for them to write checks, but that was a relative small amount.

Mr. SHAYS. That was money that wasn't necessarily yours that you gave to others to write out?

Mr. HUANG. That is correct, yeah.

Mr. SHAYS. That was money from whom?

Mr. HUANG. From me first, and later on I also reported that back to Mr. Riady.

Mr. SHAYS. Not from you first. It was—OK, I am sorry, sorry. Then you were reimbursed later?

Mr. HUANG. That's correct.

Mr. SHAYS. From whom?

Mr. HUANG. From Mr. Riady.



Mr. SHAYS. What was the amount, total amount, of these transactions during the 1992 cycle?

Mr. HUANG. Directly related to me was—I can only go by the report that the government has investigated on that.

Mr. SHAYS. No, you can go by what you did. You'd know what you did.

Mr. HUANG. I really don't have exact records right at this moment. Probably I can only think about is based on records, about \$150,000 something.

Mr. SHAYS. OK. Well, here is what we are going to do. Tomorrow when you come back, I want the real number, not the record number. I want to know all of those transactions, not the ones you necessarily pleaded guilty to. So that's the difference here. The difference is you pleaded guilty to something, you have an agreement, and that's what you were guilty of according to the court. But I want to know what you did that extended beyond that that you didn't plead guilty to, and you can provide that information to me tomorrow.

Mr. HUANG. OK, sir.

Mr. SHAYS. Thank you. Thank you.

Now, my understanding is that you didn't plead guilty to these actions, and you may not feel you are guilty, but these are mistakes as well. According to our information, you raised \$3.4 million when you were at the DNC, and that so far \$1.6 million had to be returned. They had to be returned because they were illegal contributions.

Mr. HUANG. I still do not know the real reason behind this, behind the returning of that \$1.6 million. I did not really have the privilege of knowing that. DNC did not really tell me about that. I don't know what the true reason on that, but at the time when I collect those money, I did not have any of those information, whether it was a decoy or not.

Mr. SHAYS. It would be helpful for you to be prepared tomorrow when we go through that number, and we will go through each of the numbers and why they were returned. They were returned because they were illegal contributions. Believe me, the DNC or the RNC is not going to return money if they, in fact, were raised legally, and with all the ways you can get around the law and be legal, it's really significant when you have to return the money because you can raise money from corporations and labor unions and from foreign governments and have it not be illegal technically under the law if it's soft money. So this is money I would like to have you explain.

Mr. WAXMAN. Would the gentleman yield to me?

Mr. SHAYS. Yes, I'd be happy to.

Mr. WAXMAN. I would just like to make a point. He may or may not know about the source or reason for the return of the contributions by the DNC, but as I understand it, in some cases the DNC returned money if they did not have sufficient information to know whether it was a legal contribution, as well as contributions they knew to be illegal.

Mr. SHAYS. Maybe what you could do is you could come tomorrow and provide us the information on why they took the \$1.6 million

and gave it back because they wouldn't have done it unless they felt they needed to.

Mr. WAXMAN. Thank you for giving me the homework assignment. I am simply informing you from the press reports that I have read that they gave some back and for reasons, but you can ask the DNC. I have no knowledge myself.

Mr. SHAYS. Reclaiming my time, it is just since I yielded to you and you seem to have an opinion about it, maybe I think then you can share the information. The bottom line is the DNC, the DNC returned \$1.6 million, and I'd like to know why they returned \$1.6 million that you raised, and we will go through that, but I suspect that's also a mistake, and you did it while you were at the DNC. You raised this money while you were at the DNC, correct?

Mr. HUANG. Mr. Shays, I really did not know why we returned that now.

Mr. SHAYS. Did you raise this money while you were at the DNC?

Mr. HUANG. That is correct.

Mr. SHAYS. It is money returned, some of it illegal, and yet in response to Mr. Waxman's question, you said the DNC did not do anything illegal. You were an employee of the DNC. I want to make sure that you aren't splitting hairs here. If you raised money as an employee of the DNC, the DNC did something illegal.

Mr. HUANG. No. At the time when I raised the money, DNC did not know those things were illegal.

Mr. SHAYS. Right. And your testimony is that you didn't know any of that money was illegal?

Mr. HUANG. That is correct, at the time when I raised it.

Mr. SHAYS. Now—but it is also a fact that just because you didn't know it doesn't make it illegal, I mean, we don't have that convenience, and to be able to say, since I didn't know it was illegal, therefore it is not illegal—it was illegal, and I wonder if your answer to Mr. Waxman was as candid as it needed to be. Thank you.

Mr. WAXMAN. Mr. Chairman, I want to seek my 5-minute round now.

Mr. BURTON. You had 5 minutes.

Mr. WAXMAN. That was in the last round. If the gentleman would permit, because I would like to be able to respond to some of the points that were just made.

Mr. BURTON. The reason we have a limitation of 5 minutes, and we are just going right down the line, and we'll come back to you.

Mr. WAXMAN. But point of order, Mr. Chairman. We are in the second 5-minute round. I have not had a chance to do that. We did the round, you concluded the first 5-minute round, and then we started the second 5-minute round, and we are going to Mr. Shays.

Mr. BURTON. We are going in order. Go ahead. Go ahead.

Mr. SHAYS. May I be clear on one thing. I make an assumption that you said 30 minutes each. So, Mr. Burton, you used your 30 minutes, and you used your 30, so the same thing would apply to you, I guess, as well.

Mr. BURTON. It would, but we'll go ahead and let Mr. Waxman go now. Mr. Waxman.

Mr. WAXMAN. Before you all applaud yourselves for being so generous, the rules are that when you have a 5-minute round, each

Member gets 5 minutes, and it goes back and forth, and you will hear only from Republicans from here on out in asking questions.

If you receive—if you solicit a contribution working for the DNC, and you don't know that it is illegal, and you receive it, and the DNC doesn't know it's illegal, that doesn't mean you committed any illegal act or the DNC committed any illegal act; is that correct?

Mr. HUANG. That's correct.

Mr. WAXMAN. But Mr. Shays is correct, it is an illegal contribution because the person who gave it might have given it improperly or illegally.

Mr. HUANG. That's after the fact.

Mr. WAXMAN. Is that your understanding? So I have heard—and I don't know what the DNC records are, but I am sure this committee has asked for it, and so some way or another maybe we can get that information out—the DNC after the Presidential election in 1996 found out that some of the contributions that they had received thinking they were legal turned out to have been improperly made to them, and they gave some of them back. Is that your understanding as well?

Mr. HUANG. That is correct.

Mr. WAXMAN. Now, I also understand that some of the contributions they received, they couldn't figure out whether they were legal or not, and because they didn't have sufficient information, it didn't make it illegal, they just—because all this turmoil was going on in the press, and the Republicans were screaming and yelling, they just returned the money to the contributor and for no particular reason, except the appearance. Is that your understanding?

Mr. HUANG. That is best I can understand, yes.

Mr. WAXMAN. So before Mr. Shays gives you a homework assignment and gives me a homework assignment, he ought to ask the members of the staff of this committee that subpoenaed over a million documents from the White House and the DNC and everybody else in sight to give us this information, because I don't know if you are going to be able to answer questions you don't know anything about, and I am certainly not going to be able to answer questions that I don't know anything about.

So I want to put that on the record, and have people understand, it is the same if Mr. Shays receives a campaign contribution or Mr. Burton or I, and we don't know that it came from somebody that was not entitled to give us a contribution. We try before we receive it or when we disclose it to make sure that it wasn't a corporate contribution, which would be illegal. If we find it is corporate, we return it. If it were a corporate contribution, it is not illegal unless the person making the contribution knew that it was illegal to give it.

Sometimes people give a contribution, they write a check out of their corporate account, and then we draw their attention to the matter and return the contribution and say we can't accept it. If we knew it were corporate and accepted it and used it, then that's a different story.

I wanted also, just because I have the time and a few minutes—Mr. Burton seemed shocked that anybody would give a million-dollar contribution out of the goodness of their heart. Well, people

don't give contributions out of the goodness of their heart. Maybe Mr. Riady was doing it because he wanted to impress upon President Clinton that he was giving him or going to raise for him \$1 million, and as you indicated, he had a multiplicity of motives; isn't that right?

Mr. HUANG. That's correct.

Mr. WAXMAN. He wasn't doing it just out of the goodness of his heart. I am conjecturing, but he wanted the status of riding in the limo with the President?

Mr. HUANG. Right.

Mr. WAXMAN. Being able to be someone who could call on the President as one of his major supporters and friends? There are a lot of friends people have in politics, and friendships defined under our crummy campaign finance system as people who give us money—they become our friends. They're the ones that get access to us. They are the ones that are meeting in the congressional offices all the time.

The tobacco industry happens to be a very close friend of the Republican party. They gave \$8.8 million to the RNC. Now, they got a tax break, which they couldn't hold onto when it became public, of \$50 billion, and there is an organization called Amway. Their founder, Richard DeVos, and his wife gave \$1 million to the RNC in April 1997. During the 1997 budget, Speaker Gingrich worked to secure tax breaks worth more than \$200 million for Amway. Well, I don't know Mr. DeVos, but I know he's a very devoted Republican. He probably ideologically likes the Republicans and wants to help them succeed, but it doesn't mean that he wouldn't come and ask for some assistance from them.

There is a Texas businessman by the name of Harold Simmons, and his family, they gave \$1.5 million to Republican candidates since 1980. The 1997 budget gave them a \$60 million tax break.

Now, are these quid pro quos? They didn't maybe say, "I will give you this money and you give me a tax break." They suddenly became friends of the people who were able to write the tax laws because they control the Congress. So, if anything, Mr. Shays ought to understand, because he said it over and over again, this campaign finance system is disgustingly corrupting because people are out raising money all the time, and the limits that we used to have, that try to bring some sense to the laws, are out the window. It used to be when we ran for Congress, we can get no more than \$1,000 contribution per person. Well, sure, but you can give \$10,000 of corporate money to the Republican or the Democratic party building organizations, and then they run the commercials.

The American people know this system stinks. Some people have tried to change it like Mr. Shays, but if you go down the list of the members on this committee, I don't know, most of them probably voted against Mr. Shays' bill. I voted for it, and the purpose of this investigation should have been to change the campaign finance system. Instead, as I have said over and over and over again, and will continue to say, the purpose of this hearing, since it is only looking at campaign issues relating to Democrats, is to use the taxpayers' money, \$7 million in the last Congress, to try to figure out ways to make the Democrats and President Clinton look bad while we all look bad when we have a campaign finance system that we have

at the present time where people are out raising money. Even the chairman is raising money, I am raising money, everybody is raising money. And then our friends who give us money want to come in and talk to us about things of mutual interest.

My time, I see, is up, but I felt that I really ought to throw this information out there. Let's not kid anybody about what's going on. We have got a system where everybody is out raising money, and it invites corruption on the part of people involved in it.

Mr. BURTON. I will take my 5 minutes real quickly here. As time goes on, we will get back into the Riadys and the Lippo Group ties to the PRC intelligence agencies. We know through Johnny Chung that \$300,000 was given to him to be given to the President's reelection committee. He testified under oath about the head of the Peoples Liberation Army's intelligence agency, and Mr. Chung, Johnny Chung, knew that he was subject to perjury charges as well if he lied. So the People's Liberation Army intelligence agencies, during the time that espionage was taking place at Los Alamos and they were given nuclear secrets, were giving money to the President's reelection committee, and that's a fact.

Now, Senator Lieberman said, and I said this earlier, quote, non-public evidence presented to the committee, that's intelligence information, demonstrates a continuing business-intelligence relationship between the Riadys, the Lippo Group, and the PRC intelligence service. So once again you have got the People's Liberation Army in Communist China tied to the Riadys because of our intelligence services stating that. Now, we can't go into details, but that's fact.

Now, Mr. Riady, a member of that group, gave \$1 million to the President's campaign. He knew it was illegal. Now, that's different than somebody doing something even though it might be illegal here in the United States, because we are talking about a foreign government or a foreign entity that has ties to the People's Liberation Army and their intelligence apparatus giving \$1 million, and we don't know what the reason for that was. So there is an awful lot of things here that we ought to be concerned about.

In addition to that, let me talk about what we were talking about earlier and what Mr. Shays was talking about. You knew that you had given or raised money illegally, you have already admitted that.

Mr. HUANG. Right.

Mr. BURTON. When did you know that that money was illegally raised?

Mr. HUANG. It was starting from 1992.

Mr. BURTON. From 1992. So you went to the DNC as one of the financial fundraising leaders over there after you knew you had broken the law, and you had raised money illegally, you knew that. Now, after you went over there, you raised \$3 million, and \$1.6 million was returned because it was illegal. Now, you have sworn under oath here to tell us the truth, and you said that you didn't know that money was illegal, but you know it has to raise a question in some of our minds. You knew you were raising money illegally back in 1992, 1993 and 1994, but when you went to the DNC, you raised \$3 million, \$1.6 million of which was returned, and you are saying you did not know that was illegal money?

Mr. HUANG. That is correct. At the time when I raised the money, I did not think the money I raised was illegal, when I was in DNC.

Mr. BURTON. When you were at the DNC, you did not think it was illegal?

Mr. HUANG. Right.

Mr. BURTON. But the money you raised prior to that, back in 1992 and 1993 and 1994, you knew that there was illegality involved then?

Mr. HUANG. That is correct.

Mr. BURTON. So when you went to the DNC and you raised this \$3 million, you didn't continue the practice of raising the money illegally?

Mr. HUANG. No.

Mr. BURTON. And yet \$1.6 million was returned because it was illegal?

Mr. HUANG. I did not know again, Mr. Chairman.

Mr. BURTON. I know, but the point is you can understand why we might be a little bit concerned because you raised money illegally knowing it, and then you come to the DNC and you raised \$3 million plus, and \$1.6 million is returned, just like the other was illegal money, and you are saying you didn't know that when you were at the DNC.

Mr. HUANG. The matter, it was illegal during 1992 and 1994, Mr. Chairman, was related to a very close group which is within the Lippo Group executive. It was not going outside that group, as you probably know from the—from the records, but when I was in the DNC, I did not really go into the practice. I didn't go to the—you know, the general public's basically and—

Mr. BURTON. I think you can see, Mr. Huang, how we have some concerns and maybe some doubts in the back of our mind, because if it was illegal here, and you were raising money and you knew it, and then you go to the DNC and you raise \$3 million, and \$1.6 million is returned because it is illegal, you would think that you might have known that because you were doing it previously, it was a previous mode of operation.

Let me go back to some other questions because I want to stay on this one theme that—or one issue that we were looking at regarding the limousine ride, because there are a lot of things that we are going to try to get to regarding that. Did anyone suggest that Mr. Riady should not give \$1 million in contributions to the President's committee or to the DNC?

Mr. HUANG. You talking about raise \$1 million?

Mr. BURTON. Yes.

Mr. HUANG. No.

Mr. BURTON. Did anyone say he should not do that, raising it from the Lippo?

Mr. HUANG. I have no knowledge on that.

Mr. BURTON. When he told you that, did you say anything to him about, hey, that might not be the right thing to do because it is money coming from a foreign corporation?

Mr. HUANG. I did not.

Mr. BURTON. You didn't say anything?

Mr. HUANG. I did not say anything.

Mr. BURTON. Are James Riady and President Clinton the only two people who can say what actually happened in that limousine? To your knowledge, was there anybody else in the limousine who could say what happened?

Mr. HUANG. The obvious two person, I don't know anyone else who might know.

Mr. BURTON. Maybe you can look at exhibit 24 in your book there. It is a chart of the Lippo-related contributions after Mr. Riady made his \$1 million promise to President Clinton, if you can look at that. Were all of these people either Lippo employees or spouses of Lippo employees?

[Exhibit 24 follows:]

**LIPPO-RELATED CONTRIBUTIONS  
AFTER THE LIMOUSINE RIDE**

Contributor	Date	Amount	Recipient
David Yeh	8/18/92	\$5,000	DNC
David Yeh	8/18/92	\$5,000	DNC
Christina Yeh	8/23/92	\$5,000	DNC
Christina Yeh	8/28/92	\$5,000	DNC
John Huang	8/31/92	\$1,500	California Democratic Party
Felix Ma	8/30/92	\$5,000	DSCC
Jane Huang	9/1/92	\$1,000	DNC
John Huang	9/8/92	\$1,500	DSCC
Felix Ma	9/10/92	\$5,000	Michigan Democratic Party
Jane Huang	9/15/92	\$5,000	DNC
Jane Huang	9/15/92	\$5,000	DNC
Mary Ma	9/15/92	\$5,000	Michigan Democratic Party
John Huang	9/16/92	\$1,000	California Democratic Party
Jane Huang	9/16/92	\$1,000	California Democratic Party
Joseph Chiang	9/18/92	\$10,000	DNC
Donna Chiang	9/18/92	\$10,000	DNC
San Jose Holdings	9/21/92	\$10,000**	Citizens Vote/Vote Now '92
Toy Center Holdings	9/21/92	\$10,000**	Citizens Vote/Vote Now '92
Joseph Chiang	9/22/92	\$10,000	DNC
Donna Chiang	9/22/92	\$10,000	DNC
Joseph Sund	9/23/92	\$5,000	Arkansas Democratic Party
Joseph Sund	9/24/92	\$10,000	DNC
Felix Ma	9/25/92	\$5,000	DSCC
Felix Ma	9/30/92	\$5,000	Ohio Democratic Party
Mary Ma	9/30/92	\$5,000	Ohio Democratic Party
Mary Ma	9/30/92	\$5,000	DSCC
James Riady	9/30/92	\$75,000	Michigan Democratic Party
Bie Chuan Ong	9/30/92	\$5,000	Michigan Democratic Party
Joseph Sund	9/30/92	\$5,000	Michigan Democratic Party
James Riady	10/5/92	\$75,000	Ohio Democratic Party
Christina Yeh	10/7/92*	\$5,000	DNC
Christina Yeh	10/7/92*	\$5,000	DNC
James Riady	10/8/92	\$5,000	Arkansas Democratic Party
James Riady	10/8/92	\$75,000	Arkansas Democratic Party
Aileen Riady	10/8/92	\$5,000	Arkansas Democratic Party
Bie Chuan Ong	10/9/92	\$5,000	California Democratic Party
Lucy Jao Ong	10/10/92	\$5,000	Arkansas Democratic Party
James Riady	10/12/92	\$75,000	Louisiana Democratic Party
Aileen Riady	10/12/92	\$50,000	Georgia Democratic Party
Aileen Riady	10/15/92	\$50,000	N. Carolina Democratic Party





Ricor Da Silveira	10/19/92	\$5,000	DSCC
Brenda Da Silveira	10/19/92	\$5,000	DSCC
Bie Chuan Ong	10/19/92	\$5,000	Arkansas Democratic Party
Ricor Da Silveira	10/21/92	\$5,000	Michigan Democratic Party
Lucy Jao Ong	10/21/92*	\$5,000	California Democratic Party
Ricor Da Silveira	10/22/92	\$5,000	Arkansas Democratic Party
Lucy Jao Ong	10/22/92*	\$5,000	DSCC
Bie Chuan Ong	10/23/92*	\$5,000	DSCC
Lucy Jao Ong	10/23/92*	\$5,000	Michigan Democratic Party
Felix Ma	10/23/92*	\$5,000	Missouri Democratic Party
Joseph Sund	10/23/92*	\$5,000	Michigan Democratic Party
John Huang	10/27/92	\$2,500	DNC
John Huang	10/31/92	\$1,000	DSCC

**Lippo-Related Contributions to Political Parties After the Limo Ride \$644,500**

\* Indicates the date it was recorded by the FEC. Otherwise, it is the date of the check.

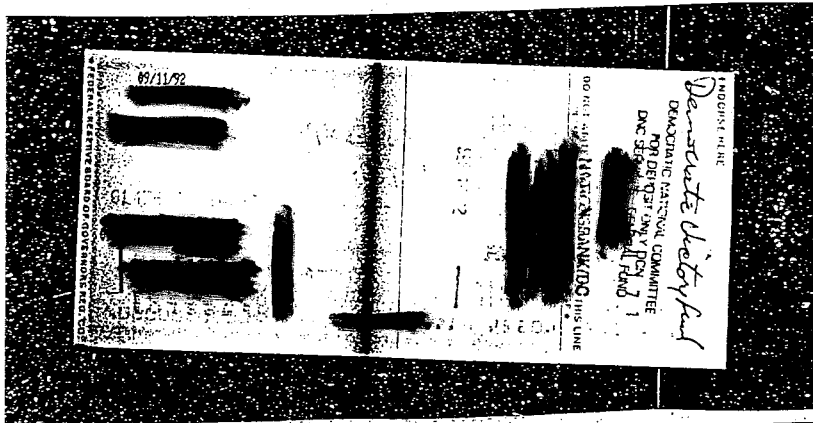
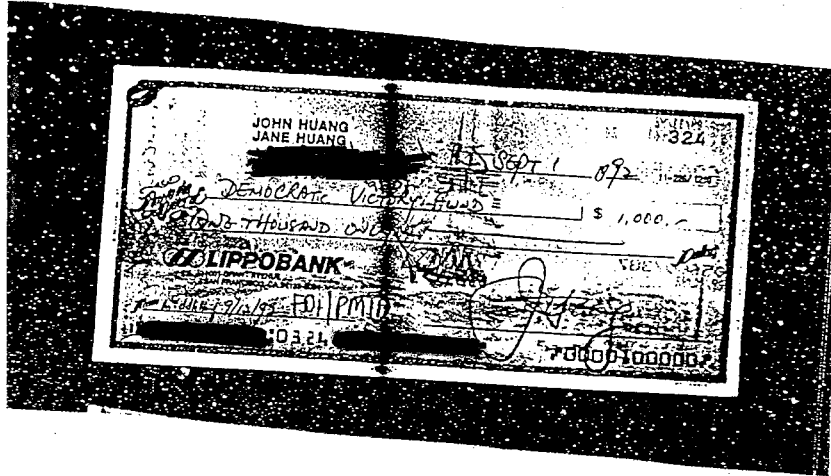
\*\* The contributions to Citizens Vote/Vote Now '92 were returned for lack of an endorsement.

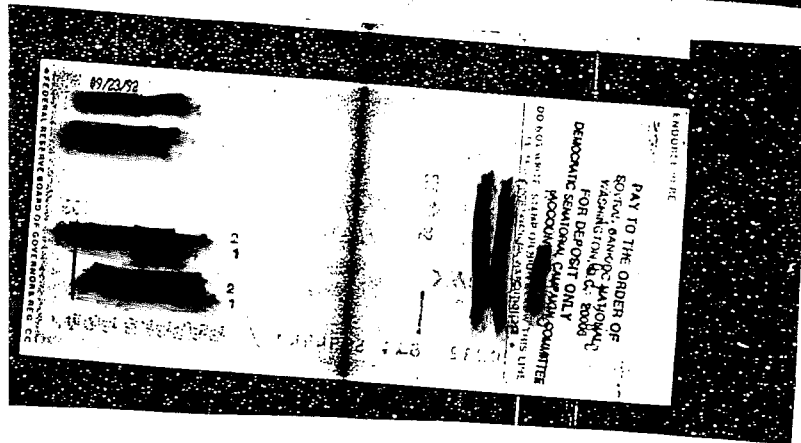
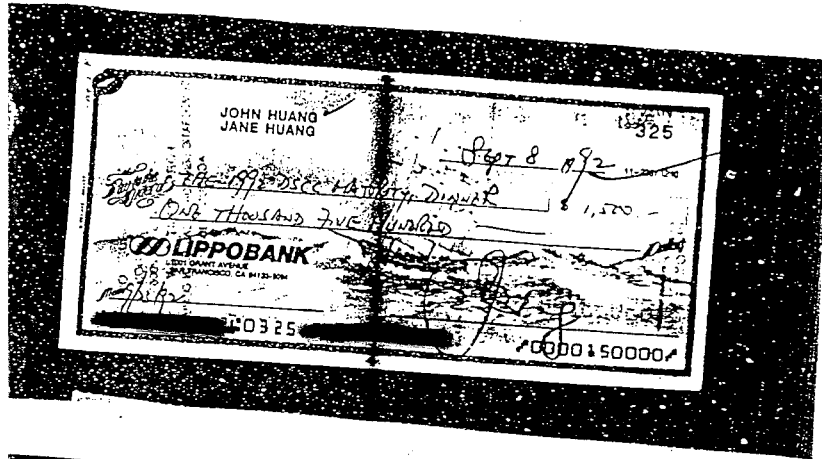
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JANK HUNG  
August 10, 1992  
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JANK HUNG  
JANK HUNG  
August 11, 1992  
LIPPOBANK  
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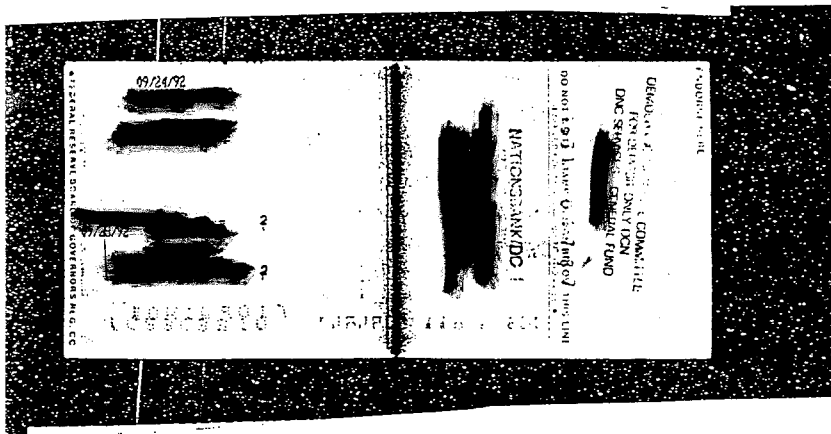
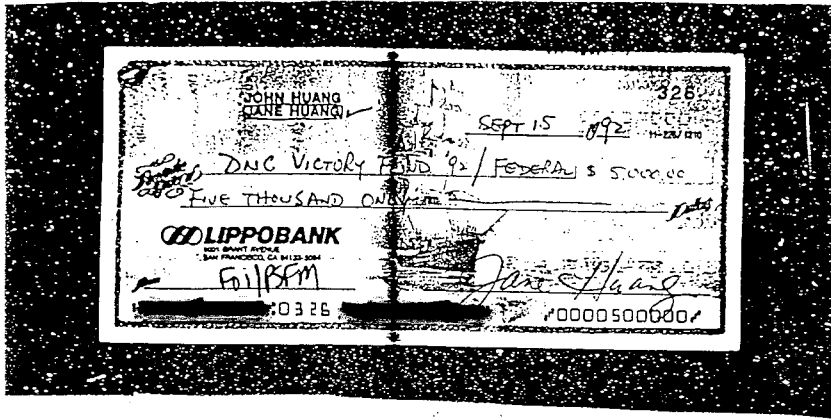
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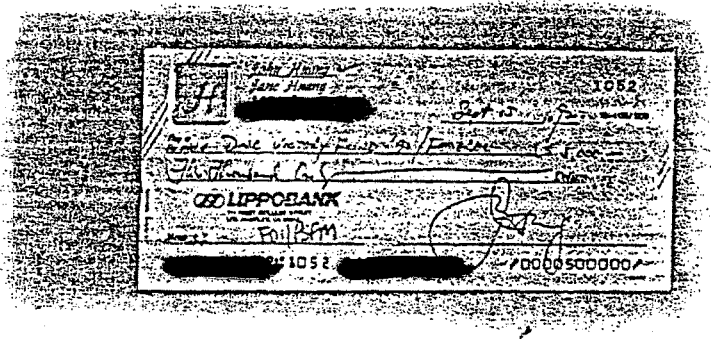





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L 010725



L 004939


 John Huang  
 Jane Huang  
 [Redacted]

1053

15-41531-000

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One Thousand Only Dollars

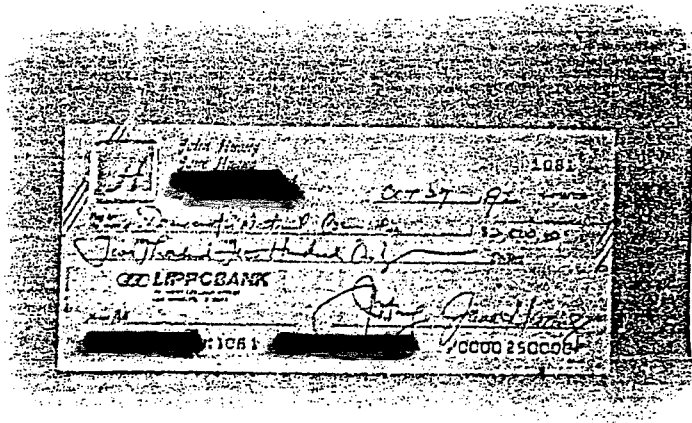
**LIPPOBANK**  
711 WEST COLLEGE STREET  
 LOS ANGELES CA 90012

Memo: [Signature]  
 [Redacted] 1053 [Redacted]

F 0031688







L 004969



NAME J/ S T. RIADY  
 ACCOUNT NO. [REDACTED] 10/08/ 19 92 16-1126/1220  
 PAY TO THE ORDER OF ARKANSAS STATE DEMOCRATIC PARTY/FEDERAL ACCOUNTS **\*\*5,000.00\*\***  
 \*\*\*FIVE THOUSAND ONLY\*\*\*\*\* DOLLARS  
**LIPPOBANK**  
 711 WEST COLLIER STREET  
 LOS ANGELES, CA 90014  
 MEMO [REDACTED] *James T. Riady*

NAME JAMES T. RIADY  
 ACCOUNT NO. [REDACTED] 10/08/ 19 92 16-1126/1220  
 PAY TO THE ORDER OF \*\*\*ARKANSAS STATE DEMOCRATIC PARTY\*\*\*\*\* **\*\*75,000.00\*\***  
 \*\*\*SEVENTY FIVE THOUSAND ONLY\*\*\*\*\* DOLLARS  
**LIPPOBANK**  
 711 WEST COLLIER STREET  
 LOS ANGELES, CA 90014  
 MEMO [REDACTED] *James T. Riady*

NAME JAMES T. RIADY  
 ACCOUNT NO. [REDACTED] 09/30/ 19 92 16-1126/1220  
 PAY TO THE ORDER OF \*\*\*MICHIGAN STATE DEMOCRATIC PARTY\*\*\*\*\* **\$ 75,000.00\*\***  
 \*\*\*SEVENTY FIVE THOUSAND ONLY\*\*\*\*\* DOLLARS  
**LIPPOBANK**  
 711 WEST COLLIER STREET  
 LOS ANGELES, CA 90014  
 MEMO [REDACTED] *James T. Riady*

NAME JAMES T. RIADY  
 ACCOUNT NO. [REDACTED] 10/05/ 19 92 16-1126/1220  
 PAY TO THE ORDER OF \*\*OHIO STATE DEMOCRATIC PARTY\*\*\*\*\* **\$ 75,000.00\*\***  
 \*\*SEVENTY FIVE THOUSAND ONLY\*\*\*\*\* DOLLARS  
**LIPPOBANK**  
 711 WEST COLLIER STREET  
 LOS ANGELES, CA 90014  
 MEMO [REDACTED] *James T. Riady*

HHH 1362

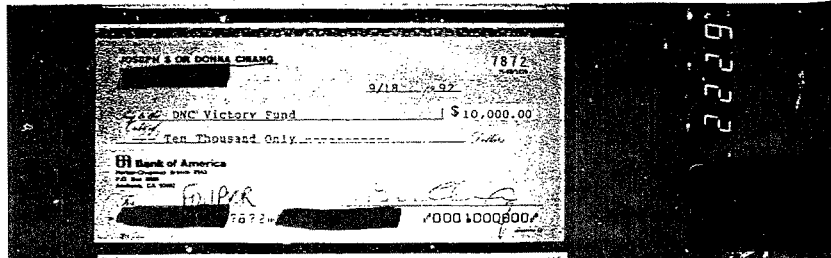
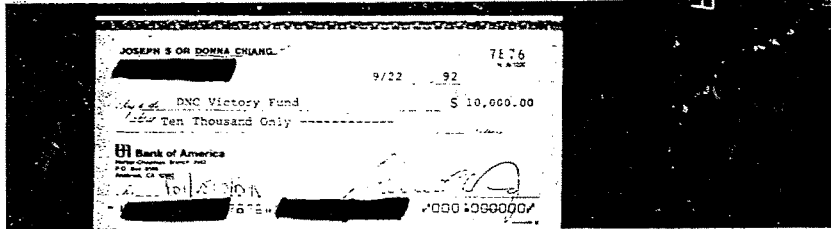
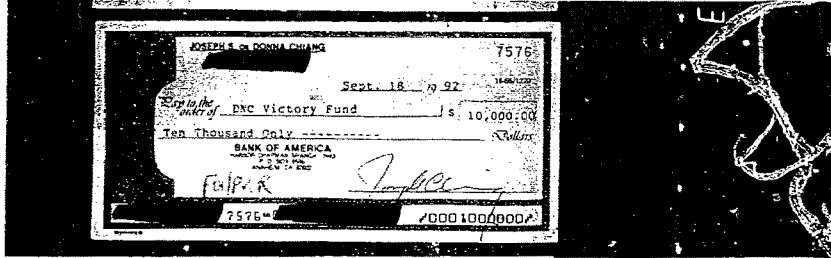
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\*\*\*SEVENTYFIVE THOUSAND ONLY\*\*\*\*\* DOLLARS  
**LIPPOBANK**  
711 WEST COLLINS STREET  
LOS ANGELES, CA 90014  
*Jaunallyndy*  
MEMO [REDACTED]

NAME AILEEN RLDY  
ACCOUNT NO. [REDACTED] 10/15/ 19 92 16-4128/1220  
PAY TO THE ORDER OF \*\*\*NORTH CAROLINA STATE DEMOCRATIC PARTY\*\*\* \$\*\*50,000.00\*\*  
\*\*FIFTY THOUSAND ONLY\*\*\*\*\* DOLLARS  
**LIPPOBANK**  
711 WEST COLLINS STREET  
LOS ANGELES, CA 90014  
*A Rldy*  
MEMO [REDACTED]

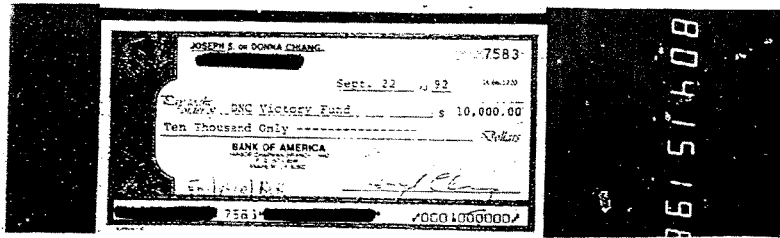
NAME AILEEN RLDY  
ACCOUNT NO. [REDACTED] 10/12/ 19 92 16-4128/1220  
PAY TO THE ORDER OF GEORGIA STATE DEMOCRATIC PARTY\*\*\*\*\* \$ 50,000.00\*\*  
\*\*\*\*\*FIFTY THOUSAND ONLY\*\*\*\*\* DOLLARS  
**LIPPOBANK**  
711 WEST COLLINS STREET  
LOS ANGELES, CA 90014  
*A Rldy*  
MEMO [REDACTED]

NAME AILEEN RLDY  
ACCOUNT NO. [REDACTED] 10/08/ 19 92 16-4128/1220  
PAY TO THE ORDER OF ARKANSAS STATE DEMOCRATIC PARTY/FEDERAL ACCOUNTS 5,000.00\*\*  
\*\*FIVE THOUSAND ONLY\*\*\*\*\* DOLLARS  
**LIPPOBANK**  
711 WEST COLLINS STREET  
LOS ANGELES, CA 90014  
*A Rldy* HHH 1363  
MEMO [REDACTED]





2229



2203

RICOR F. OR BRENDA W. DA SILVEIRA

October 19 19 92

5,000.00

WELLS FARGO BANK

For Party Boxer's Account

*Ricor F. da Silveira*

⑈000050000⑈

2205

RICOR F. OR BRENDA W. DA SILVEIRA

October 19 19 92

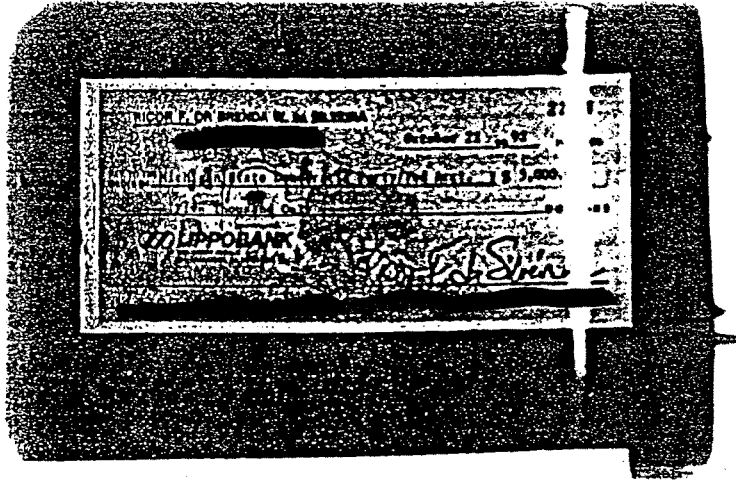
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WELLS FARGO BANK

For Party Boxer's Account

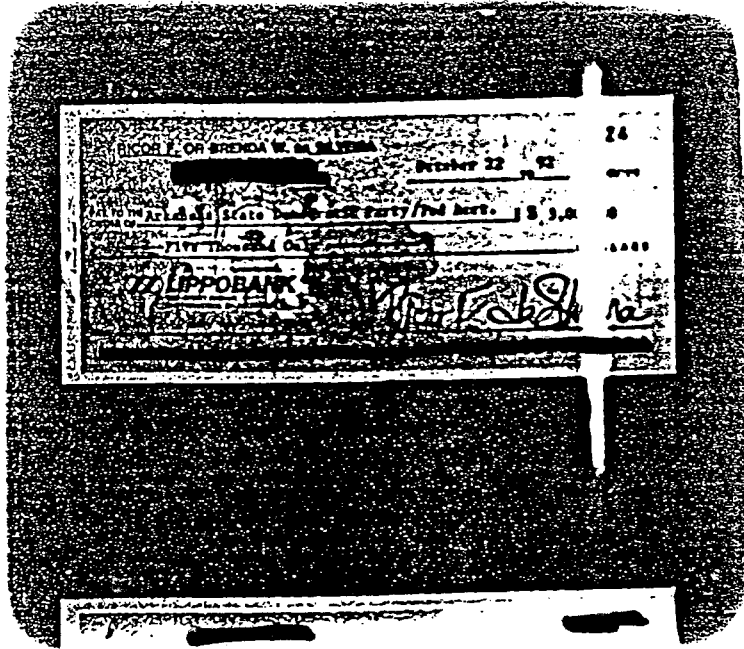
*Ricor F. da Silveira*

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L 010820





I. 010818

Democratic National Committee  
**CHECK TRACKING MEMORANDUM**

TO: Check Processing Staff FROM: Gore  
RE: Attached Check DATE: 9/29/92

Check Amount: \$ 5,000 ( Fed.  Non-Federal  )  
Name: David Yeh  
(on check) [REDACTED]  
Check Add.: Home Base  
[REDACTED]  
Business/ Home Add.: Elmridge, CA 91011  
(mailing) [REDACTED]  
Phone: (C) [REDACTED] (H) [REDACTED]  
Contact: [REDACTED]  
(Company)  
Occupation: [REDACTED]

Event/ Source: Gore - Economic - 9/25  
Raiser/ Solicitor: Burkett, Bob  
Shorenstein, Walter

Special Notes: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DAVID YEH  
CHRISTINA M K YEH  
HONG KONG  
AUG 18 1992 208  
PAY TO THE ORDER OF DNC Victory Fund \$ 5,000  
DOLLARS  
U1 Bank of America  
P.O. Box 138  
La Canada, CA 91711  
MEMO: [REDACTED]

is, occupation and phone #  
ity 'e DNC cannot accept  
le checks)  
NC from field

████████████████████ DNC 3310341

Democratic National Committee  
CHECK TRACKING MEMORANDUM

TO: Check Processing Staff FROM: Gure  
RE: Attached Check DATE: 9/28/92

Check Amount: \$ 5000 (Fed.  Non-Federal   
Name: David Yeh  
(on check) \_\_\_\_\_  
Check Add.: \_\_\_\_\_  
\_\_\_\_\_ Anna King \_\_\_\_\_  
Business/ Home Add.: \_\_\_\_\_  
(mailing) \_\_\_\_\_  
Phone: (O) \_\_\_\_\_ (H) \_\_\_\_\_  
Contact: \_\_\_\_\_  
(Company) \_\_\_\_\_  
Occupation: \_\_\_\_\_

Event/ Source: Gure - Economic - 9/25  
Raiser/ Solicitor: Burkett, Bob  
Shorenstein, Walter

Special Notes: \_\_\_\_\_

DAVID YEH  
CHRISTINA M K YEH  
209  
Fug 18 1992  
15-46/1229  
PAY TO THE ORDER OF DNC Victory Fund \$ 5000  
Five thousand only DOLLARS  
Bank of America  
P.O. Box 100  
La Canada, CA 91711  
MEMO: \_\_\_\_\_

Occupation and phone #  
If the DNC cannot accept  
in checks)  
IC from field

████████████████████ DNC 3310342

Democratic National Committee  
CHECK TRACKING MEMORANDUM

TO: Check Processing Staff FROM: Gure  
RE: Attached Check DATE: 9/28/92

Check Amount: \$ 5,000 ( Fed.  Non-Federal  )  
Name: Christna Yeh  
(on check) \_\_\_\_\_  
Check Add.: \_\_\_\_\_  
Business/ Home Add.: \_\_\_\_\_  
(mailing) \_\_\_\_\_  
Phone: (O) \_\_\_\_\_ (H) \_\_\_\_\_  
Comment: \_\_\_\_\_  
(Company) \_\_\_\_\_  
Occupation: \_\_\_\_\_

Event/ Source: Coke - Economic - 9/25  
Raiser/ Solicitor: Burkett, Bob

Special Notes: \_\_\_\_\_

943  
DAVID YEH  
CHRISTINA YEH  
9-28-92  
18-138/120  
AY TO THE ORDER OF --DNC Victory Fund \$ 5,000  
Five Thousand and 00/100 DOLLARS  
CITIZENS SAVINGS BANK  
171 WEST COLLIER STREET  
LOS ANGELES, CA 90012  
No checks) NC from field



Democratic National Committee  
**CHECK TRACKING MEMORANDUM**

TO: Check Processing Staff FROM: Gure  
RE: Attached Check DATE: 9/28/92

Check Amount: \$ 5,000 (Fed.  Non-Federal )

Name: Christina Yeh  
(on check)  
Check Add.: [REDACTED]

Business/  
Home Add.: \_\_\_\_\_  
(mailing)

Phone: (O) \_\_\_\_\_ (H) \_\_\_\_\_

Contact: \_\_\_\_\_  
(Company)

Occupation: \_\_\_\_\_

Event/  
Source: Gure - Economic - 9/25  
Raiser/  
Solicitor: Burkett, Bob

Special Notes: \_\_\_\_\_

DAVID YEH  
CHRISTINA YEH

944  
Aug 28, 1992 18-138/1220

PAY TO THE ORDER OF DNC Victory Fund \$ 5,000  
Five thousand only DOLLARS

**WELLS FARGO BANK**  
111 WEST COLLINS STREET  
LOS ANGELES, CA 90017

Christina Yeh

s, occupation and phone #  
ly e DNC cannot accept  
is checks)  
VC from field

████████████████████ DNC 3310340

FELIX MA OR MARY L. M. MA 189

Sept 30 1972

Ohio State Democratic Party Federal Accounts 5000.00

~~FIVE~~ FIVE THOUSAND ONLY

**LIPPOBANK**  
211 WEST COLLEGE STREET  
LOS ANGELES CA 90012

MONEY MARKET ACCOUNT

Felix Lipp

⑆000050000⑆

FELIX MA OR MARY L. M. MA 186

Aug 30 1972

Democratic Senatorial Campaign Committee 5000.00

~~FIVE~~ FIVE THOUSAND ONLY

**LIPPOBANK**  
211 WEST COLLEGE STREET  
LOS ANGELES CA 90012

MONEY MARKET ACCOUNT

Felix Lipp

⑆000050000⑆

FELIX MA OR MARY L. M. MA 187

Sept 10 1972

Michigan State Democratic Party Federal A/c 5000.00

~~FIVE~~ FIVE THOUSAND ONLY

**LIPPOBANK**  
211 WEST COLLEGE STREET  
LOS ANGELES CA 90012

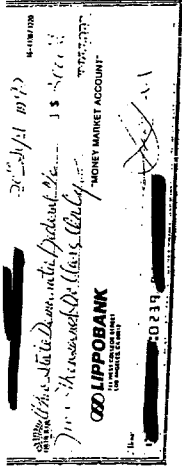
MONEY MARKET ACCOUNT

Felix Lipp

⑆000050000⑆

2:

7000021

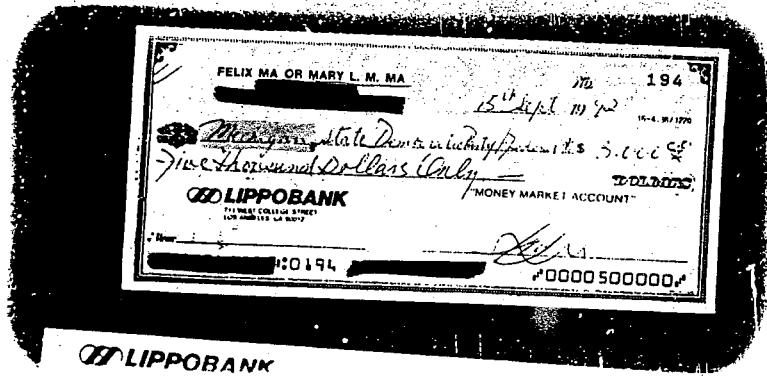


### Ohio Democratic Party

#### Miscellaneous Contribution Record

Name MARY L M MA  
 Address [REDACTED]  
 City [REDACTED] Zip [REDACTED] County [REDACTED]  
 Phone [REDACTED] Occupation [REDACTED]  
 Employer [REDACTED]  
 In Kind PNL  
 \$ 15.00 Date [REDACTED]





700028

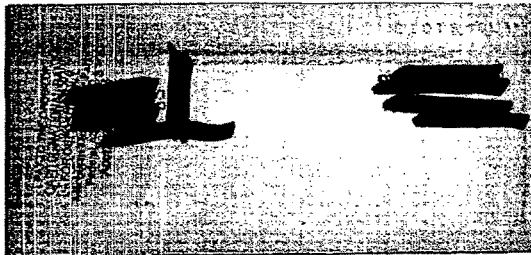
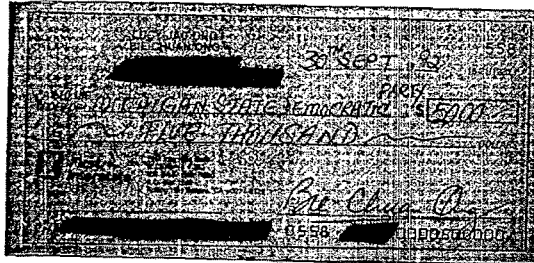


FELIX MA OR MARY L. M. MA 1495 No. 195  
 25<sup>th</sup> Sept 1974 15-4128/1270  
 Democratic State Campaign Committee \$ 5,000.00  
 Five Thousand Dollars Only  
 LIPPOBANK "MONEY MARKET ACCOUNT"  
 11 WEST COLLEGE STREET LOS ANGELES CA 90012  
 0195 #0000500000

FELIX MA OR MARY L. M. MA No. 196  
 26<sup>th</sup> Sept 1974 15-4128/1270  
 Democratic State Campaign Committee \$ 5,000.00  
 Five Thousand Dollars Only  
 LIPPOBANK "MONEY MARKET ACCOUNT"  
 11 WEST COLLEGE STREET LOS ANGELES CA 90012  
 0196 #0000500000



7000032



07-JUN-98 15:00:37

----- THIS ITEM IS PART OF A LEGAL ORDER SUBPOENA -----

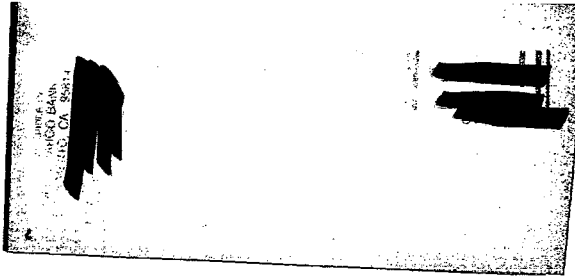
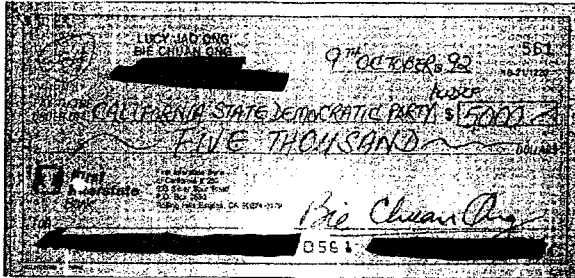
group id GLPU903044

TYPE: LP-CA

request id	Account	Capture	Seq #	Pod #	Amount
18856-26MAY98	[REDACTED]	26-OCT-92	[REDACTED]		5,000.00/USD

TOTAL ITEMS: 2  
C1 COMPLETED





07-JUN-98 14:56:56

----- THIS ITEM IS PART OF A LEGAL ORDER SUBPOENA -----

group id GLFU903044

TYPE: LP-CA

request id	Account	Capture	Seq #	Pod #	Amount
18859-26MAY98	[REDACTED]	22-OCT-92	[REDACTED]		5,000.00/USD

TOTAL ITEMS: 0  
C1 COMPLETED



4912 5-30/10  
 10/10/92  
 \$ 1000.00  
 DOLLARS  
 BANK OF BOSTON  
 FOR: *[Redacted]*  
*[Signature]*

622  
 15-44/1029  
 Validated Check/ing  
 LUCY JAO  
*[Redacted]*

19 92  
 \$ 5,000.00  
 DOLLARS  
 SECURITY PACIFIC BANK  
 2550 Pike Village Dr, West, Pleasanton, CA 94574  
*[Signature]*

106  
 1-10/1289  
 SEPT 23 19 92  
 \$ 5,000.00  
 DOLLARS

INDEPENDENCE BANK  
 100 COURT STREET  
 BROOKLYN, NEW YORK 11201  
*[Signature]*



*Mr. Leonard* *money for camp for* *100* Dollars

**BayBank**  
 BayBank Middlesex  
 Massachusetts  
 Attn: \_\_\_\_\_

*[Redacted]*

*[Redacted]*

308

October 16, 1912 5-37/10

PAY TO THE ORDER OF *Arkansas State Democratic Party* \$ *1,000.00*

*One Thousand and 120/100* DOLLARS

**BANK OF BOSTON**

FOR *[Redacted]*

*[Redacted]*

LUCY LAO ONG 559  
 BIE CHUAN ONG 16-2/11220

19<sup>th</sup> OCTOBER 1912

PAY TO THE ORDER OF *ARKANSAS STATE DEMOCRATIC PARTY* \$ *500.00*

*FIVE THOUSAND* DOLLARS

**First Interstate Bank**  
 First Interstate Bank  
 355 State Street  
 P.O. Box 225  
 Long Beach, CA 90801-0178

FOR *[Redacted]*

*[Redacted]* 0559

*[Redacted]*

THE FIRST NATIONAL BANK OF BOSTON



Joseph Tai Sand **PLD** 103  
 19 92 1-7121/2260  
 PAY TO THE ORDER OF Simon Chu \$ 3,000.00  
 Three thousand Only DOLLARS

**INDEPENDENCE SAVINGS BANK**  
 100 COURT STREET  
 BROOKLYN, NEW YORK 11202  
 MEMO: Upland Apt Repair  
 SIGNATURE: [Redacted]

Joseph Tai Sand **PLD** 104  
 Sept. 30 19 92 1-7121/2260  
 PAY TO THE ORDER OF Michigan State Democratic Party/Federal Account \$ 5,000.00  
 Five thousand Only DOLLARS

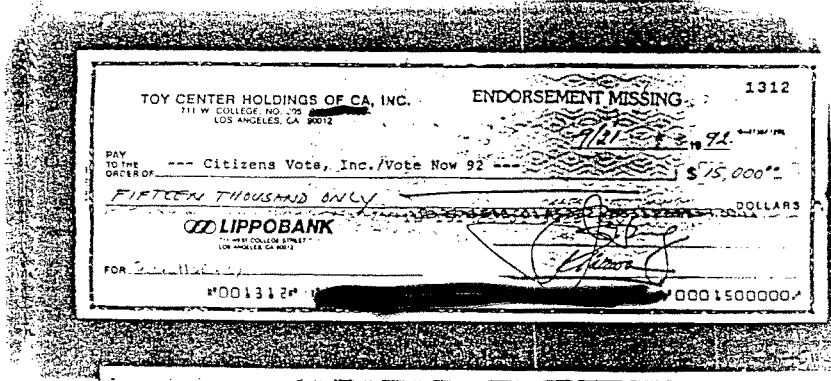
**INDEPENDENCE SAVINGS BANK**  
 100 COURT STREET  
 BROOKLYN, NEW YORK 11202  
 MEMO: [Redacted]  
 SIGNATURE: Joseph Tai Sand

Joseph Tai Sand **PLD** 105  
 Sept. 22 19 92 1-7121/2260  
 PAY TO THE ORDER OF D and C Victory Fund \$ 10,000.00  
 Ten thousand Only DOLLARS

**INDEPENDENCE SAVINGS BANK**  
 100 COURT STREET  
 BROOKLYN, NEW YORK 11202  
 MEMO: FOLIVECO/BSR  
 SIGNATURE: Joseph Tai Sand

PAY TO THE ORDER OF Arkansas State Democratic Party  
 Five thousand Only  
 \$ 5,000.00  
 SEPT 23 19 92 1-7121/2260  
**INDEPENDENCE SAVINGS BANK**  
 100 COURT STREET  
 BROOKLYN, NEW YORK 11202  
 SIGNATURE: [Redacted]





L 004555





Mr. HUANG. Yes, Mr. Chairman.

Mr. BURTON. They were.

Were all of these contributions made to fulfil Mr. Riady's promise to raise \$1 million?

Mr. HUANG. That would be part of the plan, yes.

Mr. BURTON. Do you recall any more contributions toward Mr. Riady's goal that are not listed there? Do you recall any other contributions toward Mr. Riady's goal that are not listed in that list?

Mr. HUANG. Now, this list, Mr. Chairman, was during the 1992, that period of time. Later on there was some more names.

Mr. BURTON. Those—that list is from 1992?

Mr. HUANG. 1992 and 1993, around that period of time. All these things were handled through the hands of—through my hands.

Mr. BURTON. Yes, I understand that.

Were any other contributions that you know of given based upon the commitment that Mr. Riady made in addition to those? I mean, is that the only group of people that gave money?

Mr. HUANG. There will be more than that.

Mr. BURTON. There would be more than that?

Mr. HUANG. There would not be too many more on that.

Mr. BURTON. And you were the one that was in charge of soliciting this money for the Riady Group?

Mr. HUANG. That is correct.

Mr. BURTON. Mr. Mica.

Mr. MICA. Thank you, Mr. Chairman.

In my first part of questioning, Mr. Huang, I went over the contributions prior to the Presidential debate and leading up to the debate, and I think you testified that there were hundreds of thousands of dollars that, before that, went to the Riadys, and then you said you had also contributed tens of thousands at that point in 1992, and you also received conduit payments and also said your wife had participated. Actually you had performed that activity for your wife.

What I'd like to do is to move now into the Asian Pacific Advisory Council [APAC], which was set up by Nora and Gene Lum in California, and its inaugural event was October 27, 1992, in Los Angeles. Did you attend that event?

Mr. HUANG. I did attend.

Mr. MICA. In her deposition—and you see, you fit into the bigger picture of how things took place and who did what in this, and again, different parts of this scheme to funnel huge amounts of money into the Presidential campaign and other activities, some of it, again, from foreign sources. In her deposition, congressional deposition, Melinda Yee denied any involvement with APAC or APAC Vote apart from the fact that she said she attended the APAC Vote's award ceremony in 1992 along with Maria Haley as staffers from the Clinton-Gore campaign, although Melinda Yee was being paid by the DNC at that time. Are you aware of that, and she was at the event?

Mr. HUANG. Melinda Yee was at the event, yes.

Mr. MICA. Yee said that APAC Vote was not affiliated with the DNC in any way. However, their—in their proffer to the committee, the Lums state they opened an office for an organization affiliated with DNC, and that exhibit 33 is dated October 12, 1992. It says, I authorize Nora Lum, and it's signed Melinda Yee, director of constituencies, and she's setting up that vote project. Is that correct?

[Exhibit 33 follows:]

151

October 12, 1992

TO WHOM IT MAY CONCERN:

I hereby authorize Nora Lum of the DNC's APAC-Vote Project to open an account under the name of "DNC/APAC". Her federal id# is [REDACTED].

If you have any questions, please contact me at [REDACTED].  
Thank you.

Sincerely,

Melinda C. Yee  
Director of Constituencies



CG92B- 00553

Mr. HUANG. I have no knowledge about this arrangement.

Mr. MICA. You have no knowledge, but she was at the organizational thing, and I'd point out for the committee that this is contrary to the information given in her deposition.

Exhibit 32, just before that, is a letter to your wife, I believe, thanking her for a contribution to this Asian Pacific Advisory Council [APAC], and it's signed by Nora Lum. Is that correct?

[Exhibit 32 follows:]

# APAC★VOTE

Asian Pacific Advisory Council

November 9, 1992

Dear *Jane*

Thank you very much for your generous contribution to the Democratic National Committee. The First Annual Southern California Asian Pacific Awards Dinner was a great success due to your commitment and support.

The Asian Pacific Advisory Council has been a valuable resource to the Democratic Party because of the dedication of people like you. Young Americans Together for Change, a non-partisan organization has added to our efforts. We look forward to working with you in the future in building our unified and harmonious Asian Pacific American community.

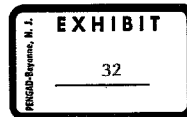
Thank you again.

Yours truly,

Nora T. Lum  
Executive Director

*Thank you  
for always  
being there.*

Torrance, California  
phone \_\_\_\_\_ fax \_\_\_\_\_



Mr. HUANG. That is correct, yes.

Mr. MICA. Further, documenting the involvement of Melinda Yee for the benefit of the committee and the record, I refer to exhibit 34, which shows extensive involvement in a memo from Melinda Yee to Nora Lum discussing all of the details relating to this fund. Do you have any knowledge of this particular memo dated September 2, 1992?

[Exhibit 34 follows:]

TO: Nora Lum  
 FR: Melinda Yee  
 RE: APAC-VOTE Project  
 DATE September 2, 1992



Last night, I spoke with Chairman Ron Brown about the APAC-VOTE Project. He was particularly concerned that we had not yet registered a significant number of new voters for the election in November, especially since we have only one month until the voter registration deadline expires.

As you know, the DNC agreed to fund this project based on our agreement that new voters would be actively registered on an ongoing basis. To date, how many new voters have actually been registered? We need to see your realistic goals and the plan on how you are executing your strategy.

Chairman Brown indicated that if by September 10, the day of the grand opening, we do not have an impressive amount of new voters registered (at least in the thousands), that he would consider "cutting back significantly" on the budget for this project.

This would severely impact the voter registration project and the get-out-the-vote effort as well. As you are well aware, over 75% of our total budget goes for major media markets and very little goes for voter participation.

He also wants me to give him twice-a-week status reports on how many new voters APAC-VOTE has registered. I would say the best days would be Wednesday evenings and Sunday evenings (beginning tonight) for a call from me to you and your staff in Torrance.

Nora, I cannot emphasize how important this project is to the Asian Pacific American community, the Clinton/Gore ticket, and the Democratic Party. We must be working on this effort full-time, seven days a week, from now until election day. Incidentally, Chairman Brown has tried to contact you in the mornings and over the weekends, and has not been able to reach your office. Is the office fully-functional yet? And, if so, what are your hours of operation?

Please let me know what I can do to assist APAC-VOTE in its efforts. I apologize for being so "bottom-line". Quite honestly, however, at this point, we cannot afford to be any other way. This presidential election will truly change the direction of this country and Bill Clinton/Al Gore have got to be at the helm. The Asian Pacific American community must make a difference in this election immediately. THANK YOU!

CG92B- 00551

Mr. HUANG. Congressman Mica, I do not.

Mr. MICA. You do not?

Mr. HUANG. No.

Mr. MICA. Now, another document here is exhibit 35, which lists those who would be present on election night produced by Melinda Yee, and it does list—that's exhibit 35. It does list, I think, you on the second page and also the Riadys on the second page. Were you aware of Melinda Yee's involvement in preparing this list?

[Exhibit 35 follows:]



TO: Stephanie Solien/Ceandra Scott  
FR: Melinda Yee  
RE: Election Night  
DATE: October 14, 1992

Here is my list of people who want to come down to Little Rock on election night:

VIPs - PLEASE PLUG INTO ANY VIP EVENTS

Robert and Doris Matsui (1 room)  
Visa # [REDACTED]  
Exp. [REDACTED]

March Fong Eu and Guest (1 room)  
(November 3-November 4)  
MC# [REDACTED] (non-smoking room)  
EXP. [REDACTED]

Jong Pil Kim (friend of Grandmaster Lee's - need 1 room)  
Chairman  
Democratic Liberal Party, Republic of China  
Grand Master Hu Lee  
VISA# [REDACTED]  
EXP. [REDACTED]

Grandmaster Hu and Mrs. Lee  
Personal friend of Governor Clinton (Lottie can vouch for him)  
Already have room reserved.

Please plug into any VIP events.

OTHER

Peter and Helen Yee (1 room)  
AMEX# [REDACTED]  
EXP. [REDACTED]  
(November 1-4)

Marty Yee (stay with MY)

Dennis Hayashi (stay with MY)

Satish and Sneha Mehtani (1 room)  
VISA# [REDACTED]  
EXP. [REDACTED]  
(November 3-9)



Ramesh and Susan Kapur (1 room)  
AMEX# [REDACTED]  
EXP. [REDACTED]  
(November 2 - November 4)

John and Jane Huang (1 room)  
AMEX# [REDACTED]  
EXP. [REDACTED]  
(November 2-November 4)

James and Aileen Riady (1 room)  
John Huang  
AMEX# [REDACTED]  
EXP. [REDACTED]  
(November 2-November 4)

Neil Dhillon (1 room)  
Visa # [REDACTED]  
Exp. [REDACTED]

Tina Bow (1 room)  
credit card- Ceandra

Please reserve (9) sleeping rooms at local hotels.

Thanx.

November 3, 1992  
 Election Night  
 International Bazaar  
 [REDACTED]  
 Little Rock

Guest List  
 =====

VIP's  
 -----

Congressman Bob & Doris Matsui	(2)
Norm & Mrs. Mineta	(2)
March Fong Eu & guest	(2)
Jong Pil Kim	(1)
Grand Master Lee & Mrs. Lee	(2)
	(9)

Guests  
 -----

Peter & Helen Yee	(2)
Marty Yee	(1)
Ramesh & Suan Kapur	(2)
John & Jane Huang *	(2)
James & Aileen Riady *	(2)
Satish & Sneh Mehtani	(2)
Neil Dhillon	(1)
Tina Bow	(1)
Dr. & Mrs. Tino Amores	(2)
Shan & Feliz Thever	(2)
	(17)

Sanyo/MH guests  
 -----

Mr. Hiroshi Takeuchi	(1)
Mr. Takashi Hoshino	(1)
Ms. Toshiko Igarashi	(1)
Mr. Hiroki Sakamoto	(1)
Mr. Yutaka Kajita	(1)
Mr. Bob Deane	(1)
Mr. & Mrs. Gray Swoope	(2)
Mr. & Mrs. Charles Sloan	(2)
Mr. & Mrs. Boon Tan	(2)
Mr. & Mrs. Armando Plata	(2)
	(12)

APA Staff  
 -----

Angie Amores	
Chris Amores	
Vida Benavides	
Atul Gawande	
Dan Sakura	
Karen Sullivan	
Angie Uherbelau	(7)

CG92B- 00358

Mr. HUANG. I don't know she actually prepared the list or not, but I was in Little Rock that night, the election night.

Mr. MICA. There is a—now you were involved in the DNC, and we have had testimony in deposition that—that there was no affiliation between APAC, this Asian Pacific Council, and the DNC. Did you know if there was a relationship between the two?

Mr. HUANG. At the time I did not know because I—the only knowledge I knew is that Ms. Lum—Gene Lum was trying to organize something and trying to drum up the vote, you know, from the Asian community and set up organization like that, and I did attend the kick-off function.

Mr. MICA. And did you or the Lippo Group provide funds to this organization, and in what amount?

Mr. HUANG. I probably did make contribution to that event, maybe very small amount, either \$1,500 or \$2,000. That including my wife, though.

Mr. MICA. Was any of that money reimbursed to you, or were those personal funds?

Mr. HUANG. I believe it did get reimbursed later on.

Mr. MICA. You were reimbursed for that.

Let me ask you, too, in closing, and my time is running out, we have records and the committee has exhibits of showing money from bank accounts during different periods. Some of that, I guess, was wire-transferred or entered into the Lippo accounts, and there was some cash that was brought into the United States and some cash you received. Did you receive all of your money through checks or through wire accounts, or did you also receive cash?

Mr. HUANG. In?

Mr. MICA. For reimbursement.

Mr. HUANG. In some period of time in 1992, I did receive some in cash.

Mr. MICA. In 19—

Mr. HUANG. 1992.

Mr. MICA. Was that given—who gave you that cash?

Mr. HUANG. The cash is the—I believe in final terms as handed to me through other Lippo coworkers.

Mr. MICA. I am sorry?

Mr. HUANG. Other Lippo coworker who was working closely with Mr. Riady.

Mr. MICA. Did Mr. Riady give you any cash directly, or this was from Mr. Riady through one of his employees or workers?

Mr. HUANG. A few incidents. Some of the cases like that I just explained to you, but some—one case he gave me the cash or traveler's cash.

Mr. MICA. In what amount?

Mr. HUANG. About \$10,000 in aggregate.

Mr. MICA. Thank you, Mr. Chairman. My time has expired.

Mr. BURTON. Mr. Souder.

Mr. SOUDER. To briefly review, I am back to Webb Hubbell, that you saw him at a reception, that you have got a call from Doug Buford about raising—him needing help; you believed that the phone call from Webb Hubbell to LippoBank were probably to set up an appointment time. I have a couple of other questions. Did

Joe Giroir also contact you about helping or making you aware of Webb Hubbell's situation?

Mr. HUANG. I couldn't quite recall Joe Giroir was involved in that, in that instance though.

Mr. SOUDER. So Doug Buford was your main contact?

Mr. HUANG. Yes.

Mr. SOUDER. He was with Bruce Lindsey's former law firm?

Mr. HUANG. That is correct.

Mr. SOUDER. That—when did you first meet Webb Hubbell? Was that reception the first time?

Mr. HUANG. No. The first time I met Mr. Hubbell was in Inauguration in 1993, Inauguration night or whatever.

Mr. SOUDER. You didn't know him when he was back in Arkansas?

Mr. HUANG. I knew of his name, but I don't believe I met him before.

Mr. SOUDER. How would you have known of his name? Just for the record, you did Asian bank things related to the Worthen Bank out of Arkansas. He was with the Rose Law Firm at that time. Did you know him in any way regarding Arkansas business?

Mr. HUANG. No. My role was basically in Asia first time when I know joined the Lippo Group in Hong Kong, but Lippo at that time already took some major interest in Worthen Bank, and I believe Mr. Hubbell was working for the Rose Law Firm, and Rose Law Firm had some client—business client relationship with either Worthen or Mr. Riady at that time.

Mr. SOUDER. So you at least knew his name, although you did not know him?

Mr. HUANG. No, that's correct.

Mr. SOUDER. And did you know him very well? Would you call Mr. Hubbell a friend, or would you have called him a friend at the time they first contacted you in regard to money?

Mr. HUANG. Well, I considered him as a friend since he's a friend of my—my employer, yes.

Mr. SOUDER. When did Mr.—now, you said that Mr. Riady, he may have, when he was at Rose Law Firm, been working with Mr. Riady way back in Arkansas. Do you know that for a fact?

Mr. HUANG. I don't know for a fact because I do recall there is conversation that Mr. Riady mentioned to me how he knew Mr. Webb Hubbell.

Mr. SOUDER. Do you know what he would have done with Mr. Riady at that time?

Mr. HUANG. I didn't quite understand, Mr. Souder.

Mr. SOUDER. In other words, what I am trying to establish is the—did Mr. Riady consider Mr. Hubbell personally a friend?

Mr. HUANG. That's correct. According to Mr. Riady to me, mentioned to me about that.

Mr. SOUDER. Did he refer to him as a longtime friend, or do you think this was more—in other words, you said you considered Webb Hubbell a friend in kind of a second degree; he was a friend of your friend. Did Mr. Riady—business acquaintance, longtime friend. Or was this because—you made the statements that you believed that he did this, and you felt he should help with the fund-

ing, and you would help because of friendship. What did friendship mean?

Mr. HUANG. Because he's been knowing him for a long time.

Mr. SOUDER. And you also said that you had discussed with Mr. Riady regarding Mr. Hubbell's pride. So the money was going for friendship and not for a job, or in other words, the job merely came because it was less embarrassing for Mr. Hubbell?

Mr. HUANG. To the latter was the answer for that, sir.

Mr. SOUDER. You said earlier in response to a question that you weren't sure, but you wondered whether the two phone calls to Lippo Bank on May 19th may have been to set up an appointment with Mr. Riady. Did Mr. Riady ask you to set up an appointment for the June meeting?

Mr. HUANG. Yes, he did.

Mr. BURTON. So, to your knowledge, he hadn't set one up by phone because you were the person who actually executed the appointment?

Mr. HUANG. That is correct.

Mr. SOUDER. Could there have been another meeting that we don't know about here between Mr. Riady and Mr. Hubbell?

Mr. HUANG. Prior to June?

Mr. SOUDER. Yes.

Mr. HUANG. No. Mr. Riady at that time, I believe, was overseas, was not in the States.

Mr. SOUDER. Do you believe that Mr. Riady had any contacts with Mr. Hubbell separate from any contacts through you?

Mr. HUANG. That I would not know, but I don't believe so, though.

Mr. SOUDER. Because generally you were considered the point person in this?

Mr. HUANG. That is correct, sir.

Mr. SOUDER. When Mr. Riady came in in June, he brought \$32,000; \$17,500 in traveler's checks, and, as I also recall from your other Justice Department testimony, his expenses were largely covered. So what did he do with the money he brought over?

Mr. HUANG. I would not know, I would not know because he had a whole family coming over in the summer, generally also in the wintertime for vacations. It is not unusual for him to bring that kind of sums of money with them.

Mr. SOUDER. To your knowledge, none of that went to Mr. Hubbell?

Mr. HUANG. No, I don't think so, no, no.

Mr. SOUDER. Could it have gone to Mr. Hubbell?

Mr. HUANG. I don't think so.

Mr. SOUDER. Why don't you think so?

Mr. HUANG. I believe that would be their personal spending money. You know, there was arrangement for later on the \$100,000. That was a very good sum of money already.

Mr. SOUDER. Did you travel to Little Rock, AR, with Mr. Riady in June?

Mr. HUANG. I didn't quite recall, Mr. Souder, that there was a trip to Little Rock in June, though.

Mr. SOUDER. What—originally Mr. Riady had appointments in Washington for the 21st and 22nd. It was then changed, and he

was here longer, through the 21st and 25th, but he made a trip into Little Rock, but you don't recall whether you were involved with that. And could—

Mr. HUANG. Mr. Souder, I really don't have any recollection. He left town for Little Rock during that week, though. I don't know.

Mr. SOUDER. Did you travel with Mr. Riady to Washington in June 1994?

Mr. HUANG. Yeah, yes.

Mr. SOUDER. You didn't go to Little Rock from Washington, to your recollection?

Mr. HUANG. I personally, from my recollection, did not leave town.

Mr. SOUDER. I may try to followup with that tomorrow with some more documentation.

Do you know why Mr. Riady would have changed from staying the first 2 days to staying longer? Originally I think the Presidential gala fundraiser was the 22nd, but then additional meetings were set up. Is that why he lengthened his stay? Was that a surprise?

Mr. HUANG. I don't know if there's any reason why he changed that. He did not mention to me he was originally staying there for 2 weeks. He would be available for the whole week there, that's my knowledge.

Mr. SOUDER. Did the Justice Department ask you anything about telephone calls between you and Mr. Riady that week?

Mr. HUANG. In June, the 20ths, in that week?

Mr. SOUDER. June 21 to 25 did the Justice Department ask you about any telephone calls to Mr. Riady or visits to the White House with Mr. Riady?

Mr. HUANG. Yes. I was with him in Washington, DC. With Mr. Riady, I mean.

Mr. SOUDER. I am going to ask more questions. What my question is, did the Justice Department in their depositions, because we don't see that, did they ask you about your visits to the White House with Mr. Riady, I believe there were several in the week of June 21 to 25, and the telephone calls made by you or Mr. Riady?

Mr. HUANG. I believe so, yeah.

Mr. SOUDER. You believe the Justice Department asked you those questions.

Mr. HUANG. Right.

Mr. SOUDER. Thank you.

Mr. BURTON. Ms. Norton, did you have any questions?

Ms. NORTON. No questions, Mr. Chairman.

Mr. BURTON. Mr. LaTourette.

Mr. LATOURETTE. Thank you, Mr. Chairman.

Mr. Huang, I want to go back to what you and the chairman were talking about, and I know that it is going to, sadly, consume a lot of my 5 minutes, but the great thing about this hearing is I have got 3 more days to go back to the February 19th fundraiser.

I think where you got sideways with the chairman and what does trouble some Members on this side of the aisle, and I know you can clear it up, is that when I asked you before what you have pleaded guilty to is this conspiracy to defraud the United States of America based upon illegal campaign contributions. And the way that a con-

duit scheme works, and I want to make sure it is included in the record for people who are reading this later or someone who is watching it on the Internet or C-SPAN, so that they understand, if I take \$20 and I give it to Mr. Shays, and I say, give that \$20 to Mr. Burton, the contribution came from me. It didn't come from Mr. Shays. I have used Mr. Shays as a strawman.

What makes it illegal? Well, there are a couple things that make it illegal. But if I have already given Mr. Burton more money than the law allows me to give, then that makes it illegal because it is really my money. Or if I am a person that can't contribute or participate in giving money, that can be another example.

And that is the crime of which you stand accused and convicted, is it not? You were donating money, others were donating money, and then they were being paid back, so the money wasn't really coming from you.

Mr. HUANG. Yes.

Mr. LATOURETTE. Because the Riadys were paying for it. That is the crime to which you pled guilty, right?

Mr. HUANG. That is correct.

Mr. LATOURETTE. OK. When the chairman was talking to you about the Vice President's fundraiser at the Buddhist temple, the same scheme was going on. The nuns, whether you know about it or not, the nuns who have taken a vow of poverty have written checks for \$5,000, but you know today that it was not their money. They were straw people for other people that wanted to make a donation to the Vice President or the President's campaign. It's the same scheme, you grant me that, do you not?

Mr. HUANG. I read out of the newspaper. I do not know the details for a fact, though, sir.

Mr. LATOURETTE. OK. Let's go to the fundraiser that we were talking about, then, on February 19th, because we now know today that at that fundraiser, through the help of Charlie Trie, there were a number of illegal contributions made using this same scheme. And in particular, I am talking about contributions made by Davidson Wu, Ernie Green, Lei Chu, Keshi Zhan, Manlin Fong, Joe Landon, Yue Chu, Ming Cheng, Charles Chiang, Zhengwei Cheng, Daihatsu International, and Jack Ho.

As I understand it, you are testifying before this committee that you did not know when you accepted the money for this February 19th that they were illegal. But we now know today because of the investigation, because of the testimony of Charlie Trie, because of things that you know, because the DNC has turned the money back, that the same thing was happening; that is, that people were making donations to the campaign to reelect the President, but it wasn't their money. It was money that maybe it wasn't given to them up front, but somebody said to them, if you write a check of \$12,500 to the Committee to Reelect President Clinton, I will give you the \$12,500. It's the same scheme for which you stand convicted from 1992 to 1994. Do you grant me that?

Mr. HUANG. That's right.

Mr. LATOURETTE. Do you see that's what makes us suspicious over here? I don't know anybody that thinks that you're a bad guy. I think that what you have done is not so good. But the fact of the matter is you stand convicted of this setting up a strawman be-



tween you and a campaign. The nuns who took the vow of poverty are straw people between whoever really wants the President to have the money and the President's campaign and this list of people to a fundraiser that you were in charge of on February 19, 1996, have done the same thing.

Now, it is—I mean, people say, well, what a coincidence. I mean, you seem to be around all this same sort of scandal. That's what makes it suspicious. I hope you understand, as we ask you questions, that's what raises our curiosity. I hope you understand that.

We were talking about this fundraiser, and now I probably have about 30 seconds left, but did you at any time discuss with Mr. Riady, James Riady, the event that you were putting together on February 19, 1996, about their help?

Mr. HUANG. I might have mentioned to him I did an event for \$1 million probably afterwards on some occasion I saw him or—I saw him, yes.

Mr. LATOURETTE. But specifically requesting his help or anyone from the Lippo Group to help with that event prior to the event?

Mr. HUANG. Oh, no. No.

Mr. LATOURETTE. OK. And what was your understanding, going back to Charlie Trie, that he did for a living in 1996? Do you know what he did for a living?

Mr. HUANG. I think he was in the trading business, I think.

Mr. LATOURETTE. Right. And were you—

Mr. HUANG. Excuse me, or some real estate investments. The way I understood it, he might have made some money in the real estate investments in Asia, some very good sum of money. I might be wrong on that, though.

Mr. LATOURETTE. Did you have a chance to meet his Macao-based partner, a fellow by the name of Ng Lap Seng?

Mr. HUANG. During that fundraiser period of time, you know, on February 19th, around that period of time, I did meet with him.

Mr. LATOURETTE. And what did you understand that Mr. Ng's business was? What business did you think that he was in?

Mr. HUANG. He was in the real estate investment or also in the trading business.

Mr. LATOURETTE. Did you ever have a conversation or discussion with Mr. Ng as to whether or not he had a relationship with the Communist Chinese Government?

Mr. HUANG. No, I did not.

Mr. LATOURETTE. Did Mr. Ng ever indicate to you that he had ever received money from the Chinese Government?

Mr. HUANG. No, sir.

Mr. LATOURETTE. Before you went to work at the DNC, had you ever had any direct fundraising—done any direct fundraising work with Charlie Trie before you went to the DNC?

Mr. HUANG. No, sir. As I reported to you earlier, I—the first time I met with Charlie Trie was June or in the summer of 1994.

Mr. LATOURETTE. And when do you think that—again, the planning for this February 19th event, when do you think your best recollection was that you would have first discussed Mr. Trie participating or helping you with this February 19, 1996, fundraiser?

Mr. HUANG. It must have been probably in January 1996.

Mr. LATOURETTE. And, in that vein, did you ask him to contribute to the event?

Mr. HUANG. No. I said I am doing something for the event, it is for Asian community, and I would like him to help me.

Mr. LATOURETTE. And did that—did that in your mind mean that he should write a check and contribute to it, or did it mean that he should contribute to it and help you identify other donors to contribute to the event as well?

Mr. HUANG. I did not really discuss about it in detail. And basically as long as he can raise the money or he can give the money, it doesn't really make any difference to me at that time.

Mr. LATOURETTE. But, again, the money, were you only looking for \$12,500 from him, or were you looking to him to attract more money than that?

Mr. HUANG. Basically through his connections, you know, and he can raise more money for my event.

Mr. LATOURETTE. OK. That is what—so you saw him not only as a person that could write a check but you were hoping he could get other people to write checks as well.

Mr. HUANG. Congressman, if it is soft money, the person can write a check for \$100,000 himself. It is also OK.

Mr. LATOURETTE. Right. And I am not trying to trick you even though I say that. I am just asking, were you saying “Charlie Trie, write me the biggest check you can write?” Or when you said will you help with the event, were you hoping that he would not only make whatever, 12, 5, 100 whatever he wanted to write, but that he would get others to write checks to participate in the event? That's what I wanted to know. Did you see him as one guy to give money no matter what the amount was, or did you hope that he would be a guy to give money and get other people to give money?

Mr. HUANG. I did not really discuss one form or the other. Basically, I felt he was a source of help to me. Whatever the format it ends up is OK to me.

Mr. LATOURETTE. I thank you, sir.

Mr. BURTON. Mr. Waxman.

Mr. WAXMAN. I'll defer to others.

Mr. BURTON. Mr. Shays, did you have questions now or do you want to pass?

Henry, do you want to—

Mr. WAXMAN. I am entitled to 5 minutes, but I will defer it now and let others ask questions.

Mr. BURTON. We are getting to the point where we probably want to end around 6 o'clock.

Mr. WAXMAN. I'm ready to end now.

Mr. BURTON. Well, then, you don't have any more questions?

Mr. WAXMAN. We are coming back tomorrow.

Mr. BURTON. You don't have any more questions tonight, then?

Mr. WAXMAN. I'm not giving up my 5-minute round, but I don't want to pursue it right now.

Mr. BURTON. Instead of having 5 minutes, you can have 10 this time.

Mr. WAXMAN. That's going to take unanimous consent.

Mr. BURTON. He's getting his extra 5 is what I'm saying.

Mr. LATOURETTE. This is the next round, is my understanding. I am happy to participate in the next round as a courtesy to the other Members that may want to wait until later.

Did you, as you were talking to Charlie Trie about this event on February 19, 1996, discuss or ever have a discussion with him as to what the rules for—in other words, you indicated to me in the other question that someone can give up to \$100,000 in soft money and it's OK. Did you ever have a conversation with Charlie Trie as to what the rules were for donating to an event such as yours?

Mr. HUANG. Congressman, I did not. The reason is, he was quite established in front of the DNC. He wasn't the major donor. I would assume he knew about the rules.

Mr. LATOURETTE. OK. Likewise, I guess I would receive the same answer if I asked you if you ever discussed the currency transaction reporting requirements with the DNC. I assume you did not do that either?

Mr. HUANG. I did not do that either.

Mr. LATOURETTE. I want to talk to you next about a fellow by the name of Antonio Pan. Are you acquainted of this person?

Mr. HUANG. I knew of this person, yes.

Mr. LATOURETTE. And I would ask you when you first knew of Antonio Pan and what you knew about his professional background.

Mr. HUANG. Antonio Pan used to work for Lippo Group. He had a background in the trading business. He might have joined the Lippo Group back in probably the beginning of the 1990's and later on the—he was not working for me or directly related to me. I mean, he was working with the projects in Asia is why he was joining the group. Probably he had some responsibility related to the real estate portion in China related to Lippo at that time.

Mr. LATOURETTE. It's my understanding that at one time you worked for a subsidiary of Lippo called T-A-T-I, TATI. Is that the correct pronunciation?

Mr. HUANG. That is involving the real estate development in Fujian Province, far as I know.

Mr. LATOURETTE. So that is a real estate concern of the Lippo Group?

Mr. HUANG. No, TATI was a specific project to develop a whole bay area and industrial complex out of the—Mr. Riady's, you know, hometown, original ancestor's town from China.

Mr. LATOURETTE. So, again, the answer to my question is that this particular project, however, is located within the People's Republic of China?

Mr. HUANG. That is correct, sir.

Mr. LATOURETTE. OK. And that is what Mr. Pan did at one point in time is head it up?

Mr. HUANG. As far as I know, yes.

Mr. LATOURETTE. Are you aware at any time that Antonio Pan then came to work for Charlie Trie?

Mr. HUANG. Yes. For whatever reason, the project was under—the whole project in China was under the reducing scale. Maybe he was no longer working for the Lippo, and he left.

Mr. LATOURETTE. And do you have any understanding of what he did for Mr. Trie, what work he did for him after he left and went into Mr. Trie's employment?

Mr. HUANG. The best I can recollect at this time is trying to—organizing things for Mr. Trie.

Mr. LATOURETTE. Do what? I'm sorry.

Mr. HUANG. Organizing things for Mr. Trie.

Mr. LATOURETTE. What sort of things?

Mr. HUANG. You know, the detail parts. You know, Mr. Trie, he basically—I don't know him very well. I have to speculate he was not really organizing. He is a businessman, run around, did not pay attention to the detail. He needed somebody to help him on that. More like a personal assistant.

Mr. LATOURETTE. Like a right-hand man?

Mr. HUANG. That's right.

Mr. LATOURETTE. I don't know if we can—I certainly don't want to catch the staff by surprise—but I would like to refer you to something known as 316. And exhibit 316 is a series of \$1,000 travelers checks from the Bank of Central Asia in Jakarta.

Mr. Trie, to our knowledge, used 200 of these travelers checks for a variety of purposes in 1996, including the reimbursement of political contributions made by Manlin Foung, Joseph Landon, and Jack Ho.

I think when I was talking to you in my last 5 minutes, I was indicating that some of the people that Mr. Trie solicited for the event that you were in charge of on February 19th were determined to be illegal, and they have been determined to be conduit contributions wherein they made the contribution, but then somebody gave them the money to cover the cost.

Specifically, exhibit 316 represents \$1,000 travelers checks that were used by Mr. Trie to pay back these three individuals for contributions that they made to the February 19th event that you were in charge of for the Democratic National Committee. And I would ask you, prior to them, you are now looking at them and we're looking at them on the screen, are you familiar at all with these travelers checks?

[Exhibit 316 follows:]

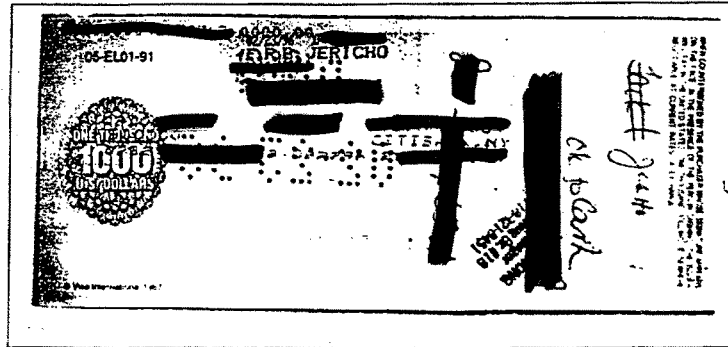
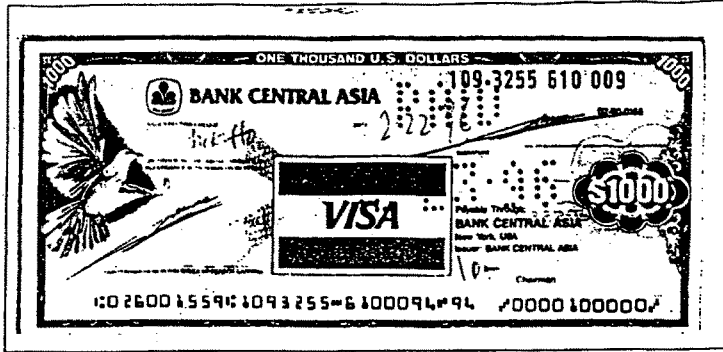
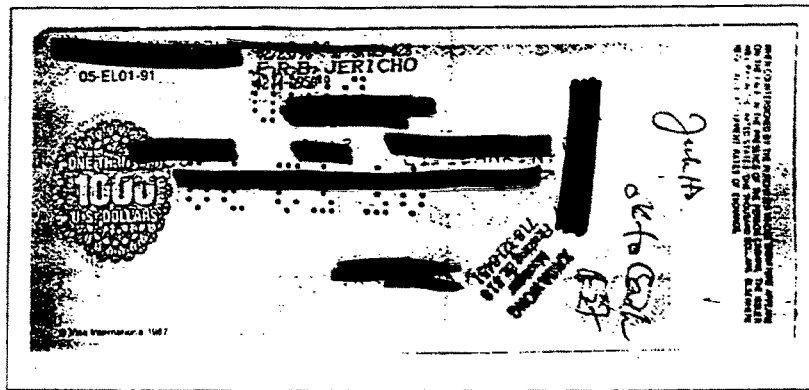
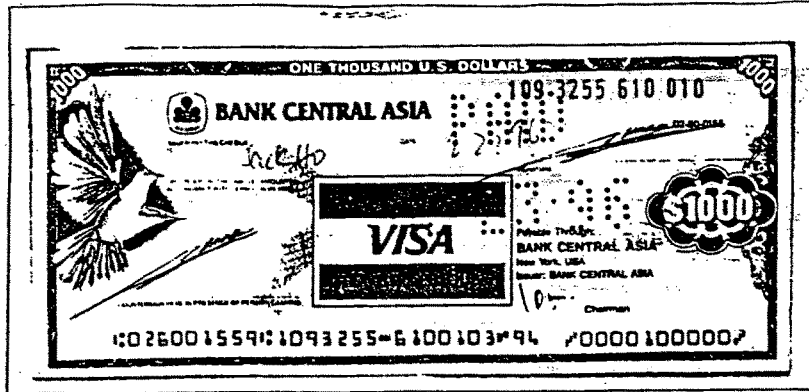


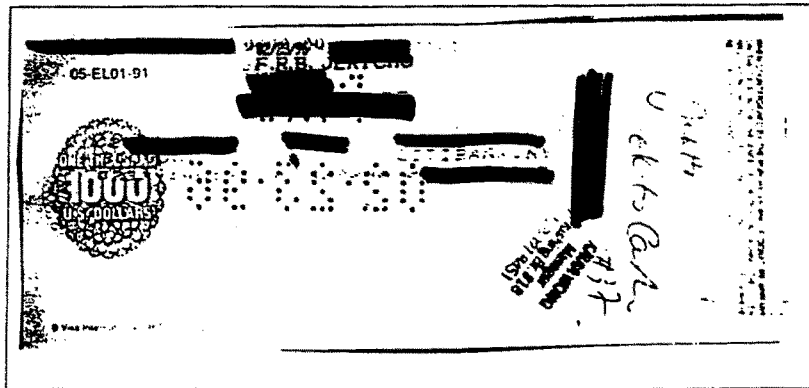
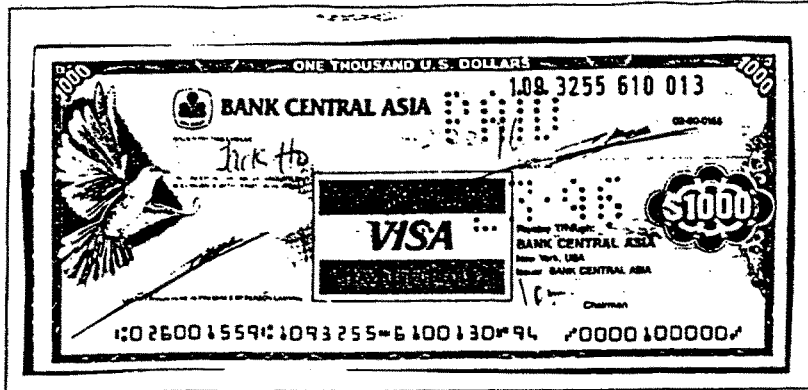
EXHIBIT  
316









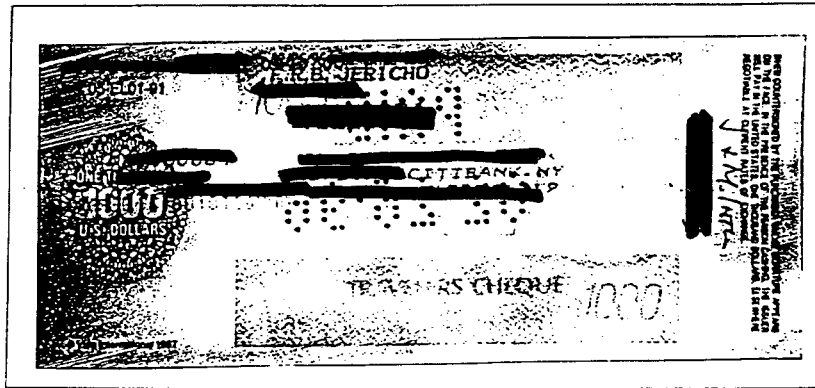
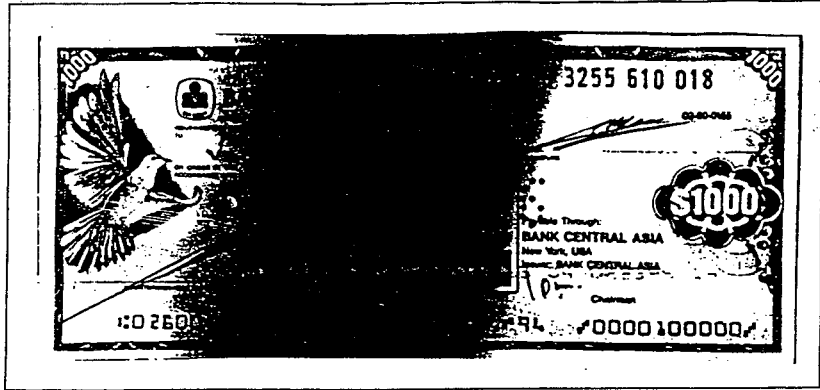


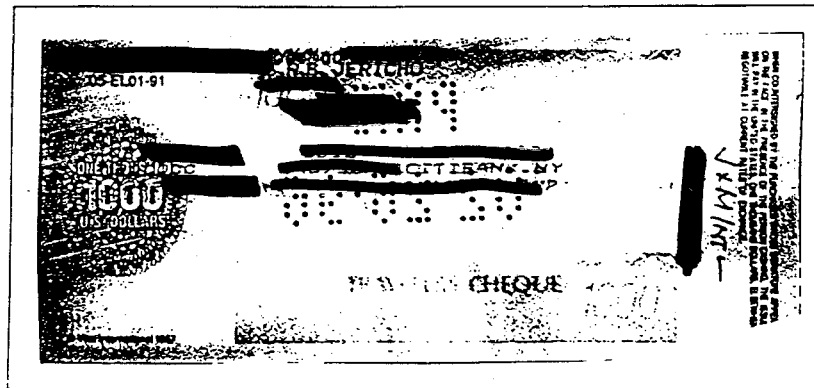
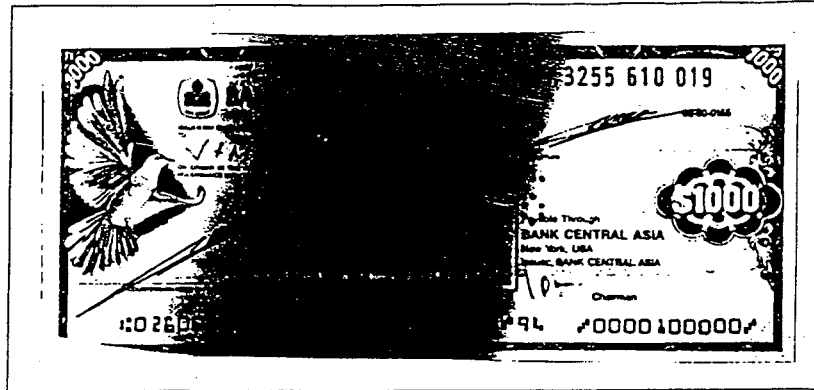


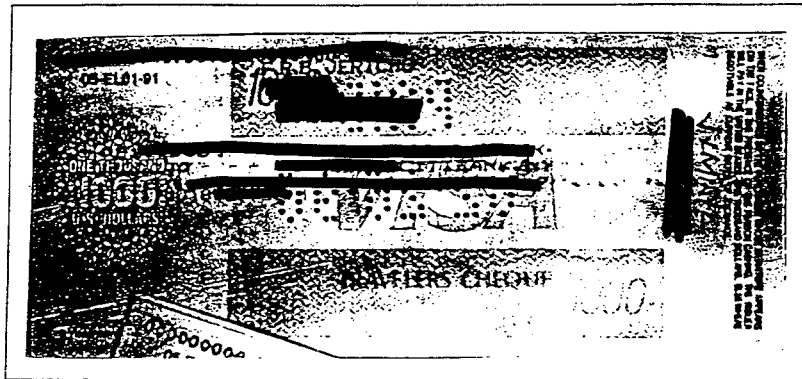
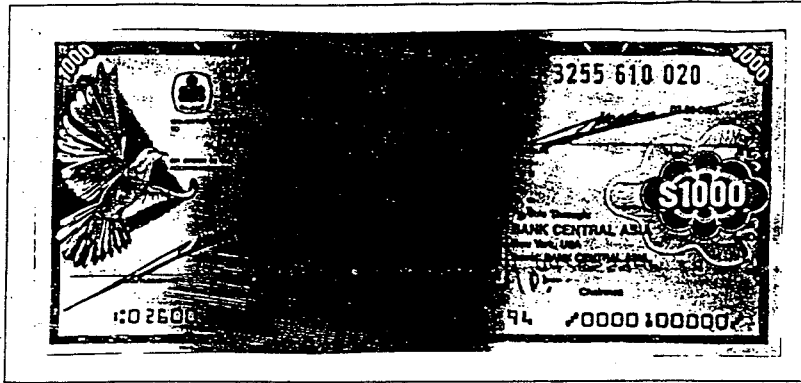








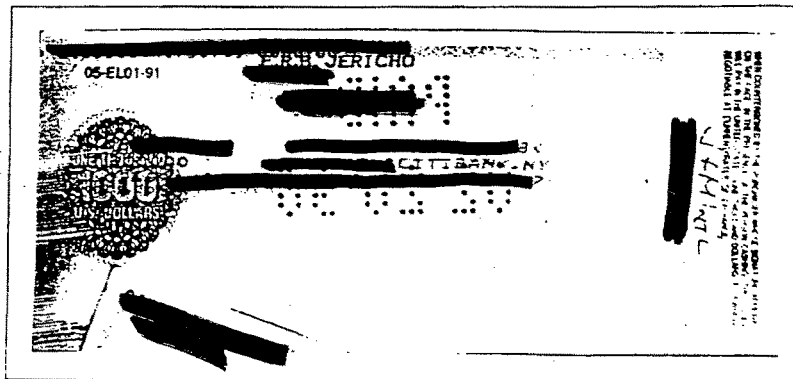
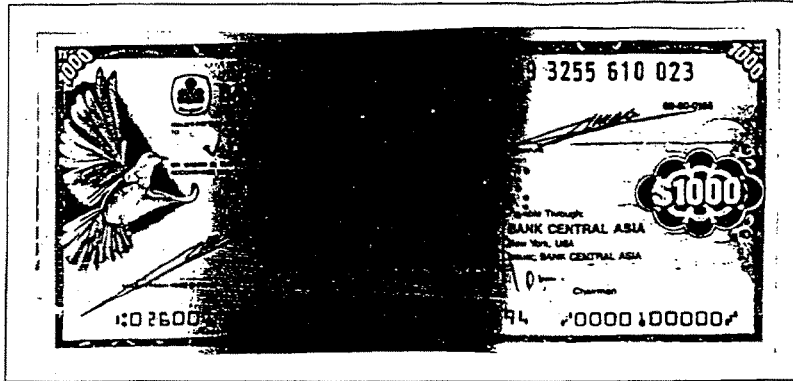


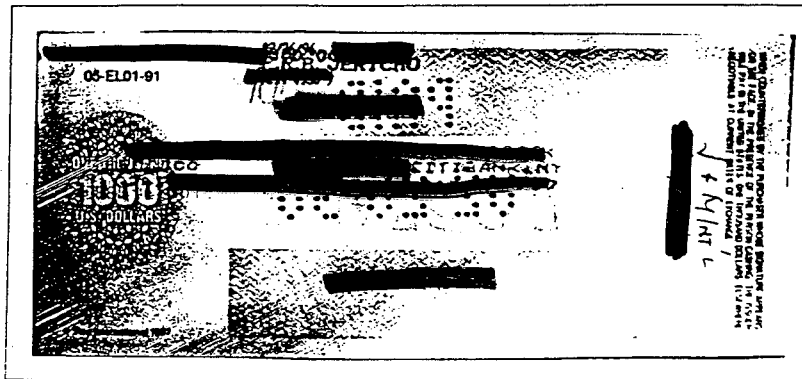
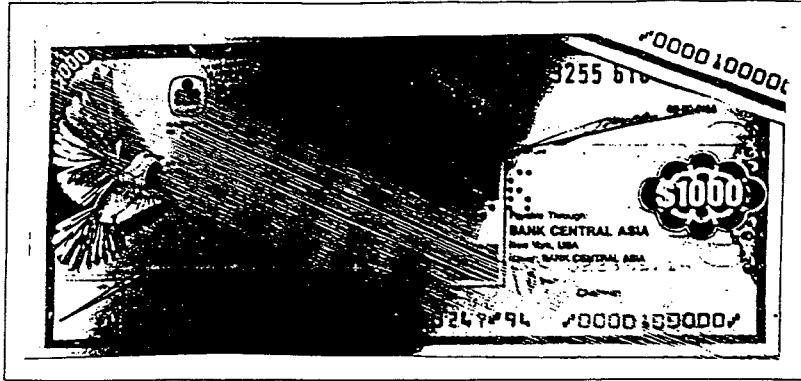




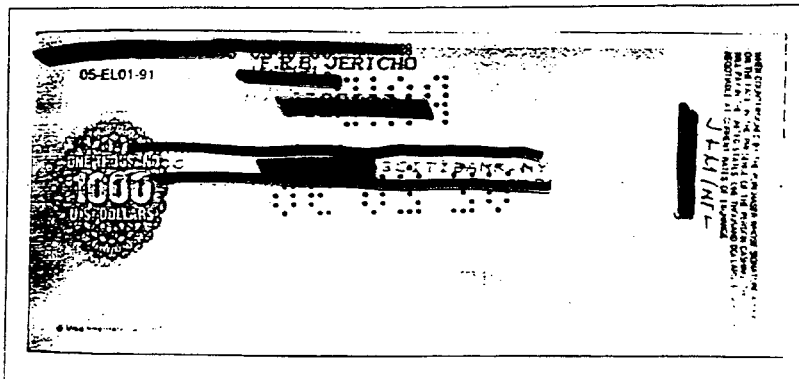
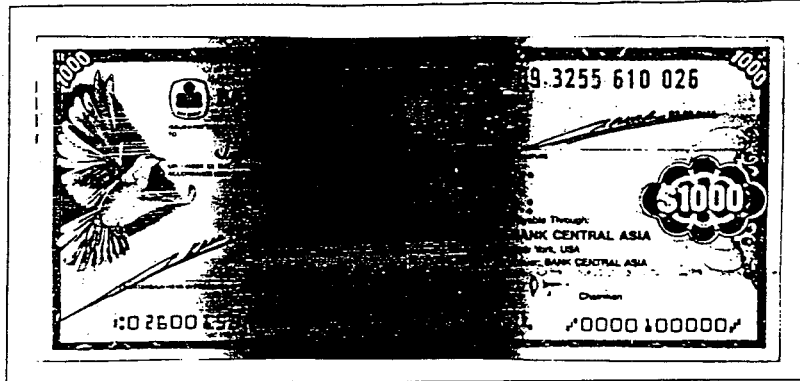


**The New York City branch of Bank Central Asia was able to reproduce only the front of Visa travelers check 109 3255 610 021 and the back of 109 3255 610 022 due to overlapping during microfilming.**





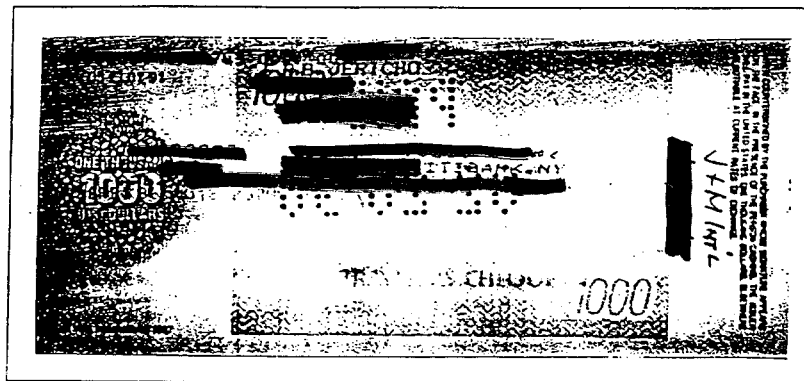
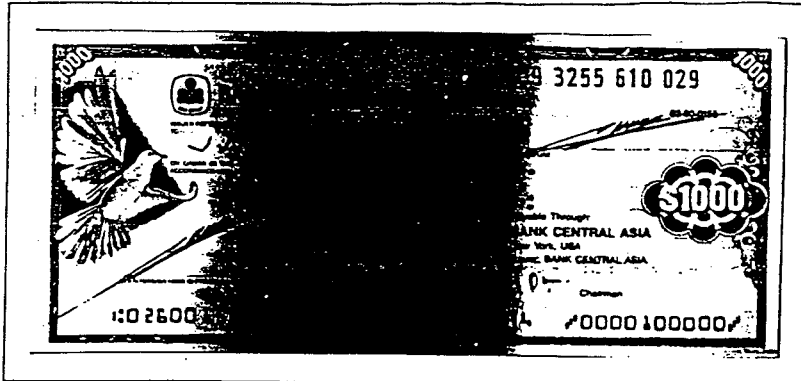




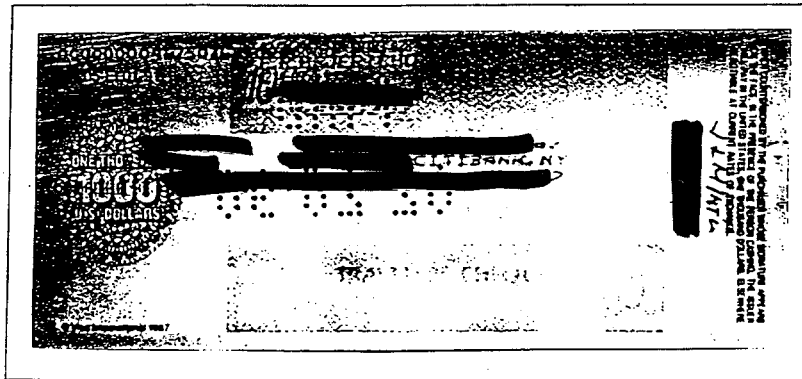
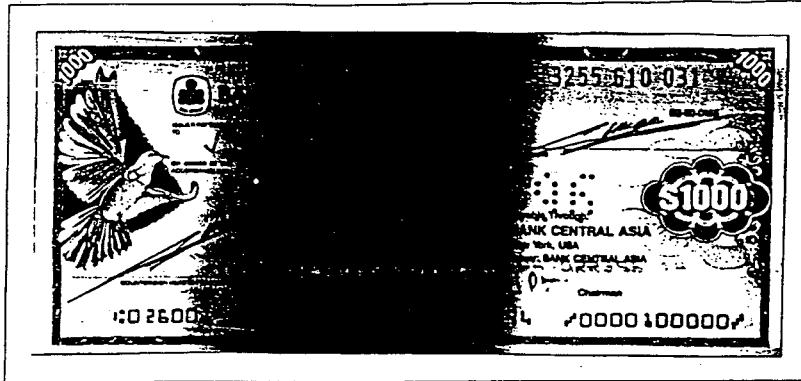


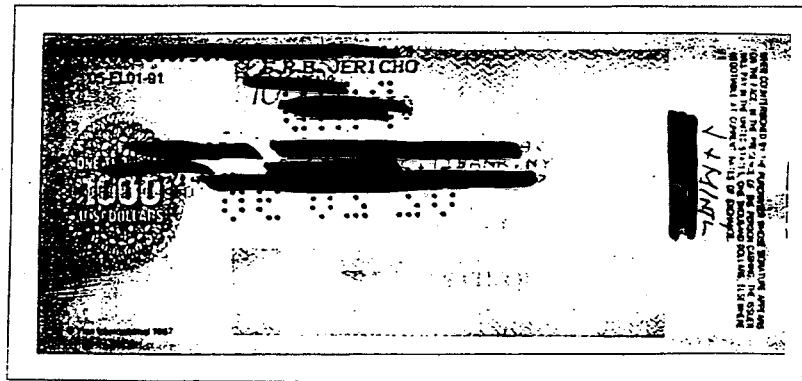
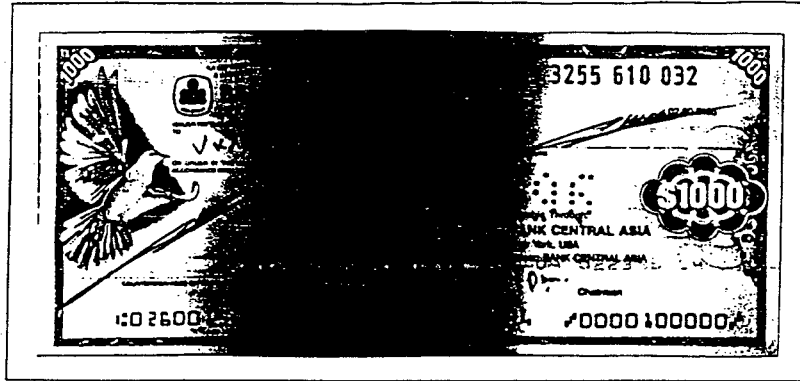


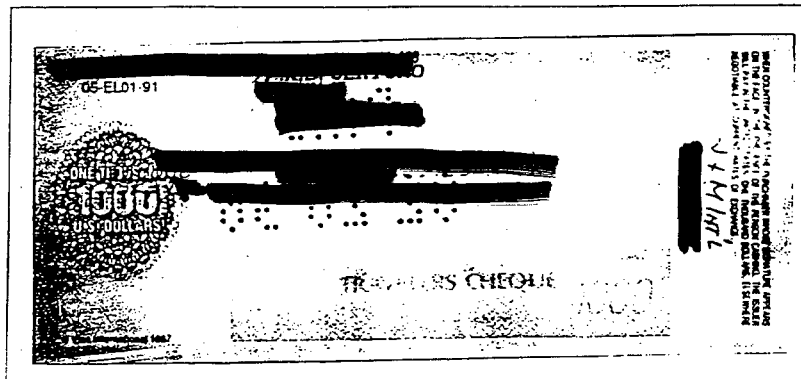
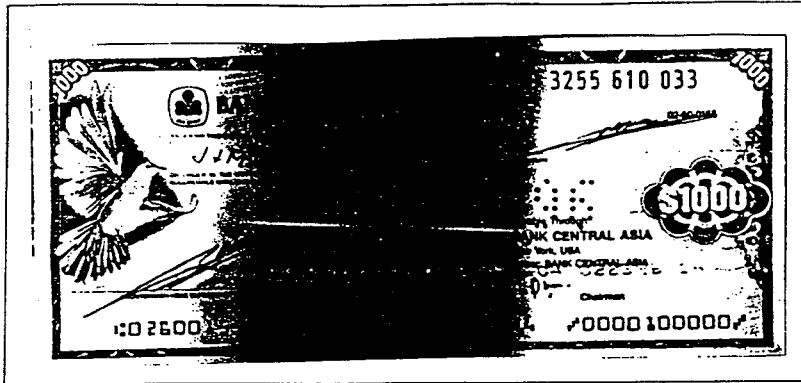


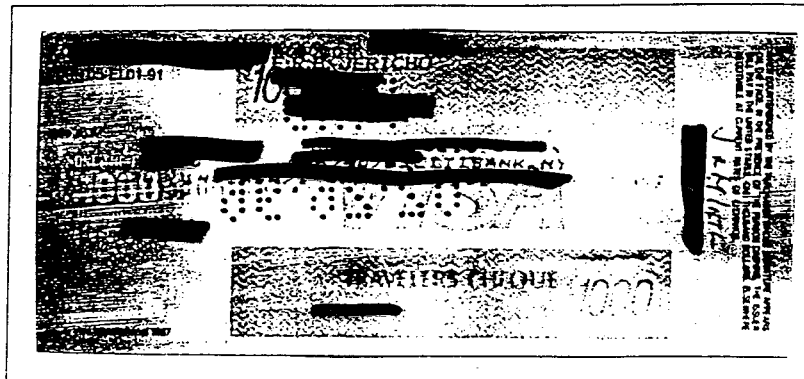
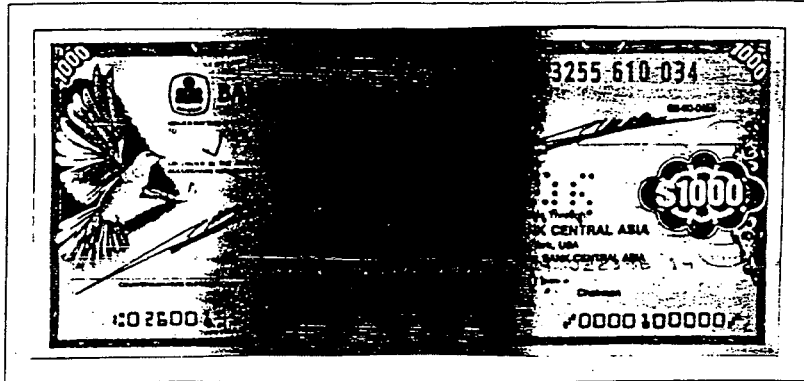


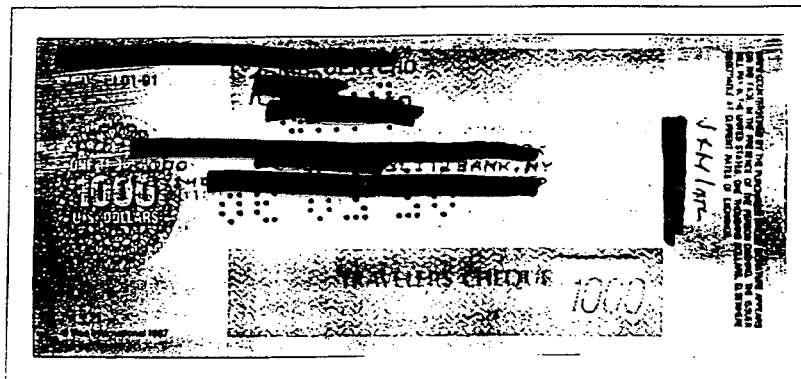
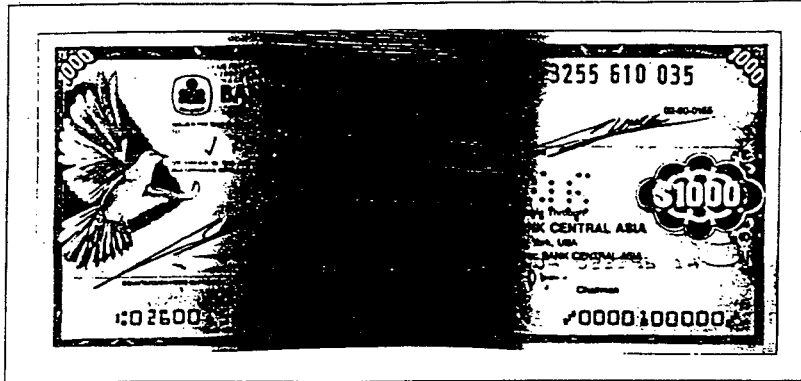






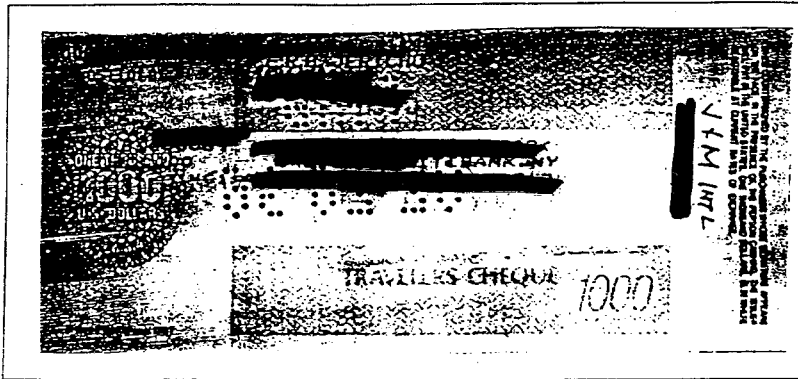
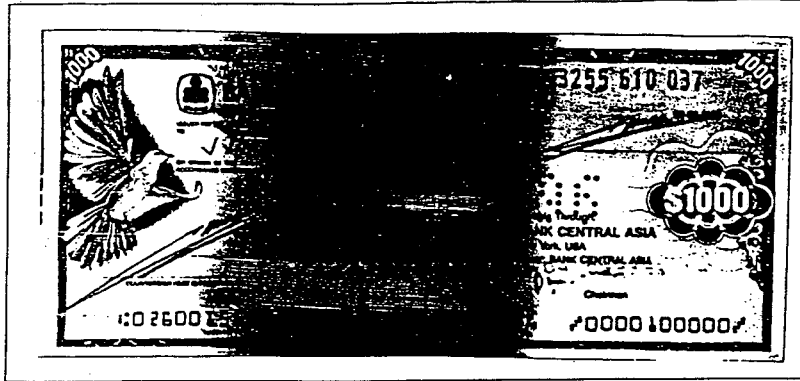


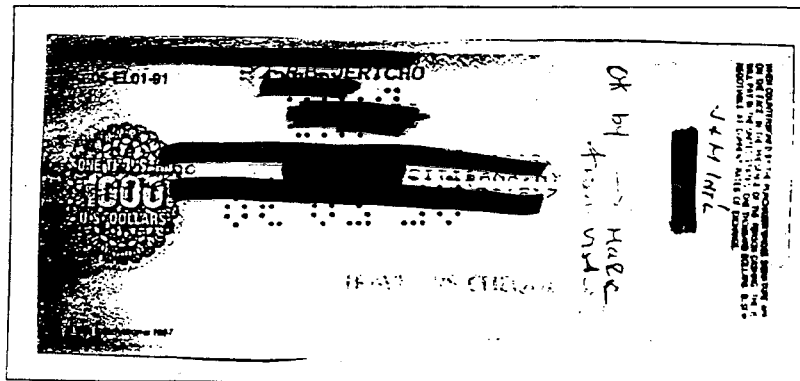
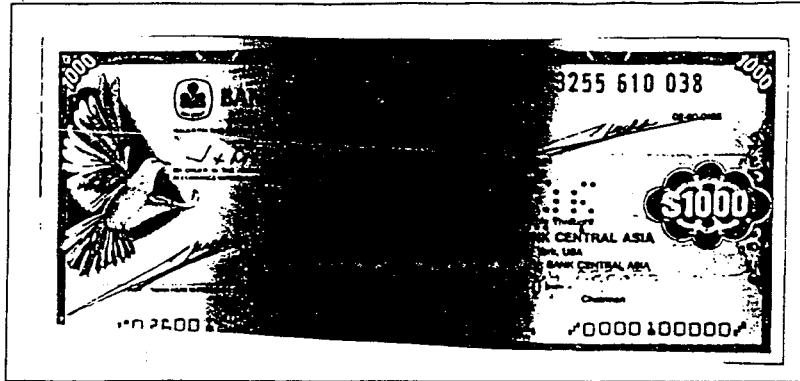




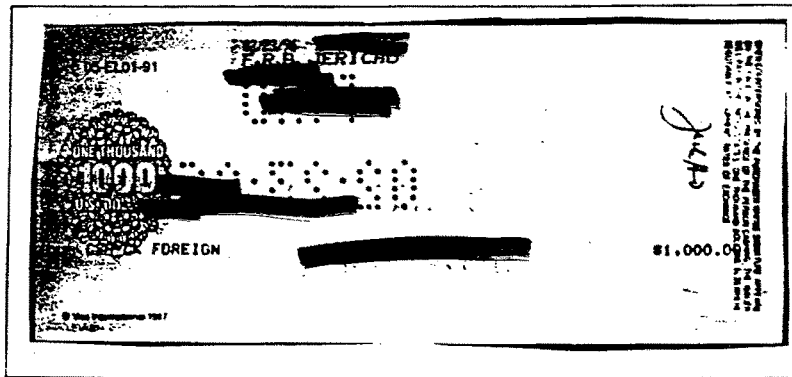
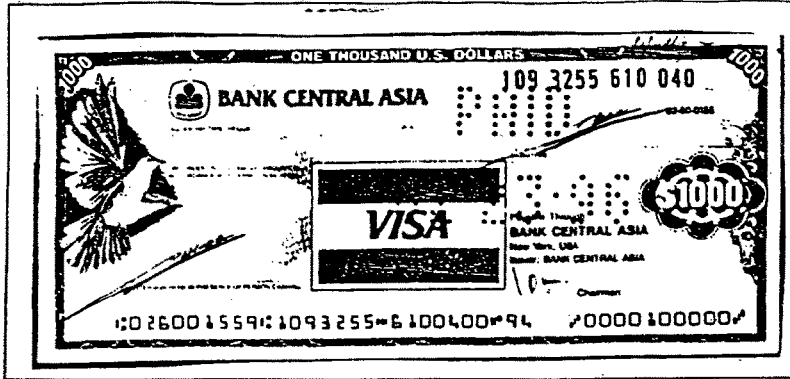


















Mr. HUANG. No, sir.

Mr. LATOURETTE. Did you ever discuss the idea of travelers checks with Charlie Trie relative to this event?

Mr. HUANG. No, sir.

Mr. LATOURETTE. Did you ever discuss the travelers checks with Antonio Pan?

Mr. HUANG. No, sir.

Mr. LATOURETTE. Do you have any knowledge as to the source of these particular travelers checks?

Mr. HUANG. No, sir.

Mr. LATOURETTE. So, specifically, you have no idea as to whether or not Mr. Trie received these from the Lippo Group or the Riady family?

Mr. HUANG. That is correct.

Mr. LATOURETTE. Are you able to make out the signature on the travelers check?

Mr. HUANG. On exhibit 316?

Mr. LATOURETTE. Yes, sir.

Mr. HUANG. I don't know the signature appearing. There's a last name called Ho, H-O.

Mr. LATOURETTE. OK. And during the time that you were debriefed by the Justice Department, did they ever inquire or ask you about these travelers checks and their connection with the February 19, 1996, fundraiser?

Mr. HUANG. No. No, sir. No.

Mr. LATOURETTE. At any time during your acquaintance with Charlie Trie, did you ever discuss with him any travel that he might have made to Jakarta?

Mr. HUANG. He had some business contact in Jakarta.

Mr. LATOURETTE. And was that the subject of conversations that you and he might have had?

Mr. HUANG. Oh, he was talking about business contacts, businessmen he knew in Indonesia.

Mr. LATOURETTE. Specifically, are you aware of any relationship between the Trie family and the Riady family?

Mr. HUANG. No. He had—to the best of my knowledge, he had no relationship with the Riady family.

Mr. LATOURETTE. I thank you. And I thank Mr. Burton. I yield back my few seconds.

Mr. BURTON. Would the gentleman yield to me for one question?

Mr. LATOURETTE. Sure. I would be happy to.

Mr. BURTON. You indicated that Antonio Pan worked for the Riadys and that the Riadys—there was no connection between the Riady family and Charlie Trie. So how did Antonio Pan come to work for Charlie Trie if there was no connection? Who introduced them to each other? I mean, how did Antonio Pan start working for Charlie Trie if he didn't know him and if the only connection Antonio Pan had with Charlie Trie would have been through the Riadys?

Mr. HUANG. The best I can know, Mr. Chairman, there was another person who used to be Antonio Pan's boss, happens to be a—I don't know if it's a real brother-in-law to Charlie Trie or not. So that is how the connection between them to know each other, I believe.



Mr. BURTON. Well, that's quite a coincidence.

Mr. Waxman.

Mr. WAXMAN. I'll pass.

Mr. BURTON. Mr. Shays.

Mr. SHAYS. Thank you, Mr. Chairman.

Mr. Huang, I want to be clear on how you define your terms a bit just so I make sure that we are both talking the same way here. And I want to clarify some points.

You pleaded guilty to conspiracy in terms of certain fundraising activities, and basically you were the conduit for other people's money, whether they gave it to you at first and you paid it or whether you paid it and then they paid you. Bottom line, that was a major part. And you were also aware of other people who were doing that as well, and that was part of the conspiracy. Others were being a conduit for funds; is that correct?

Mr. HUANG. That is correct, sir.

Mr. SHAYS. OK. Now, I'm not clear as to the amount in which you pleaded guilty to. How much of this kind of activity—what did it add up to in dollars?

[Discussion off the record.]

Mr. HUANG. Sorry about that, sir.

Mr. SHAYS. I'm not in a rush. We have time. I'd rather just get an accurate answer.

Mr. HUANG. During the—Congressman, sorry for the delay.

Mr. SHAYS. You don't need to apologize.

Mr. HUANG. Right. During the plea agreement, let me explain that the argument—the government argued for—the amount was \$150 some thousand. And in addition to that—

Mr. SHAYS. \$150 or—

Mr. HUANG. \$150 some thousand, \$156,000 to be exact. But in addition to that, because of the nature of the conduit of the money, it probably involved another \$700,000 or \$800,000 all together.

Mr. SHAYS. OK. Now, let me explore the \$700,000 to \$800,000. Is this money that you did that you did not have to plead guilty to? In other words, you were the conduit for \$700,000 to \$800,000 more, but it wasn't part of the specific charge?

Mr. HUANG. I need a little time on that.

Mr. BURTON. Can I interrupt for just 1 second? We understand that the lawyers' conversations with their client may be going across the television airways so you should be—if you want to keep it confidential between you and your client, I am just telling you this because you have that privilege.

Mr. SHAYS. And I would also like to say I'm sure the chairman will give me the time requisite. There is no problem with you taking as much time as we need to answer these questions. Because this is not just an hour's hearings. We have time, and we want to be thoughtful.

Mr. COBB. I just want the Congressman to understand there is a couple of legal issues that make answering this difficult, but I think we are almost there.

Mr. COBB. Congressman Shays, if I might.

Mr. BURTON. You have to forgive me, only your client can respond. That is the rules of the committee. But if you want to have him respond.

Mr. COBB. He doesn't know the answer. That is why I was trying to be helpful and explain the legal point.

Mr. BURTON. What was the question, Mr. Shays?

Mr. SHAYS. The question is, Mr. Huang is acknowledging that he has \$150,000 that bears directly with conspiracy and laundering the money. And I asked him is that the full extent of it. And then I was hearing a number of \$700,000 to \$800,000, and we need that defined. I don't know, if he can't, if Mr. Huang can't define it, then I think we need the lawyer to, with unanimous consent—

Mr. BURTON. Is there a unanimous consent to allow the counsel to—

Mr. WAXMAN. I have no objection.

Mr. BURTON. OK. Go ahead.

Mr. COBB. My only purpose is to be responsive, Congressman. Under the law that governs what a prosecutor can do, a prosecutor under these circumstances with a cooperating witness, particularly one that has cooperated this extensively, can only argue at sentencing for the amount that he could prove independent of the cooperation. So the independent proof was for \$156,000. Mr. Huang advised him of another approximately \$800,000. I hope that clarifies this.

Mr. SHAYS. That clarifies it.

Would you define that other \$700,000 to \$800,000, what kind of contributions they were, and were they the same type of contributions?

Mr. HUANG. Yes. During that period of time, involving all the executives of the Lippo Group.

Mr. SHAYS. So the Lippo Group, various people contributed, and we can assume that they were paid back, and that wasn't actually their money; is that correct?

Mr. HUANG. That is how I would answer the question, although I did not directly go to verify whether you received the money from somebody or not.

Mr. SHAYS. It was your sense, and that is why it is responsive, it was your sense that that was in fact the case, that this ultimately wasn't their money.

Mr. HUANG. Yes, sir. That's correct.

Mr. SHAYS. So that is a sizable amount of money. And let me ask you this before I—just learn a little more about that. Is there any other money in addition to this—since you have immunity—during any time from 1990 to the present that you were a conduit for or knew others were conduits for, that you had some involvement in?

Mr. HUANG. I cannot quite recall at this particular moment, sir. I don't think so.

Mr. SHAYS. Do I have a few more minutes?

Mr. BURTON. Because of the legal counseling, if there is no objection, we will let you have another minute.

Mr. SHAYS. You made it clear to me that—it is not clear to me. But you said that when you were at the Commerce Department, you had interactions with—you did not have interactions with the Riadys; is that correct, you did not?

Mr. HUANG. I should not say that, because sometimes they visit towns, and as a friend, I just say hello.

Mr. SHAYS. So is it your testimony under oath that it was purely and totally personal and it did not relate to any of their business activities?

Mr. HUANG. That is basically correct, sir.

Mr. SHAYS. But then you said, then you—

Mr. HUANG. I'm sorry.

Mr. SHAYS. But then you said you had business dealings with—business associates of the Riadys, partners of the Riadys, is that correct, while you were at Commerce? You mentioned—excuse me, while you were at the DNC. You didn't say that, but let me ask you this: While you were at Commerce, you—your only dealings—it is your testimony under oath your only dealings with the Riadys was personal in nature and did not involve any business activities. You did not try to help them financially, you did not try to help them in their business dealings while you worked at Commerce; is that your testimony?

Mr. HUANG. The only exception, Mr. Shays, was I introduced Mr. Joe Gerard to my senior in the Commerce Department, David Rothkopf, basically just introduced him, that's all, in the early—probably around August 1994 when I just joined the Commerce Department.

Mr. SHAYS. Thank you, Mr. Burton. I will continue when my time is returned. Thank you.

Mr. BURTON. Mr. Waxman.

Mr. WAXMAN. I'll pass.

Mr. BURTON. Mr. Souder.

Mr. SOUDER. Mr. Chairman, I would like unanimous consent to put into the record—Mr. Waxman had referred to comments by William Safire. I think it is only fair that the full article be inserted into the record and also a Washington Post article on the Hubbell meetings.

Mr. BURTON. Without objection, so ordered.

[The information referred to follows:]

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Saturday, July 3, 1999

OPINION

WILLIAM SAFIRE

The Riadys, Hubbell and Huang  
 WILLIAM SAFIRE  
 1999, The New York Times

WASHINGTON - Two men who admitted corrupting our politics during the Clinton years have copped their guilty pleas and are cheerfully walking free - without having to implicate any higher-ups.

In Webster Hubbell's case, the crony and serial felon the Clintons appointed to run their Justice Department in 1993 triumphed over the independent counsel because Ken Starr was sure he could not get a jury to convict Hubbell, and he wants to close up shop as fast as he can.

So we will never know if the \$100,000 that the Riady family paid Hubbell was, in Thomas Jefferson's phrase, "hush money" - to keep him from telling prosecutors about the part played by his Rose Law Firm "billing partner," Hillary Clinton, in his sham deal.

Ironically, Starr threw in the towel just as Jane Sherburne, former deputy White House counsel in charge of delaying investigations, unburdened herself about her Hubbell worries to Bob Woodward in his new book, Shadow.

"If Clinton had ... said something to encourage paying Hubbell," writes Woodward, "he could be personally involved in some kind of obstruction of justice. ... Sherburne called (the president's personal attorney, David) Kendall. Could he ask the president whether he knew about any payment to Hubbell from Riady's Lippo Group? Did Clinton instruct anybody to help Hubbell?"

"Kendall said he would ask ... He got back in touch with Sherburne later. 'I've checked it out,' he said convincingly. 'It's not a problem.'"

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(Publication page references are not available for this document.)

But then Clinton told a news conference, "I didn't personally know anything about it until I read about it in the press."

"She called Kendall to remind him," writes Woodward, "... she had asked Kendall to check it out. Kendall said he recalled." She asks: " 'but how could that be true given the conversation we had?' Kendall reacted angrily, suggesting that there was some disconnect ... Sherburne thought that Kendall was one more person who didn't tell her the full story."

And so, with no White House tapes and with Hubbell's zipped lip, Starr was unable to unearth the full story. But what could John Huang, the Riady employee placed in the Commerce Department and later as DNC fund-raiser, tell us about the Clinton-Hubbell-Riady hush-money connection?

That's where the second walk comes in. Despite the strong protests of FBI Director Louis Freeh and prosecutor Charles La Bella, Attorney General Janet Reno has kept tight political control over the carefully botched Chinagate investigation.

This month, Reno Justice announced that John Huang, who raised millions in Asian money for Clinton that had to be returned, will plead guilty to raising just \$7,500 illegally. His recommended sentence: a year's probation and a small fine.

In return for this slap on the wrist, will he reveal what he knows about the Hubbell money; or what transpired in the Sept. 13, 1995, Oval Office meeting with Clinton and Riady, or why he got regular CIA briefings and called former Lippo associates? Don't hold your breath.

Justice's walk-don't-talk prosecutors have interviewed him extensively, they tell the court, but we will never see those transcripts.

But what about Congress? Up to now, Huang has taken the Fifth to avoid testifying, but surely now that he has admitted guilt of a campaign finance crime, he can be called to testify. His sentencing is scheduled for Aug. 2 in Los Angeles before Federal Judge Richard Paez; could not his sentence depend on his willingness to tell the whole truth to Congress?

Not so fast. Reno, working with Democrats, has a way to prevent that. Huang insists on immunity from further prosecution, which Chairman Dan Burton of House government Reform is prepared to give.

But Justice, which has already said there is no espionage element

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to Huang's case, now says it prefers he not get immunity to testify. Excuse: the old, contemptuous "ongoing investigations" dodge. And Democrats on the committee can use that to block a grant to Huang, thereby keeping the lid on him and protecting Clinton and Al Gore from embarrassment.

The Riadys' Hubbell and Huang, together again. Both walk; neither talks; and a five-year cover-up succeeds.

William Safire's column appears Wednesday and Saturday.

---- INDEX REFERENCES ----

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## Hubbell Meetings With Riady Draw Probers' Scrutiny

By *Susan Schmidt*  
Washington Post Staff Writer  
Sunday, March 23 1997; Page A01

Three months after he left his Justice Department job in disgrace in 1994, Webster L. Hubbell scheduled a 7 a.m. breakfast meeting in Washington with an old friend just in from Indonesia, James Riady. A few hours after breakfast, Riady was at the White House, but not for long; Hubbell had his friend penciled in for a midday luncheon meeting at the elegant Hay-Adams hotel.

What Hubbell and Riady talked about, and what transpired in a flurry of meetings Riady had at the White House every day that week, are now at the heart of a mystery investigators are trying to unravel.

Hubbell's breakfast and lunch with Riady, the head of the Lippo Group, a multibillion-dollar Indonesia-based conglomerate, occurred on June 23, 1994. That same month, according to knowledgeable sources, a Lippo subsidiary paid Hubbell \$100,000. Little work, if any, was expected from Hubbell in return for the money, according to a source familiar with some of Lippo's activities. Investigators want to know whether the payment was intended purely to buy his silence.

The meetings and the money are just part of the mystery surrounding Hubbell and Lippo.

John Huang, the former Commerce Department official and Democratic National Committee fund-raiser now at the center of a Justice Department inquiry into questionable campaign activities during last year's presidential contest, helped facilitate the \$100,000 Lippo payment to Hubbell, according to the source with knowledge of the company's activities here.

Huang's attorneys say their client did nothing improper.

Huang attended several of the White House meetings with Riady that June, including the June 23 White House session that Riady sandwiched in between breakfast and lunch with Hubbell. Two days before that, Riady met with President Clinton, administration officials said. That was

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just one of 25 visits Riady has made to the White House since Clinton was elected, records show.

Clinton spokesman Lanny J. Davis said he did not know who Riady saw at the White House each time he visited, but on June 23 he was in the company of Huang and Mark Grobmyer, a Little Rock lawyer who has tried to put together several international trade deals, including some with Lippo. Davis could not confirm the reason for the White House visits by Riady and Grobmyer, but he said they appeared to be connected to a briefing on a think tank that studies the presidency.

Investigators in Congress, in the office of Whitewater independent counsel Kenneth W. Starr and on the Justice Department task force created to examine questionable fund-raising practices in the 1996 election campaigns are all trying to learn more about the payment to Hubbell from Lippo. The Justice Department task force is focusing specifically on whether China tried to influence U.S. elections through Lippo and other companies.

Prosecutors are using grand juries here and in Little Rock to examine the Lippo payment to Hubbell. They are also scrutinizing about a dozen other payments he received after leaving the Justice Department. The payments, which exceeded \$500,000, dwarfed Hubbell's \$123,000 Justice Department salary. They were also made at a time when he was under intense pressure to provide information about the Clintons to Starr's investigators.

Hubbell was forced to step down from his job as associate attorney general in April 1994 after his former colleagues at Little Rock's Rose Law Firm, where he was a partner with Hillary Rodham Clinton, accused him of stealing from his clients and the firm. In December 1994, Hubbell agreed to plead guilty to mail and tax fraud and pledged to cooperate in the Whitewater inquiry, cooperation prosecutors felt he never provided.

Last month, Hubbell completed an 18-month jail term, but Starr now wants to know more about the money Hubbell was paid before he entered the guilty pleas.

A key question, sources said, is whether Hubbell fully reported his income for that year to the Internal Revenue Service and disclosed it accurately to the court at his sentencing. What Hubbell told court officials then about his financial status is not publicly known. But the judge who sentenced Hubbell ordered that he make only \$135,000 in restitution to the Rose Law Firm, far less than the \$484,000 he acknowledged stealing.

Despite his widely publicized legal troubles in the summer and fall of 1994, Hubbell had no trouble signing up clients back then.

Besides the \$100,000 he got from Lippo, Hubbell also



received a portion of a book advance of undetermined size from HarperCollins around the time he went to jail.

He had other sources of income, as well.

Among those who have worked to help Hubbell financially were the lobbyist for Arkansas-based Tyson Foods Inc.; billionaire Democratic fund-raiser Ronald O. Perelman; Clinton friend and prominent Washington lobbyist Michael Berman; James C. Wood Jr., who would later become U.S. envoy to Taiwan before resigning this year amid allegations he pressed Taiwanese businessmen to contribute to Clinton's reelection campaign; then-U.S. Trade Representative Mickey Kantor, and a host of other wealthy friends and supporters.

While he appears to have been kept at arm's length by the White House after he left the Justice Department, his appointment logs and other documents for that period show he maintained close ties to the executive mansion. Entries from Hubbell's appointment book, for example, indicate that he played golf on one occasion with Clinton and on another with Vernon E. Jordan Jr., a friend and informal adviser of the president's, that he went twice to Camp David, and that he had many meetings and lunches with White House officials.

Hubbell is a likable bear of a man with a large circle of friends. Some of those who hired him or contributed to funds established to help pay his legal bills and put his children through school say they were motivated by nothing more than friendship and concern. Hubbell and his lawyers have refused to comment on the payments made to him.

Hubbell's ties to John Huang and James Riady date to his days at the Rose Law Firm. Rose represented Worthen Bank, owned in part by the Riady family. Huang and Riady, who served as Worthen's president for a time, lived in Little Rock during the 1980s, and there they got to know the Clintons.

Some of those who tried to help Hubbell in 1994 had direct or indirect ties to Lippo.

Kantor, the former U.S. trade representative who recently resigned as Clinton's secretary of commerce, saw Hubbell on at least four occasions in the summer of 1994, for example. Kantor's old law firm, Manatt, Phelps & Phillips, represents Lippobank in the United States. Kantor's former partner at the firm, White House aide for intergovernmental affairs John Emerson, met with Hubbell at least nine times while Hubbell was under investigation, records show. Emerson could not be reached for comment on his meetings with Hubbell.

Kantor has denied he was involved in arranging consulting work for Hubbell, but he said he contributed to an

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education fund for Hubbell's children and asked Texas businessman and Democratic Party contributor Bernard Rapoport to donate as well. Rapoport said he did so and also put Hubbell on his payroll for \$3,000 a month for six months. Rapoport said he made the arrangement with Hubbell at the request of another major Democratic fund-raiser. Texas oilman and former DNC finance chief Truman Arnold has said he also hired Hubbell for an undisclosed amount.

Clinton has denied knowing anything about the Lippo payment to Hubbell. Earlier this month, Davis, the special White House counsel, said Clinton "never asked or suggested that anyone hire Webb Hubbell." But he added that Clinton thinks that "at some point he may have heard Bernard Rapoport or Truman Arnold, or both, who are old friends of the president . . . hired or intended to hire Mr. Hubbell."

Others who hired Hubbell were major supporters of the president.

Perelman's company, MacAndrews & Forbes Holdings Inc., confirmed that it hired Hubbell in April 1994 and employed him until December of that year. A spokesman for the company declined say how much Hubbell was paid or what he was hired to do. Like officials at several firms that hired Hubbell, MacAndrews & Forbes spokesman Jim Conroy said he was not authorized to say any more about Hubbell's employment, including who arranged for it or how it came about.

Perelman and his wife, Patricia Duff, have been major fund-raisers for Clinton in New York, and have contributed more than \$750,000 to the Democratic Party since 1993.

Some of those who arranged for contributions or contract work for Hubbell have refused to talk about their involvement. Others have acknowledged that they were approached by friends of the Clintons who were concerned about their old friend from Little Rock. Time-Warner said it hired Hubbell to work on an antitrust issue at a fee of \$5,000 a month in late 1994. Lobbyist Michael Berman, a close friend of Hillary Clinton, helped arranged the Hubbell deal with Time-Warner, which lasted several months. Berman has said he was acting on his own. He also gave \$5,000 to a fund set up to help defray the cost of sending Hubbell's children through school.

Another lobbyist, Jack L. Williams, represents two more entities that hired Hubbell, the Pacific Telesis Group (Pac-Tel), a telecommunications concern, and the Mid-America Dairymen's Association. Officials at the dairy association did not return phone calls, but a source close to Pac-Tel confirmed that Williams had a role in getting Hubbell work with that firm.

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Williams has represented a handful of big Arkansas firms in Washington, including Tyson Foods, where Clinton friend Jim Blair has served as legal counsel. Tyson spokesman Archie Schaffer said the company knows nothing about payments to Hubbell and did not make any.

Williams was convicted last week of making false statements in the federal probe of alleged favors by Tyson to former agriculture secretary Mike Espy. His lawyer declined to comment on the Hubbell payments.

Pac-Tel hired Hubbell in July 1994 to advise the company about a dispute between the Justice Department and the Federal Communications Commission that affected Pac-Tel's efforts to get into the long distance telephone market. Unbeknownst to Pac-Tel, a source close to the company said, Hubbell also went to work for Sprint, a company that wanted to get into local telephone markets and had interests counter to those of Pac-Tel.

Sprint officials have declined to comment on how they came to hire Hubbell, what he was employed to do or how much they paid him. They issued a statement saying only that they hired Hubbell in late 1994 and terminated his services when Hubbell entered his guilty plea in December of that year.

Among the other payments Hubbell received while he was under investigation:

The Los Angeles Airport Commission hired Hubbell in late summer 1994 to help ensure the U.S. Department of Transportation did not stop the city from making use of \$58 million in airport funds. It paid Hubbell \$24,750. A year ago, amid questions about the arrangement, former DOT inspector general Mary Schiavo found that Hubbell did not solicit the job and appeared to have done little work. She found Hubbell's lobbying consisted largely of one or two five-minute phone calls to the DOT general counsel. Hubbell was recommended to airport officials by the husband of then-Deputy Mayor Mary Leslie, a Hubbell friend and one-time Clinton administration appointee at the Small Business Administration under Erskine B. Bowles.

White House spokesman Michael McCurry has said Bowles does not recall knowing anything about Hubbell's work for the airport commission. Leslie did not return phone calls seeking comment.

The airport funding issue came to the attention of the White House, Schiavo found, landing at several points on the desk of senior aide and longtime Hubbell friend Bruce Lindsey. In response to questions posed by a congressional panel last year, Lindsey said he was unaware of Hubbell's role with the airport commission. Hubbell told Schiavo's office he never discussed the airport issue with Lindsey, but he said he did discuss it with his friend John Emerson, a White House official who worked on the issue with

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Lindsey.

The Consumer Support and Education Fund, a private foundation in California, paid Hubbell \$45,000 to write a treatise on public officials who are tyrannized by a scandal-driven press. Lawyer John Phillips, who said he met Hubbell through Emerson and quickly became a friend, recommended commissioning Hubbell for the report. Hubbell did not write it. Phillips said he repaid the grant out of his own pocket.

SunAmerica Inc., a Los Angeles-based insurance company owned by big Democratic giver Eli Broad, hired Hubbell to generate public interest in a national policy to encourage saving for retirement. SunAmerica declined to disclose what it paid Hubbell. The Arkansan worked for the company in the 1980s on a case in which he had gotten to know another SunAmerica lawyer: Mickey Kantor.

Friends in Little Rock established three funds to help pay legal bills, education costs and living expenses for Hubbell's family while he was in prison.

Publisher HarperCollins agreed to pay Hubbell slightly more than \$100,000 for his memoirs around the time he was going to prison, in August 1995, a publishing source said. Standard publishing practice is for authors to receive a third to a half of the advance on signing the contract. Because Hubbell failed to complete the book in time to be published before the 1996 election, HarperCollins canceled it.

*Staff writer Paul Blustein and special correspondent Anne Farris contributed to this report.*

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Mr. SOUDER. I wanted to come back to my Hubbell questioning again. A couple of things to clarify. My last question to you was, did the Justice Department ask you about visits to the White House by you and James Riady during the week of June 21st to 25th? You and Mr. Riady, according to records, visited the White House six times. And your answer to me was that the Justice Department had asked you questions.

Mr. HUANG. Yes.

Mr. SOUDER. What did you tell them about the visits? The reason I ask you that is that the 302s that we have show no questions from the Justice Department. It could be redacted materials, and that is why I would like to know what they were asking you about.

Mr. HUANG. If I can recall correctly, the question was relating to my—the activities when I was—we were in Washington, DC, during that week. I might have it confused that that was the independent counsel's office.

Mr. SOUDER. OK. So let me then ask the question a different way. In any of those six visits to the White House that week, in response to a question from Mr. Waxman, you said Mr. Riady had a multiplicity of interests. Did he talk about any of those multiplicity of interests in any of those visits to the White House when you were present?

Mr. HUANG. Not that I know of, sir.

Mr. SOUDER. So you went to the White House six times, mainly for social and pictures and so on; or were there any policy discussions?

Mr. HUANG. Sorry for the delay, Mr. Souder. The activities over the years are not always five to six times to see the President. Also there was some activity meeting with some of the acquaintances, you know, the other people. Some of the meetings, I did not even attend myself.

Mr. SOUDER. OK. I'll have further questions about that probably into tomorrow morning. The problem with this is we are having to do deposition-type things. Many of these questions may not yield much information because we didn't get any pre-screening, so I am doing the best I can to get to some points, but I have some followups with that.

Mr. HUANG. Mr. Souder, before you followup with that, I can tell you there is one event he did meet with the President, which is on the radio address on Saturday I believe on that week.

Mr. SOUDER. And in the—I'm going to followup. I want to come back to June, to early June. I mentioned about you going to Little Rock around—with Mr. Riady earlier than that. If we could put this—we have redacted the numbers and so on. But your American Express, I believe it is, or it is a credit card, I don't know what it is, shows that you rented a car and were in Little Rock the 19th through the 21st. But you don't remember anything about that visit being in Little Rock? It does not show—

Mr. COBB. Is there an exhibit number?

Mr. SOUDER. No, this was not an exhibit. What happened, I had a question that asked about you being in Little Rock. Then I asked staff, why would you have thought he was in Little Rock? And so they said, well, from the expense records—which was not an ex-

hibit. I was just trying to establish whether you remember being in Little Rock that time.

Mr. COBB. We can't see it from the monitors.

Mr. BURTON. Can we make a copy and give it to Mr. Huang?  
[The information referred to follows:]

JOHN HUANG

80 O080/O095  
ITEM 013  
BAKER CARTRUCK RENT LITTLE ROCK AR \$97.91

Customer Account No.	Date of Charge	Reference Code	Address Code
[REDACTED]	06/21/94		
Service Establishment and Location			
BAKER CARTRUCK RENT LITTLE ROCK AR			
Name of Charge			
LOCATION	DATE-TIME	AGREEMENT	
RENTAL LITTLE ROCK	AR 06/19/94	524694282	
RETURN LITTLE ROCK AP AR	03 06/21/94	TRW 173531	
S/E #	1033701004	TOTAL CHARGE AMOUNT	\$97.91
HUANG, JOHN			

ITEM 014  
BAKER CARTRUCK RENT LITTLE ROCK AR \$223.65

Customer Account No.	Date of Charge	Reference Code	Address Code
[REDACTED]	06/22/94		
Service Establishment and Location			
BAKER CARTRUCK RENT LITTLE ROCK AR			
Name of Charge			
LOCATION	DATE-TIME	AGREEMENT	
RENTAL LITTLE ROCK	AR 06/19/94	524694282	
RETURN LITTLE ROCK AP AR	03 06/22/94	TRW 173531	
S/E #	1033701004	TOTAL CHARGE AMOUNT	\$223.65
HUANG, JOHN			

ITEM 015  
STOFFER HOTEL MAYFL WASHINGTON DC \$61.69

Customer Account No.	Date of Charge	Reference Code	Address Code
[REDACTED]	06/22/94	001481270	23
Service Establishment and Location			
STOFFER HOTEL MAYFL WASHINGTON DC			
Name of Charge			
RESTAURANT ROC NUMBER 2851008402			
S/E #	4080102049	TOTAL CHARGE AMOUNT	\$61.69

ITEM 016  
DELTA AIR LINES WASHINGTON DC \$824.00

Customer Account No.	Transaction Date	Ticket Number	
[REDACTED]	06/25/94	00621454961024	
Passenger Name	Ticket Office		
RIADY, JAMES	DELTA AIR LINES		
Home Name	Home Address		
DELTA AIR LINES INC	WASHINGTON DC		
From	Carrier	Class	Transaction Amount
WASHINGTON NAT'L DC	DL	FF	824.00
To	ORLANDO FL	DL	FF
To	NEW ORLEANS LA	DL	FF
To	Amount Use Only		
To	17661813	000150	21 177000
PASSENGER TICKET S/E # 7892701284			

ITEM 017  
DELTA AIR LINES WASHINGTON DC \$824.00

Customer Account No.	Transaction Date	Ticket Number	
[REDACTED]	06/25/94	00621454961035	
Passenger Name	Ticket Office		
RIADY, AILEEN	DELTA AIR LINES		
Home Name	Home Address		
DELTA AIR LINES INC	WASHINGTON DC		
From	Carrier	Class	Transaction Amount
WASHINGTON NAT'L DC	DL	FF	824.00
To	ORLANDO FL	DL	FF
To	NEW ORLEANS LA	DL	FF
To	Amount Use Only		
To	17661815	000150	21 177000
PASSENGER TICKET S/E # 7892701284			

ITEM 018  
DELTA AIR LINES WASHINGTON DC \$824.00

Customer Account No.	Transaction Date	Ticket Number	
[REDACTED]	06/25/94	00621454961050	
Passenger Name	Ticket Office		
RIADY, JOHN	DELTA AIR LINES		
Home Name	Home Address		
DELTA AIR LINES INC	WASHINGTON DC		
From	Carrier	Class	Transaction Amount
WASHINGTON NAT'L DC	DL	FF	824.00
To	ORLANDO FL	DL	FF
To	NEW ORLEANS LA	DL	FF
To	Amount Use Only		
To	17661817	000150	21 177000
PASSENGER TICKET S/E # 7892701284			

ITEM 019  
DELTA AIR LINES WASHINGTON DC \$824.00

Customer Account No.	Transaction Date	Ticket Number	
[REDACTED]	06/25/94	00621454961072	
Passenger Name	Ticket Office		
RIADY, HENRY	DELTA AIR LINES		
Home Name	Home Address		
DELTA AIR LINES INC	WASHINGTON DC		
From	Carrier	Class	Transaction Amount
WASHINGTON NAT'L DC	DL	FF	824.00
To	ORLANDO FL	DL	FF
To	NEW ORLEANS LA	DL	FF
To	Amount Use Only		
To	17661819	000150	21 177000
PASSENGER TICKET S/E # 1003701284			

ITEM 020  
DELTA AIR LINES WASHINGTON DC \$824.00

Customer Account No.	Transaction Date	Ticket Number	
[REDACTED]	06/25/94	00621454961046	
Passenger Name	Ticket Office		
RIADY, CAROLINE	DELTA AIR LINES		
Home Name	Home Address		
DELTA AIR LINES INC	WASHINGTON DC		
From	Carrier	Class	Transaction Amount
WASHINGTON NAT'L DC	DL	FF	824.00
To	ORLANDO FL	DL	FF
To	NEW ORLEANS LA	DL	FF
To	Amount Use Only		
To	17661820	000150	21 177000
PASSENGER TICKET S/E # 1003701284			



FRANKLIN/

Mr. HUANG. Can you give me a time, and maybe I can try to help out.

Mr. SOUDER. The car rental shows 19th through the 21st. And Mr. Riady is coming—you head back to Washington the same time Mr. Riady does. That also shows plane tickets from Mr. Riady coming in from New Orleans. And since you and he arrived at the same time in Washington, the question is, since you got a rental car, were you together in that period?

Mr. HUANG. No. He came from different direction. I don't think he was in Little Rock. This expense report—no, this American Express charges is my name. Definitely I was in Little Rock. But I didn't believe Mr. Riady was in Little Rock at that time.

Mr. SOUDER. When you were in Little Rock at that time? Did you do anything at that point with Webb Hubbell's funds?

Mr. HUANG. I don't remember exactly what I do, but I do remember I did not meet with Mr. Webb Hubbell. In Little Rock I'm talking about.

Mr. SOUDER. And you don't recall being with Mr. Riady until you got to Washington?

Mr. HUANG. That is correct, sir.

Mr. SOUDER. OK. In the period in Washington, in exhibit 97, if exhibit 97 could go up on the screen, it says that John Huang called at 9:10, wants to arrange a meeting with you tomorrow with Mark Middleton. Why did you call him for a meeting?

[Exhibit 97 follows:]

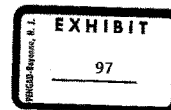


DAILY PHONE LOG FOR MARK MIDDLETON 698-5622  
590-5467  
372-5572 DATE: June 20, 1993

TIME	NAME/COMPANY	PHONE NO.	REMARKS	ACTION
------	--------------	-----------	---------	--------

9:10 A	John Huang	unable to reach	wants to arrange a meeting with you for tomorrow	3:00 —
--------	------------	-----------------	--	--------

REDACTED



EOP 045014

Mr. HUANG. Oh, Mark Middleton was an acquaintance of myself and also with Mr. Riady. His age group is closer to ours and also his position is a little junior, so we normally work with him. We go to see him also first.

Mr. BURTON. See him about what, just do a social call? Or I mean, presumably Mr. Riady wants to come in and wants to talk about business, too. I mean was it about Webb Hubbell, was it about other interests of Mr. Riady?

Mr. HUANG. No, for Mr. Riady's discussion, I do not know. I do remember there was a luncheon in the White House that Mr. Riady had with Mark Middleton which I did not have privilege to attend. I was sitting in the reception room waiting for them.

Mr. SOUDER. Do you know where you were when you called Mark Middleton that day?

Mr. HUANG. I would assume it was probably in the hotel, in Hay Adams probably.

Mr. SOUDER. The reason I wonder is, your rental car is in Little Rock that day you called Mark Middleton. And the reason, when you try to put this together—and what is confusing, and we don't know and that is why I'm asking you the questions—but it appears you're in Little Rock, you call for a meeting with Mark Middleton, you are not with Mr. Riady, so you must be doing some sort of scheduling for Mr. Riady. And the logical question is, since you're in Little Rock, does this have anything to do with Mr. Hubbell? Because you just had a meeting with Mr. Hubbell. You are trying to set up meetings with Mr. Hubbell. It is a time you are talking to Mr. Riady about the money with Mr. Hubbell. So we are trying to establish here what points of contact were made. And could this have been partly as part of the effort to find out what Mr. Hubbell needs?

Mr. HUANG. That—to answer that question, it is not. At this moment, I could not really trace my memory what I was doing in Little Rock during that period of time. I was trying to arrange the various schedule for Mr. Riady when he comes to town during that week. Maybe one of the meetings was for Mr. Riady to meet with Mark Middleton and along with the others.

Mr. SOUDER. What other reason would you have to be in Little Rock at that time?

Mr. HUANG. I cannot.

Mr. SOUDER. Did you go to Little Rock very often?

Mr. HUANG. Occasionally, I do. I do.

Mr. SOUDER. Did you have business interests there?

Mr. HUANG. I did not personally have any business interests over there.

Mr. SOUDER. Relatives?

Mr. HUANG. No, no.

Mr. SOUDER. I mean, not to say anything negative about Little Rock, but it is not a place that you probably went to vacation.

Mr. HUANG. It was not a vacation.

Mr. SOUDER. Arkansas is, but not Little Rock. It seems like an odd place and odd time to suddenly pop in there in between the meetings. Mr. Riady is in Washington the 13th, he's in Washington the 21st. You don't have business interests, you don't have relatives, and all of a sudden you're going into Little Rock.

Mr. HUANG. You know, I have to speculate. I don't know at this moment. Whether I was seeing Doug Buford or whoever, Joe Giroir at that time, I don't know.

Mr. SOUDER. Of course if it was Doug Buford, he had called you about that money. I know you're speculating. If you can think about that a little bit tonight.

Mr. HUANG. Sure. Let me spend some efforts in doing that, sir, please.

Mr. SOUDER. I yield back.

Mr. BURTON. We're about to wrap up because I said we would be out of here at 6 o'clock. Mr. Waxman has passed on his round, and so I will be the last questioner and then we will start off tomorrow morning at 10 o'clock. We will try to do it as sharply as possible.

Let me ask just a few questions here, Mr. Huang.

Mr. HUANG. Yes, sir.

Mr. BURTON. Exhibit 25, if you can look at that real quickly, it is a memo of October 20, 1993, from Mary Leslie to Mark Middleton, and it is regarding early California business support for President Clinton. And the memo says, "Lippo gave one of the most significant single contributions throughout the campaign."

Do you know what Ms. Leslie was talking about?

[Exhibit 25 follows:]

FROM: ABCDEFGHIJKL MNOPQRSTUUVX TO: 4562983 OCT 28, 1993 1:02PM P.02

To: Mark Middleton  
 From: Mary Leslie  
 Date: 10/20/93  
 Re: Early California Business Support for Clinton. (Aug. 91- April 92)

cc: Laura Hartigan, DNC Finance Director

Per my conversation with Matt Gorman (10/15/93), the following is a recap and list of business supporters of Clinton's during my tenure as finance director: About \$300,00 was raised in CA prior to January of 1992. The Majority of this money was raised by Clinton's good friends Mickey Kantor, Linda Bloodworth-Thomason, Harry Thomason and Dawn Steel. The majority of the \$3.5M raised in the primary was done between Jan-June of 1992. The toughest fundraising was between Jan-April (pre NY primary). The major events in Jan. were; the Roger Johnson and Katheryn Thompson Orange County lunch, the Bloodworth-Thomason's collected a large sum as well, and Lisa and Eric Eisner gave their home for a reception in Feb.; the Beverly Wilshire Dinner was co-chaired by David Mixner, Pierce O'Donnell Jim Clark, Richard Katz etc; in March, Hilary Clinton events included Dawn Steel's lunch at the Regency Club, Larry/ Shelia Lawrence reception in San Diego and Dick and Cissie Swig and Supervisor Achtenberg's SF Reception; the Swigs and Achtenberg did another fundraiser for Bill Clinton in April. Peter Guber collected 100k as well before the NY primary in April. Note: The following analysis was reviewed by Jerry Stern.

After the NY primary Ted Field/Bob Burkett held the biggest primary event (May 92). Ron Burkle, Georgia Frontiere, John Cooke, Merv Adelson, Stan Hirsch, Clarence Avant, John Garamendi; and the trial lawyers (Brown, Greene) all came on board.

**Major early contributors pre NY primary:**

1. Dawn Steel and Chuck Roven- (O) [REDACTED] Hosted a successful Dec. 91 reception at their home. Dawn co-chaired the First Lady's lunch in March and the Beverly Wilshire Dinner for Clinton in February. Mike Medevoy was the person who introduced Dawn Steel to Clinton, however he did not raise any primary money.
2. Eric & Lisa Eisner- [REDACTED] Hosted 92 Event at their home for Clinton and participated actively throughout the primary.
3. David Mixner [REDACTED] Was an early and critical supporter, he was a co-chair at Dawn Steel's event in December and was the largest contributor to the Beverly Wilshire Dinner in Feb. He hosted his own event at the Palace in Hollywood in May. \* He brought on board several key contributors.

Bob Sertner [REDACTED] Note: Largest single gay donor.

Dr. Scott Hitt & Alex Kolezar [REDACTED] They were very active in the Dec. Dawn Steel event, The Eisner event, the Beverly Wilshire event, and in organizing the Palace event in May.



EOP 043263

Cont.

4. Jerry and Linda Stern- [REDACTED] Jerry was Clinton's Finance Chair from Dec 91-Nov 92. Jerry was critical to Clinton's ability to raise money in the primary, he used his personal business contacts to raise the early money at Eric Eisner's home and the Beverly Wilshire Dinner. He ran the finance operation from his office and brought tremendous credibility early on when the campaign had little.
5. Harry Thomason and Linda Bloodworth-Thomason [REDACTED] Early supporters of the Clinton's. They gave generously and raised money at major events.
6. Roger Johnson and Katheryn Thompson- Johnson now at GSA/DC. (Thompson) [REDACTED] They gave critical Republican support early and hosted a luncheon in Jan in Orange County that became a national media event.
7. Larry and Shelia Lawrence- [REDACTED] Early supporters, hosted a luncheon for the first lady in March of 91 and gave generously early.
8. Richard and Cissie Swig [REDACTED] Very early supporters in San Francisco, hosted a reception for the First Lady in March and a fundraiser for Clinton in April 92. The Swigs support was critical early because they represented the San Francisco Democratic establishment when Feinstein, Pelosi, Boxer etc.. had their own races or were waiting for Cuomo's decision.
9. Assemblyman Richard Katz- [REDACTED] Very strong and early supporter. Hosted one of the most important opinion leaders events that led to fundraising for the First Lady in March 92. He co-chaired the Beverly Wilshire Dinner in Feb. and a lunch for the First Lady in March.
10. Roberta Achtenberg- now at HUD in Wash DC- Co-chaired an event in March with the First Lady and an event for Clinton in April with the Swigs
11. Peter Guber [REDACTED] Raised 100k in April before the NY Primary after meeting Clinton at the Beverly Wilshire Dinner.
12. Kim and Bill Wardlaw [REDACTED] Bill Wardlaw was Clinton's Campaign Chair and came on early Dec 91. Both Bill and Kim raised money early and effectively, they were co-chairs and delivered on their commitment at every event.
13. Jack and Kaye Theimer [REDACTED] were early and consistent supporters. They co-chaired the Beverly Wilshire event in Feb. hosted their own event for the First Lady in Summer of 92

FROM: ABCDEFGH: IJKLMN: OPQRST: UVWX TO: 4562983 OCT 20, 1993 1:03PM P.04

Cont.

14. John Huang [REDACTED] LippoBank group was an early supporter at the Beverly Wilshire event in Feb 92 and hosted a business and press event in April that led to a fundraising lunch. The Lippo group gave one of the most significant single contributions throughout the campaign.

15. Pierce O'Donnell and Jim and P.J. Clark [REDACTED] (O'Donnell) [REDACTED] (Clark) / Of the Georgetown crowd these three were the most significant early supporters at the Beverly Wilshire event in Feb 92. They co-chaired and delivered on their commitment.

16. Gunnar and Barbara Erickson [REDACTED] Gunnar is an entertainment lawyer who got a lot of his clients involved early. He made a significant contribution at the Beverly Wilshire event in Feb and co-chaired the first Lady's lunch in March.

17. Raj Anand [REDACTED] Was a consistent and early supporter bringing Asian and Indian support to the Campaign. He was a co-host at the Beverly Wilshire event.

18. Dar Singh [REDACTED] Was an early supporter of the campaign and hosted an April event in San Francisco in the Indian Community.

19. Mary Steenburgen Was an early and consistent supporter of all Clinton events early. She was the only real celebrity who supported early.

20. Diane Lander-Simon  
Neil Simmon's wife was an early and active supporter. She worked on the Beverly Wilshire Dinner in Feb 92 and consistently supported all other events.

21. Bruce and Toni Corwin [REDACTED] Gave early through the Beverly Wilshire Dinner in Feb. 92.

22. Ira Yellin Was an early and consistent supporter. Co-hosted a room at the Beverly Wilshire Dinner Feb 92.

23. Michael Kahn- Event with Hillary in March in SF. First event

EOP 043265

Mr. HUANG. I'm still trying to find exhibit 25, sir.

Mr. BURTON. It's exhibit No. 25. It's at the very end of the tabbed section.

She says Lippo gave one of the most significant contributions throughout the campaign. Do you know what she's talking about? She wrote that memo to Mark Middleton.

Mr. HUANG. I don't exactly know what she's talking about. I can think because—chairman, you referred me to check with the previous exhibits, there is a list of the Lippo executives making all the contributions during 1992, that period of time. Maybe they are talking about that.

Mr. BURTON. What I am trying to find out is was Ms. Leslie or Mark Middleton aware that this money was being laundered through conduits?

Mr. HUANG. They did not know.

Mr. BURTON. They did not know.

Mr. HUANG. They did not know.

Mr. BURTON. You're absolutely certain about that?

Mr. HUANG. I'm absolutely certain.

Mr. BURTON. Let me ask you about your situation. What was your salary at the LippoBank?

Mr. HUANG. It was about—during that period of time, on the average, probably around 120. That is without bonus.

Mr. BURTON. Exhibit No. 4 is a journal entry for Hip Hing Holdings for June 1994. Are these checks to you, which are around \$2,200 twice a month, was that your salary checks from the LippoBank?

[Exhibit 4 follows:]

JOURNAL -- CASH DISB 17-OCT-94 PAGE: 1  
 RIP HING HOLDINGS, LTD (2871) 15:32:11  
 PERIOD ENDING: 6/30/94 FYE: 12/94 SEQ: R. ate RANGE: A11  
 TRANSACTION # RANGE: 0-99999

DESCRIPTION	DATE	REFER	ACCOUNT	AMOUNT	TRN #
HUANG, HONE	4/15/94	1074	734	2,246.15	72
LANG-UTONG, JUJUNG	4/15/94	1075	734	[REDACTED]	73
ONG, BIE CHUAN	4/15/94	1076	734	[REDACTED]	74
SETIAWAN, AGUS	4/15/94	1077	734	[REDACTED]	75
HUANG, JOHN	4/29/94	1078	734	2,246.15	77
LANG-UTONG JUJUNG	4/29/94	1079	734	[REDACTED]	78
ONG, BIE CHUAN	4/29/94	1080	734	[REDACTED]	79
SETIAWAN, AGUS	4/29/94	1081	734	[REDACTED]	80
HUANG, JOHN	5/13/94	1082	734	2,246.15	82
LANG-UTONG, JUJUNG	5/13/94	1083	734	[REDACTED]	83
ONG, BIE CHUAN	5/13/94	1084	734	[REDACTED]	84
SETIAWAN, AGUS	5/13/94	1085	734	[REDACTED]	85
HUANG, JOHN	5/31/94	1086	734	2,246.16	87
LANG-UTONG, JUJUNG	5/31/94	1087	734	[REDACTED]	88
ONG, BIE CHUAN	5/31/94	1088	734	[REDACTED]	89
SETIAWAN, AGUS	5/31/94	1089	734	[REDACTED]	90
HUANG, JOHN	6/15/94	1090	734	2,280.06	92
LANG-UTONG, JUJUNG	6/15/94	1091	734	[REDACTED]	93
ONG, BIE CHUAN	6/15/94	1092	734	[REDACTED]	94
SETIAWAN, AGUS	6/15/94	1093	734	[REDACTED]	95
HUANG, JOHN	6/30/94	1094	734	2,286.77	97
LANG-UTONG, JUJUNG	6/30/94	1095	734	[REDACTED]	98
ONG, BIE CHUAN	6/30/94	1096	734	[REDACTED]	99
SETIAWAN, AGUS	6/30/94	1097	734	[REDACTED]	100
LIPPOBANK	4/05/94	2719	741	655.29	2
LIPPOBANK	4/05/94	2721	736	5,794.96	3
L.A. COUNTY TAX COLL.	4/08/94	2722	780	[REDACTED]	5
EDD	4/08/94	2723	704	[REDACTED]	6
FARMERS INS. EXCH.	4/18/94	2724	741	[REDACTED]	7
LIPPOBANK	4/18/94	2725	709	687.50	8
BLUE CROSS OF CA.	4/18/94	2726	741	[REDACTED]	9
BHP	4/18/94	2727	798	[REDACTED]	10
BLUE CROSS OF CA.	4/27/94	2728	741	[REDACTED]	11
CINATOWN SERVICE CENTER	4/27/94	2729	764	[REDACTED]	12
L.A. CELLULAR PHONE CO.	5/02/94	2730	783	[REDACTED]	13
UNIVERSAL DITY HILLTON & TOWER	5/04/94	2731	764	[REDACTED]	14
CHINESE HISTORICAL SOCIETY OF	5/06/94	2732	729	[REDACTED]	15
DAVID SUGITA	5/04/94	2733	735	[REDACTED]	16
JOHN HUANG	5/12/94	2734	786	15,024.85	17
AT & T	5/12/94	2735	783	[REDACTED]	18
AIRTOUCH CELLULAR - LA	5/12/94	2736	783	[REDACTED]	19
IRS	5/12/94	2737	763	[REDACTED]	20
IRS	5/12/94	2737	798	[REDACTED]	21
IRS	5/16/94	2738	763	[REDACTED]	22
SHE'S FLOWERS	5/19/94	2739	726	[REDACTED]	23
QUALITY PRINTING & GRAPHICS	5/19/94	2740	756	[REDACTED]	24
PING HUA INSURANCE SERVICE INC	5/19/94	2741	741	[REDACTED]	25
THE LA JKT SISTER CITY ASS	5/23/94	2742	729	[REDACTED]	26
WORLD EXPENTS IN TRAVEL INC.	5/23/94	2743	786	[REDACTED]	27
JOE GUZMAN	5/23/94	2744	774	[REDACTED]	28
CALIFORNIA DENTAL HEALTH PLAN	5/27/94	2745	741	[REDACTED]	29
CALIFORNIA DENTAL HEALTH PLAN	5/27/94	2746	741	[REDACTED]	30



HHH 001:



Mr. HUANG. Yes. At that point, with Hip Hing Holdings, that was my net, after-tax salary at that time. That gross is around \$75,000. As I also reported, I also received a separate income around \$2,500 a month separately. That went into my Hong Kong, Chinese bank accounts.

Mr. BURTON. What was your bonus for 1992 from Lippo? Do you recall?

Mr. HUANG. The reporting on taxes, I think it was \$100,000 at that time.

Mr. BURTON. You received a \$100,000 bonus.

Mr. HUANG. That is including that, you know, reimbursement for covering the campaign contributions.

Mr. BURTON. So they did give you reimbursement for the campaign contributions?

Mr. HUANG. Within that \$100,000.

Mr. BURTON. So that was the money that you and your wife gave to the DNC and the DSCC?

Mr. HUANG. That's correct.

Mr. BURTON. Now what was your bonus for 1993, and did that include also money like that?

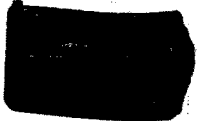
Mr. HUANG. That is correct.

Mr. BURTON. OK. Well, then we don't need to have the exact amount.

Exhibit No. 5 is a June 27, 1994, letter to Roy Tirtadji, Managing Director of Lippo Group, to John Huang. Does this accurately state the amount of your severance package from Lippo?

[Exhibit 5 follows:]

# LIPPO GROUP



June 27, 1994

To:  
Mr. John Huang

Exhibit  
13-3

Dear John,

I have received your memo dated June 13, 1994 and learned of your decision to accept the appointment from the Clinton Administration to serve as the Principal Deputy Assistant Secretary of the U.S. Department of Commerce. While we hate to see you to leave us, we are happy for you concurrently.

As you indicated, Lippo Group has rapidly and successfully grown and emerged into a powerfully financial force in the Pacific Rim. What we have achieved is attributed not only to the vision and leadership of Dr. Mochtar Riady, James and Stephen Riady, but to the collective efforts of all of our colleagues including yourself.

Over the past years, you have exhibited yourself as a strong team player. You have played an important part and contributed a great deal toward what we are today.

To recognize your contribution, the management of Group has decided to do the following to express our appreciation for your service to all of us:

1. Severance bonus at US\$3,750.00 per month (50% of your average monthly salary during your service at Lippo Group) for the whole period of your service (total 113.5 months)	\$425,625.00
2. Unused vacation (two months)	\$ 17,500.00
3. The Group car - 1988 Mercedes Benz 560 - book value approximately at	\$ 25,000.00
Total .....	\$468,125.00

We thank you again and wish you the continued success.

Sincerely,

**ROY E. TIRTADJI**  
Managing Director



Mr. HUANG. That is correct, sir.

Mr. BURTON. Exhibit 6 is a Hip Hing Holdings check to you for \$284,798 on July 15th. Is this the severance check you received from Lippo in July 1994?

[Exhibit 6 follows:]

278

**HIP HING HOLDINGS, LTD.**  
711 W. COLLEGE STREET, NO. 305  
LOS ANGELES, CA 90012

7/15 19 94 16-4133

PAY TO THE ORDER OF John Huang \$ 284,798.<sup>74/100</sup>

Two hundred eighty four thousand seven hundred ninety eight & 74/100 DOLL.

**LIPPOBANK**  
711 WEST COLLEGE STREET  
LOS ANGELES, CA 90012

FOR \_\_\_\_\_ J. Huang

⑈002788⑈ \_\_\_\_\_



HHH 5184

Mr. HUANG. That is the net amount after the exhibit 5, the figure you were talking about, Mr. Chairman.

Mr. BURTON. So you had both of those?

Mr. HUANG. Not both, just one.

Mr. BURTON. Just the one. OK.

Mr. HUANG. Because this is net after taxes.

Mr. BURTON. OK. Exhibit No. 7 is a September 1994 ledger entry from Hip Hing Holdings. What does that amount listed "tie bonus to gross" represent?

[Exhibit 7 follows:]

GENERAL LEDGER  
 HIP HING HOLDINGS, LTD (2871) 14-NOV-94 PAGE: 4  
 PERIOD ENDING: 9/30/94 : 12/94 RANGE: A11 9:15:13  
 Consolidated  
 =====  
 ACCT DESCRIPTION DATE REFER SRC DR/CR  
 =====

05 BONUS					
JOHN HUANG	7/15/94	2788	C/D		284,798.74
TIE BONUS TO GROSS	9/30/94	3	G/J		158,326.26



GENERAL LEDGER  
HIP HING HOLDINGS, LTD (2871) 14-NOV-94 PAGE:  
PERIOD ENDING: 9/30/94 12/94 RANGE: All 9:15:19 Consolidated

ACCT DESCRIPTION	DATE	REFER	SRC	DR/CR
705 BONUS (CONTINUED)				
				PRIOR BALANCE 230,000.00 *
443,125.00 DR				NET CHANGE 443,125.00 *
				BALANCE 673,125.00 **

Mr. HUANG. I have no idea on that.

Mr. BURTON. Well, this prior balance of \$230,000, does that represent part of the money that you received from Lippo for reimbursement for contributions, that \$230,000? It says prior balance of \$230,000.

Mr. HUANG. Are you talking about—

Mr. BURTON. Is that a prior balance in his account?

Mr. HUANG. Oh, you are talking about the following page right now.

Mr. BURTON. Yes. It says, prior balance \$230,000. Is that a balance that is left in your account there?

Mr. HUANG. That is not my account, though. That is a Hip Hing account, right? Am I correct? From the list here, it is a Hip Hing Holdings account?

Mr. BURTON. Do you know what the \$230,000 was?

Mr. HUANG. It could be related to the bonus for the prior year, sir.

Mr. BURTON. I see. OK. And the \$673,125, what does that represent?

Mr. HUANG. I don't know about that, sir.

Mr. BURTON. Did your severance package cover all political contributions by you and your wife for 1994?

Mr. HUANG. It did. It did.

Mr. BURTON. Do all departing employees at Lippo receive a severance package?

Mr. HUANG. I would not know what the other people's arrangements—

Mr. BURTON. You don't have any idea.

Mr. HUANG. Right.

Mr. BURTON. How much did it cost a year to maintain your two homes in California?

Mr. HUANG. Quite a lot.

Mr. BURTON. I know. I understand that. But do you have any idea how much? I'll tell you what. Let's just stop right there, and we'll start tomorrow morning and talk about your income and that sort of thing.

With that, gentlemen I appreciate your tolerance, and I appreciate your staying awake so long, and we will see you tomorrow morning at 10 o'clock a.m.

[The prepared statement of Hon. Helen Chenoweth-Hage follows:]



**Statement of Congressman Helen Chenoweth-Hage**  
**Committee on Government Reform and Oversight**  
2157 Rayburn House Office Building  
December 15, 1999

Thank you Chairman Burton. I would like to commend the committee for holding these hearings to address the "*Role of John Huang and the Riady Family in Political Fundraising*."

Mr. Chairman, over the past two years this committee has been investigating the role of political contributions from foreign nationals and other violations of campaign finance laws. There seems to have been a disturbing trend towards obfuscation of what really occurred in the last two years. This hearing will be an important step in resolving that problem.

Put quite simply, America's security has been put at risk by a careless White House.

Earlier this year, Mr. Huang was responsive in providing the Federal Bureau of Investigation with the details surrounding his participation in 1996 election cycle as an employee of the Lippo Group, the Executive branch, and the Democratic National Committee. Today, after this committee graciously granted him immunity by a vote of 32-0, I hope he will be even more forthcoming and responsive to the questions that the committee may have for him.

One thing is clear. There remain many unanswered questions that Mr. Huang should be able to answer for us in the next few days. There is still much to be learned about the Democratic National Committee's role in the 1996 election cycle and the involvement of the Lippo group in funding candidates.

It concerns me that the House was forced to wait this long to find out the facts behind Mr. Huang's and the Riady family's involvement in the campaign finance scandals. However, I am gravely concerned that the Department of Justice has continued to ignore the legitimate subpoena this Committee issued. We live in a Republic, not an oligarchy. The Executive branch must respond to the legitimate and Constitutional subpoena issued by this Committee.

Mr. Chairman, I would like to commend the Committee for its bipartisan vote last month to immunize Mr. Huang. I am firmly convinced that by allowing the truth to be revealed, we will be better able to protect our country's security in the future.

Thank you, Mr. Chairman.

Mr. BURTON. The committee stands in recess.

Mr. HUANG. Thank you.

[Whereupon, at 5:51 p.m., the committee was adjourned.]

## THE ROLE OF JOHN HUANG AND THE RIADY FAMILY IN POLITICAL FUNDRAISING

THURSDAY, DECEMBER 16, 1999

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON GOVERNMENT REFORM,  
*Washington, DC.*

The committee met, pursuant to notice, at 10:10 a.m., in room 2154, Rayburn House Office Building, Hon. Dan Burton (chairman of the committee) presiding.

Present: Representatives Burton, Shays, Souder, LaTourette, Waxman, and Norton.

Staff present: Kevin Binger, staff director; James C. Wilson, chief counsel; David A. Kass, deputy counsel and parliamentarian; Mark Corallo, director of communications; Kristi Remington, senior counsel; James J. Schumann and Scott Billingsley, counsels, Kimberly A. Reed, investigative counsel; Renee Becker, deputy press secretary; Robert Briggs, assistant clerk; Robin Butler, office manager; Michael Canty and Toni Lightle, staff assistants; Nicole Petrosino, legislative aide; Leneal Scott, computer systems manager; Lisa Smith Arafune, chief clerk; Maria Tamburri, assistant to the chief counsel; Corinne Zaccagnini, systems administrator; Phil Schiliro, minority staff director; Phil Barnett, minority chief counsel; Kenneth Ballen, minority chief investigative counsel; David Sadkin and Paul Weinberger, minority counsels; Ellen Rayner, minority chief clerk; Jean Gosa, minority staff assistant; and Andrew Su, minority research assistant.

Also present: Ty Cobb and Jack Keeney, counsel to Mr. Huang.

Mr. BURTON. Good morning. A quorum being present, the Committee on Government Reform will come to order.

Mr. Huang, I want to welcome you back, and your counsel. I want to remind you that you are still under oath and we will resume questioning of Mr. Huang in 5-minute rounds by members of the committee.

Let me start off by saying that we originally planned to start out this morning by questioning a witness from the Justice Department. The reason was that they had not complied with our subpoena. Yesterday, they complied with our subpoena, so I excused the witness. However, I would like to tell you what we discovered from the Justice Department, and the reason why they didn't want to agree to our subpoena. It is very troubling, and I want to take time to talk about it.

We asked the Justice Department to provide us with copies of the FBI's interview summaries. Over the years, they routinely have given them to congressional committees. We asked for John

Huang's summaries. They gave them to us. We asked for Charlie Trie's summaries. They gave them to us. They sent us the Johnny Chung summaries and we didn't even ask for those.

Then we asked them to send us the interview summaries of the President and the Vice President. The Justice Department was required to produce them under our subpoena. That is when the trouble started. We were met with excuse after excuse, delay after delay.

Suddenly, they came up with a new policy. They weren't going to give FBI interview summaries, the 302s, to Congress anymore. They said we would have to come to the Department and read them, but we couldn't have copies.

So I sent my staff over to read the interviews. It became very clear why they didn't want us to have those 302s. They interviewed the President twice, once in 1997 and once in 1998, and I hope you will understand this, this is very important.

They never asked the President one single question about John Huang.

They never asked the President a single question about James Riady.

They never asked the President one single question about Charlie Trie.

How can that be? What kind of an investigation is this? There aren't many people in this town who have been tougher critics of Janet Reno than I have, but I am even stunned by this.

It doesn't stop there. They interviewed Vice President Gore three times.

They didn't ask him a single question about the Hsi Lai Temple fundraiser.

They didn't ask him a single question about John Huang or Maria Hsia.

What is going on here? How could they not ask the President and the Vice President about John Huang or James Riady? Did they forget? Did they think it wasn't important? Did someone tell them not to?

I am so disillusioned, I don't have the words to describe my feelings. We asked the Attorney General time and time again to appoint an independent counsel, but she said, "No. I am the Attorney General; you can trust me. I will conduct a thorough and vigorous investigation."

I am going to read you what the Attorney General said when she testified before our committee in 1997, "In this particular campaign finance investigation, as in all others entrusted to the Department of Justice, we are going to follow every lead wherever it goes."

Well, it is pretty obvious that she has not done that. We have seen the evidence over and over. Documents were being destroyed at Charlie Trie's house. The FBI was watching his house. They asked for a search warrant. They couldn't get a search warrant because Janet Reno said they did not have enough probable cause.

Liu Chao-Ying of China Aerospace wired Johnny Chung \$300,000. The Justice Department never even bothered to check her bank records.

Johnny Chung was being harassed and threatened. The FBI even put him in protective custody while he was testifying. They had it

all on tape by the man who was doing the threatening and he was never even indicted.

Charles Intriago was caught red-handed making illegal contributions to the DNC. The case was gift-wrapped for them, and the Justice Department let the statute of limitations expire.

It is pretty obvious to me that she is blocking for her boss, the President. We have said that over and over.

I have written a letter to the Attorney General. I have asked her to explain why this happened. And I have said in the letter that if she does not give us a satisfactory answer, we will subpoena her and have her answer the questions before the American people in this committee room.

I have written a letter to the Attorney General, as I have said, and I ask unanimous consent to include my letter in the record at the conclusion of my remarks.

I also intend to ask unanimous consent to release copies of all the President's FBI 302s and the Vice President's 302s. The FBI has told us that personal information has been redacted, has been crossed out. I think the American people deserve to see firsthand how this investigation is being conducted, and how the Attorney General is being so partisan.

This is a travesty. I don't know how the American people can have any confidence in their government when they find these facts out, when important people like the President and Vice President are given a free ride when the Justice Department questions them. They don't even ask questions about very important figures connected to the President. It only reinforces my determination that this committee—this committee, be as thorough as possible.

[The prepared statement of Hon. Dan Burton and the information referred to follow:]

**Five-Minute Round  
Chairman Dan Burton  
Committee on Government Reform  
December 16, 1999**

I'd like to welcome my colleagues back for day two of our hearings. I'd also like to welcome back Mr. Huang and his attorneys. Thank you for being here. I hope you had a good night's sleep.

We originally planned to start out this morning by questioning a witness from the Justice Department. The reason was that they hadn't complied with our subpoena. Yesterday, they complied with our subpoena, so I excused the witness. However, what we've discovered is very troubling, and I'm going to take this time to talk about it.

We asked the Justice Department to provide us with copies of the FBI's interview summaries. Over the years, they've routinely given them to Congressional committees:

- We asked for the John Huang summaries. They gave them to us.
- We asked for the Charlie Trie summaries. They gave them to us.
- They sent us the Johnny Chung summaries and we didn't even ask for them.

Then we asked them to send us the interview summaries of the President and the Vice President. The Justice Department was required to produce them under our subpoena. That's when the trouble started. We were met with excuse after excuse, delay after delay.

Suddenly, they came up with a new policy. They weren't going to give FBI interview summaries to Congress anymore. They said we could come to the Department and read them, but we couldn't have copies.

So I sent my staff over to read the interviews. It became very clear why they didn't want us to have them. They interviewed the President twice -- once in 1997 and once in 1998.

- They never asked the President a single question about John Huang.
- They never asked the President a single question about James Riady.
- They never asked the President a single question about Charlie Trie.

How can that be?

What kind of investigation is this?

There aren't many people in this town who've been tougher critics of Janet Reno than me. But even I'm stunned by this.

And it doesn't stop there.



They interviewed Vice President Gore three times.

- They didn't ask him a single question about the Hsi Lai Temple fundraiser.
- They didn't ask him a single question about John Huang or Maria Hsia.

What's going on here?

How could they not ask the President about John Huang or James

Riady?

- Did they forget?
- Did they think it wasn't important?
- Did someone tell them not too?

I'm so disillusioned, I don't have the words to describe my feelings. We asked the Attorney General time and time again to appoint

an independent counsel. But she said 'no.' 'I'm the Attorney General. You can trust me. I'll conduct a thorough and vigorous investigation.'

I'm going to read you what she said when she testified here in 1997:

*"In this particular campaign finance investigation, as in all others entrusted to the Department of Justice, we are going to follow every lead, wherever it goes."*

Well, it's pretty obvious that she hasn't done that. We've seen the evidence over and over:

- Documents were being destroyed at Charlie Trie's house. They wouldn't let the FBI serve a search warrant.
- Liu Chao-Ying of China Aerospace wired Johnny Chung \$300,000. The Justice Department never even bothered to check

her bank records.

- Johnny Chung was being harassed and threatened while he was testifying. They have it all on tape and they never even indicted the man.
- Charles Intriago was caught red-handed making illegal contributions to the DNC. The case was gift-wrapped for them. They let the statute of limitations expire.

It's pretty obvious to me that she's blocking for her boss -- the President.

I've written a letter to the Attorney General. I've asked her to explain why this happened. I ask unanimous consent to include my letter in the record at the conclusion of my remarks.

I also intend to ask unanimous consent to release copies of all of

the President's FBI 302s and the Vice President's 302s. The FBI has told us that personal information has been redacted. I think the American people deserve to see first-hand how this investigation is being conducted.

This is just a travesty. I don't know how the American people can have any confidence in their government. It only reinforces my determination that this Committee be as thorough as possible.

DAN BURTON, INDIANA  
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ONE HUNDRED SIXTH CONGRESS  
**Congress of the United States**  
**House of Representatives**

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INDEPENDENT

December 16, 1999

The Honorable Janet Reno  
Attorney General  
U.S. Department of Justice  
Tenth and Constitution Avenue, N.W.  
Washington, DC 20530

Dear General Reno:

I have just completed a review of the FBI summaries of the Justice Department's campaign finance interviews of the President and Vice President. As you are aware, for nearly three years I have expressed concerns about the infusion of foreign money into the American political system. Therefore, I am at a loss to understand why you would tolerate an investigation that failed to ask the President a single question about the following subjects: James Riady, John Huang, Charlie Trie, Mark Middleton, and the Presidential Legal Expense Trust. Indeed, the complete absence of any questions about foreign money is extraordinary.

I am also at a loss as to why you would tolerate an investigation that failed to ask the Vice President a single question about the following subjects: the Hsi Lai Temple, Maria Hsia, John Huang, and James Riady.

I have expressed the concern on numerous occasions that you and your Department were not able to conduct a thorough and impartial investigation of the President and your own political party. I have also suggested that the inherent conflict in your position creates a perception that justice is not being administered in an impartial fashion. You have appeared before my Committee and you have respectfully disagreed. Two years ago, almost to the day, you appeared before my Committee and told me that, in the campaign finance investigation:

"[W]e are going to follow every lead, wherever it goes[.]"

What am I to think, then, of an investigation that has failed to ask key witnesses any questions about the most important subjects in what has allegedly been one of the largest investigations ever undertaken by the Department of Justice? Indeed, you have accepted plea bargains and concluded prosecutions without the slightest concern that potentially important witnesses have not been approached. Two years ago I said that I thought you would have a hard time being

vigorous in a case that involves your superior and your political party. Your interviews of the President and the Vice President simply prove that my fears were real.

Let me give you a specific example. Yesterday, John Huang testified that before the 1992 election, James Riady and the President took a private limousine ride together. Mr. Huang told us, as he told your own lawyers, that Mr. Riady flew in from Indonesia just for this meeting and a fundraiser, and that he promised that he would raise one million dollars for the President. Did it ever occur to you that there can be very little confidence in the work product of the Justice Department if you neglect to ask the President a single question about Mr. Riady and what the two talked about?

Let me provide another specific example. Years after the initial million dollar promise and the illegal contributions that followed, a landscape architect named Wiradinata was responsible for \$450,000 in illegal contributions to benefit the President. After he and his wife gave the money, he told the President at one of the infamous White House coffees that "James Riady sent me." I would have thought that you would express some curiosity about the President's reaction. Apparently, you do not think the President should even have been troubled with questions about any of the illegal foreign money that benefited him.

Yesterday, at a hearing, I showed a tape of the President warmly greeting Mr. Riady just two months ago in New Zealand. Mr. Riady has thumbed his nose at our justice system, and your lawyers don't even want to know what he told the President during the private limousine ride, or what the President understood the presence of Mr. Riady's emissary to mean. As you well know from your extensive involvement as the head of the Justice Department campaign finance investigation, these two questions are not the only two that should be of interest to your lawyers. To me, it looks like your failure to ask the President any questions about foreign money issues is preferential treatment for your boss and for his good friend, Mr. Riady.

The fact that you and your attorneys have found it inappropriate to talk to the President about any of the foreign money aspects of the campaign finance scandal underscores my original concern that you are not able to investigate the President. It also raises concerns that you have not been vigorous in your efforts to investigate those who have already pled guilty to crimes. If you are not prepared to talk to witnesses, you are failing to gather evidence. If you fail to gather evidence, then you will never be able to get to the bottom of matters or project confidence that you have been thorough and fair.

Over three years have passed since the campaign finance scandal erupted. The Director of the Federal Bureau of Investigation, the first head of the Campaign Financing Task Force, and the lead FBI investigator all suggested that you appoint an Independent Counsel to investigate the campaign finance scandal. They did not think that the Justice Department was able to conduct an investigation and maintain the public's confidence. They also perceived that there was a fatal conflict of interest inherent in this investigation. When I asked you two years ago about your decision to refrain from appointing an Independent Counsel, you still had an opportunity to ensure that all leads were followed, and that witnesses were not given preferential treatment. You had the opportunity, but you did not seize it.

The Justice Department investigation of the campaign finance scandal has an unfortunate parallel in the Justice Department investigation of the Waco tragedy. In both cases, you personally decided that an independent investigation was not called for. In the Waco matter, you had one of your assistants supervise the investigation back in 1993. In the campaign finance investigation you fought every attempt to appoint an independent counsel, notwithstanding the advice of the Director of the FBI and your hand picked task force leader. Now, six years after the fact, you have had to appoint Senator Danforth to take the first independent look at Waco. Unfortunately, the damage to the Department regarding your initial failed investigation is severe. With the discovery that you did not conduct even a minimally thorough campaign finance investigation, the Justice Department and respect for the law will once again suffer.

I request that you provide a response, in writing, as to why you failed to ask the President and Vice President a single question about the millions of foreign dollars that were illegally laundered in order to benefit candidates in the 1992 and 1996 Presidential and Congressional elections. I request that you provide this response by December 31, 1999.

Sincerely,

Dan Burton  
Chairman

cc: Hon. Henry A. Waxman, Ranking Minority Member

Mr. BURTON. With that, Mr. Waxman, do you want to take your 5 minutes?

Mr. WAXMAN. Yesterday I pointed out how this committee has settled into a very familiar pattern: Very strong accusations are made and then when the facts come in that don't corroborate those accusations, rather than acknowledge the situation, the chairman has come back consistently with more inflammatory remarks describing how people are not giving him what he wants.

I assume my time is not up, Mr. Chairman.

Yesterday, we spent the whole day with Mr. Huang. Nothing came out of that testimony to, in any way, come close to substantiate the inflammatory charges that have been made by Chairman Burton and other Republican leaders over the past year. So what we are seeing is that phase one, phase two, phase three, phase four scenario that I described yesterday being played out. If you don't have the facts to back up your accusations, you quickly move on to another inflammatory accusation and hope that people won't pay attention to the fact that what you said earlier doesn't hold up.

The other point I would make is the chairman's challenging the integrity of the FBI. These were interviews conducted by FBI agents, and it is a huge leap to attack Janet Reno, the Attorney General, for interviews by the FBI.

So I don't know what else to say about the whole matter except that it is clear that again the chairman is frustrated by not finding information that he would like to have, not finding the smoking gun he believes should be there to substantiate all of the accusations that he has already made that haven't held up in light of facts that have come out over these last 3 years, and particularly yesterday, with a very long day of grilling Mr. Huang, who was supposed to be the crucial witness that would show how there was a conspiracy to bring in contributions from China to influence the Presidential elections in exchange for selling out the national security of this Nation.

I yield back the balance of my time. Let's go on to the questions of Mr. Huang.

Mr. BURTON. Would the gentleman yield?

Mr. WAXMAN. Yes.

Mr. BURTON. Let me say that I am going to ask unanimous consent that the 302s, which I believe will speak for themselves, be put in the record and released; and we do not have a quorum here, so unless the gentleman is prepared to object to the release of these 302s, I will ask unanimous consent.

Mr. WAXMAN. Reserving the right to object, I am not going to object to anything going into the record, except I asked yesterday that the 302s about Congressman Solomon be given to this committee, and I will only agree to your unanimous consent if we expand it to put his 302 statements in the record as well.

Mr. BURTON. I think I said yesterday I have no problem with that, No. 1. And No. 2, Charlie Trie, you also asked that Charlie Trie's information be put in the record; and I said once the FBI has gone through the redaction process, which I think they are entitled to, we have no problem with that.

So with that, I will agree—



Mr. WAXMAN. To be clear then, the unanimous consent is to put into the record all of the 302s, including Congressman Solomon's 302s, Mr. Trie's, and the other 302s relating to Mr. Huang.

Mr. BURTON. With the proviso that the FBI has the right to redact.

Mr. WAXMAN. And furthermore, reserving the right to object, has the FBI made redactions in these 302s so that we are we are not in any way—

Mr. BURTON. Any reference to any personal issues regarding the President have been redacted by the FBI, right.

Mr. WAXMAN. So these 302s have redactions that the FBI has put into place?

Mr. BURTON. Other than Charlie Trie. Charlie Trie's have not been redacted, but they are going to be.

Mr. WAXMAN. In other words, you will put them in the record after the redactions; is that correct?

Mr. BURTON. That is correct.

Mr. WAXMAN. I withdraw my reservation.

Mr. BURTON. Without objection, the 302s will be put into the record and released.

Mr. Shays.

[NOTE.—The information referred to is printed at the end of the hearing.]

Mr. SHAYS. Mr. Chairman, before my time, if we could just clarify the process. My understanding is that we have a round of 5 minutes. I would like to ask unanimous consent that Members be given 10 minutes rather than 5, and I would make that request.

Mr. BURTON. Without objection, I think since we have so few Members here, that might be easier.

Mr. WAXMAN. Reserving the right to object.

Mr. BURTON. Mr. Waxman.

Mr. WAXMAN. I don't have extensive questioning because I have asked Mr. Huang most of what I thought was pertinent to the investigation yesterday, but the rules do provide 5-minute rounds, and I think we ought to stick with the rules and not change the rules.

Mr. SHAYS. Would the gentleman yield?

Mr. WAXMAN. If the gentleman from Connecticut is in the middle of some line of questioning at the end of 5 minutes, I wouldn't have an objection at that point, but I don't want to concede that on the Republican side, each Member gets 10 minutes and then on the Democratic side, where I am all alone at this point, we only get—we have to wait 10, 20, 30, 40, 50 minutes before we get a chance to correct the record.

So the rules provide for 5-minute rounds, and I am going to stay with that, but I will be liberal in giving people additional time when appropriate.

Mr. SHAYS. Thank you.

My understanding is as well, Mr. Chairman, that we will have a set of rounds and if someone passes and they don't take their time during that round, we start the next round. They can't accumulate passes.

Mr. BURTON. Yes. The 5 minutes is not a cumulative thing. If you don't use your 5 minutes during that round, then you have 5 minutes in the next round.

What I would suggest to the Members, since we are going to have a limited number here, if one Member wants to yield to another, we will try to give you 10 minutes if it is necessary for you to have a continuation and a constancy in your questions.

Mr. SHAYS. I am prepared to yield to other Members under that basis.

Mr. BURTON. Mr. Shays.

Mr. SHAYS. Thank you. Good morning.

Mr. HUANG. Good morning, Mr. Shays.

Mr. SHAYS. Mr. Huang, it is nice to have you here.

Mr. HUANG. Thank you very much, sir.

Mr. SHAYS. I do want to say to start with that both your attorney and you need to be careful when you are talking with each other. I want to say from the outset that I don't mind waiting, since I know that we have unlimited rounds, so you shouldn't feel rushed, that we want the accurate questions; since your attorney really isn't welcome to speak, we want to make sure that you clearly understand the terms we are using, so you should never be hesitant to ask him questions.

I also would suggest that you literally turn the mic away from you because it is a very sensitive mic that picks up conversations and we don't want to pick up those conversations.

Mr. HUANG. Thank you very much, sir.

Mr. SHAYS. Thank you.

Mr. Huang, I had asked you yesterday—and I am just going to summarize, even if I use my 5 minutes now for the summary; and I want to just verify, and then during the course of the day I won't have to keep coming back to it—but you started working for the Lippo Bank entities from 1985 until July 1994, and your answer was yes to that?

Mr. HUANG. Lippo Group, though. Group entities, yes.

Mr. SHAYS. OK. And that from July 1994 to December 1995, you worked at the Commerce Department? And we will get into what you did at the Commerce Department today.

Mr. HUANG. Yes, sir.

Mr. SHAYS. And that from December 1995 to October and November 1996, you worked at the DNC and your responsibilities primarily, almost solely, were to raise money; is that correct?

Mr. HUANG. That is correct, sir.

Mr. SHAYS. It is my understanding that you pleaded guilty to conspiracy to defraud. You acknowledge raising approximately \$150,000 illegally. You were the conduit for contributions; you were aware of other people making contributions that wasn't really their money; is that correct?

Mr. HUANG. That is correct, sir.

Mr. SHAYS. While you acknowledged \$150,000 of illegal activity, you also made the Justice Department aware that potentially another \$800,000 of laundered money was contributed to whom and from whom?

Mr. HUANG. It is actually to Democratic party of various candidates, Senatorial candidates or congressional candidates, I believe.

Mr. SHAYS. So some went to the DNC, some might have gone to State parties, some might have gone to candidates, a variety of candidates primarily on the Democratic side of the aisle, or exclusively?

Mr. HUANG. Primarily on the Democratic side, yes.

Mr. SHAYS. Now, those illegal activities took place in 1992, as well as 1993 and 1994; or were they limited just to 1992?

Mr. HUANG. 1992, 1993, and 1994.

Mr. SHAYS. OK. And they stopped in 1994?

Mr. HUANG. Stopped in 1994, I believe.

Mr. SHAYS. They ended in 1994, all of those illegal activities that you made reference to, to the Justice Department, that you were aware of?

Mr. HUANG. Excuse me 1 second.

Mr. SHAYS. Sure. Turn the mic away, please.

[Discussion off the record.]

Mr. HUANG. I am sorry for the interruption.

Mr. SHAYS. Please, no apologies during the course this time.

Mr. HUANG. OK.

There is one more case I am aware of in 1995, but I have no knowledge, it did not really verify, it could be on that basis.

Mr. SHAYS. And how much did the 1995 case, how much money are we talking about in 1995?

Mr. HUANG. Probably \$12,000.

Mr. SHAYS. OK. Now, it is my understanding that—I would like to just have you—

Mr. HUANG. But, however, all the illegal, so-called illegal activity was basically stopped in 1994.

Mr. SHAYS. OK.

Now, the \$800,000 that you make reference to, was that money that ultimately, it is your understanding, the Riadys covered? In other words, it was their employees and they basically covered this money? They were the contributors, ultimately? It was their money?

Mr. HUANG. Yes, through Lippo, Lippo entities.

Mr. SHAYS. Through their Lippo entities, and their entities being ultimately employees who worked for the Lippo entities?

Mr. HUANG. That is correct, yes.

Mr. SHAYS. Does that also include the money from business partners of Mr. Riady, the father, James's father, Hashim Ning? Does it include the money that he contributed, or is that in addition?

Mr. HUANG. No, that is not included. I don't know, any knowledge—I don't have any knowledge on their part, sir.

Mr. SHAYS. You haven't even read anything? You have no knowledge, or you have some knowledge?

Mr. HUANG. No, I don't have knowledge to say where the money was coming into that, Hashim Ning on that.

Mr. SHAYS. So you had no involvement with Hashim Ning and any contributions he might have made in the late 1980's, 1990, or any of the 1990's?

Mr. HUANG. I have no knowledge of that, sir.

Mr. SHAYS. In addition to the \$150,000 and the \$800,000, there were also sums of money that you raised while you were at the DNC—my time has expired.

Mr. WAXMAN. Mr. Chairman, it would be my time, but I will pass at this point.

Mr. SHAYS. Could I clarify, neither of you used your opening 5 minutes?

Mr. BURTON. We both used our opening 5 minutes.

Mr. SHAYS. So I just appreciate the magnanimous effort, but you really have no time this round to yield to me.

Mr. WAXMAN. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut be given an additional 5 minutes.

Mr. BURTON. Without objection.

Mr. SHAYS. I thank the gentleman for doing that.

I would like you to start to explain to me how you raised money for the DNC; and if you were raising money for the RNC, I would be asking you the same questions.

How much money did you raise for the DNC?

Mr. HUANG. I really don't have an exact figure. Approximately—anywhere from \$3 million to \$5 million, I think.

Mr. SHAYS. \$3 million to \$5 million?

Mr. HUANG. When I was there.

Mr. SHAYS. That is a pretty broad range. I would think intuitively that if you were raising this money, you would know every penny, because frankly, it is to your credit. If you raise money, if you thought you raised it legally, it is to your credit.

Mr. HUANG. The reason I have the broad range is, I try to include all the Asian communities, whoever gave money. I lump it all together, may or may not be through my efforts.

Mr. SHAYS. I want to know what you raised through your efforts.

Mr. HUANG. Anywhere between \$2.5 to \$3 million, sir.

Mr. SHAYS. OK. So we have basically a sense that you raised \$3.4 million that we know of, and our sense is that \$1.6—that you raised 424 contributions, and that 88 were basically returned, for a total of \$1,623,350,000.

Now, that money was returned for a variety of reasons, but the bottom line was, the judgment was, if it was accepted, it would have been illegal and, therefore, it needed to be returned.

I need to know how you raised your money.

Mr. HUANG. Essentially I raise money through the contact of the people I know or somebody would refer me, some people might be of interest in making contributions through the network and through the contacts which I—all the friends I made over the period of time, in New York, in San Francisco or Los Angeles, primarily.

Mr. SHAYS. And when you raised money, you understood there were certain legal requirements. What are the legal requirements that you understood to be true?

Mr. HUANG. The No. 1 is the party has to have at least permanent resident status or green card holder, American citizens. That is for individual contributions.

Mr. SHAYS. OK.

Mr. HUANG. Now, in the event it is beyond that amount, beyond the hard money basis, then the money can come from a corporation

and become soft money; and an individual can also give unlimited amount of money which can be categorized as soft money, sir.

Mr. SHAYS. So if it is hard money, there are certain limits to what they can contribute, correct?

Mr. SHAYS. That is correct.

Mr. SHAYS. And soft money, there is no limit?

Mr. HUANG. There is no limit, yes.

Mr. SHAYS. Do you need to know other things? What?

You need to know their occupation, correct?

Mr. HUANG. The record sheets, you had to fill out the party's name and address, phone number—phone number, the contact numbers.

Mr. SHAYS. Who they are employed by?

Mr. HUANG. We have that information, yes.

Mr. SHAYS. That is required, isn't it?

Mr. HUANG. I am not sure. I strictly, you know, adhere to that rules.

Mr. SHAYS. Well, I want to know if you knew it.

Mr. HUANG. I am not sure I did that, sir.

Mr. SHAYS. I don't want to split hairs here, and I am not trying to trick you.

Mr. HUANG. I know you are not, Mr. Shays.

Mr. SHAYS. Don't assume that during the course of the day I won't, but I am not trying to now. I just want to know what you knew you were supposed to do, and it seems to be a fairly simple question.

You were employed by the DNC. They are not going to be stupid enough not to tell you what the rules are, so you were told the rules. You were a fundraiser. You need to know the rules. That is kind of basic.

I want you to explain to me what the rules are.

Mr. HUANG. I just went through, very practical matters. If it is individual contribution, I did not really figure out what the employment is. I did not even ask for it.

Mr. SHAYS. The fact that you didn't do it doesn't make it right. It also doesn't mean that you didn't know you shouldn't have done it. The fact that you didn't do it isn't the worst crime in the world, but you were supposed to do it. And you knew that; isn't that correct?

Mr. HUANG. I am supposed to figure out as much information as possible about an individual.

Mr. SHAYS. The bottom line is, it is required information, isn't it? I mean—and you knew that? You knew—I am not going to let off this point until I get a definitive answer.

Mr. HUANG. OK.

Mr. SHAYS. It is true that you knew that this information is required in order to be legal; isn't that true?

Mr. HUANG. That's true.

Mr. SHAYS. And so we want to know if they are a U.S. citizen. We want to know if they are not a U.S. citizen, if they have a green card, that they have the right to work here, because if they are not here legally, if they are here illegally or they are overseas, they don't have a right to contribute. And it is not an ethnic thing, and

it is not a discrimination thing, it is the law. You have to be a U.S. citizen.

Mr. HUANG. Mr. Shays, this is not the understanding I have even at this point. The only understanding I have is a person can work overseas, but has a green card status, has American citizen status, the person can still make contributions.

Mr. SHAYS. Right. If they have U.S. status, if they have a green card; but if they don't, if they don't have working status in the United States, they can't contribute, if they are not a U.S. citizen.

Mr. HUANG. That is correct.

Mr. BURTON. I would like to clarify one thing, if the gentleman would yield to me.

Mr. SHAYS. Happy to yield.

Mr. BURTON. If they have a green card, but they are living overseas, even if they have a green card, I believe the statute is very clear that they can't make contributions. They can only make contributions if they have a green card if they are working and residing in the United States.

Mr. SHAYS. Thank you.

So you need to be a citizen, you need to have a green card, you need to be in the United States.

My time has elapsed. It is Mr. Souder's time.

Mr. SOUDER. I thank the gentleman for yielding.

Mr. BURTON. Mr. Souder.

Mr. WAXMAN. Mr. Chairman, before Mr. Souder proceeds, just a housekeeping matter that I want to raise with you.

Yesterday you agreed to request from the Justice Department the 302s regarding Mr. Solomon's testimony. This morning we had a unanimous consent agreement that that would be in the record.

I understand from the Justice Department that they say that your staff hasn't made the request. I wonder if we could just get that request made. I think they are here right now. You can make an oral request.

Mr. BURTON. As you speak, it has been done.

Mr. WAXMAN. OK. I appreciate that. Thank you.

Mr. SOUDER. I yield my 5 minutes to Mr. Shays.

Mr. SHAYS. So you have to be a U.S. citizen, you have to have a green card, you have to be living in the United States if you don't, and—

Mr. HUANG. Excuse me. I think the last sentence might not be correct, versus to my understanding.

Mr. SHAYS. OK. We will leave that as your understanding.

The contributions are limited. In other words, they can't give over a certain amount. Why don't you describe to me some of the limits that people have when they contribute?

Mr. HUANG. For the Federal campaign for the candidate itself, for a Senatorial campaign, individually, there is a \$1,000 limit for the general elections and—the primary, and also another \$1,000 for the general. So that would be it.

Mr. SHAYS. OK. How about for the DNC?

Mr. HUANG. If it is for a party, the hard money, the Federal limit is \$20,000. And in the aggregate for the total amount, total contribution to all the candidates, all the committees for the hard money is \$25,000, if I believe—I believe that is correct, that is it.

Mr. SHAYS. You also need to know the mailing address of the individual, you need to know their occupation, you need to know who they are employed by. The reason we want to know who they are employed by is that we want to be able at the end to be able to say that I received so much from the insurance industry or so much from another organization. It is information that we deem should be in the public domain, and that is what we require. If you don't have that information, then you have gotten this money and not followed the law. And I would concur that there are obviously different degrees of not following—not getting an employer, sometimes that happens and all of us go back and find out who the employer is; but ultimately if you don't have all of this required information, you have to send it back.

Mr. HUANG. Mr. Shays, the way I understood is that to the best of my efforts, I should get those information, all right? And then whatever the forms was required, I filled out, I just pass along. And basically, that was it, you know.

Mr. SHAYS. But we get to the challenge. I mean, Mr. Waxman made a point that is so valid. I mean there are going to be some times that people contribute to your campaign and they didn't do it legally and they are ultimately held liable. But it reflects on our campaigns. I don't think there is a Member who has run for public office that hasn't had a contribution that we find embarrassing or that, in fact, may not have been done properly; and when that is found out boy, you just do your best to get it taken care of.

But in your case, we are not talking about, you know, an occasional mistake. We are talking about \$3.4 million that we know you raised and \$1.6 million of it had to actually be returned.

I want you to explain to me why some of that money was returned.

Mr. HUANG. Mr. Shays, I am quite handicapped in a detailed list of the returning stuff. I did read occasionally from the papers the amount of total you referred to was returned versus the amount of money I raised.

Now, based on that, I can give you the best of my account on these things.

Mr. SHAYS. Give me the best of your account.

Mr. HUANG. OK. The two individual checks over \$12,500.

Mr. SHAYS. Each?

Mr. HUANG. \$12,000 each, yes, which I raised in a Hay Adams event that Mr. LaTourette was mentioning yesterday about that event. I was told at the beginning when I received the check, the party had been approved for the green card. In other words, the party had green card status. But later on I found out that it was just being approved with a number, but actually did not receive the physical green cards. So subsequently I find out, I return the checks. I was involved in that one.

The second one was involving Choeng Am, which is a Korean entity. I was involved in that. That was involving about \$250,000.

Mr. SHAYS. How much was that?

Mr. HUANG. \$250,000 for the checks.

Mr. SHAYS. OK. My time is up. Thank you.

Mr. WAXMAN. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut be given 5 additional minutes.

Mr. BURTON. Without objection.

Mr. HUANG. Could I complete the answer, please?

Mr. SHAYS. Sure.

Mr. HUANG. The reason I was involved in the Chong Ann case later on in September 1996, I virtually answer the question whether the company had the revenue in the United States and the answer was not. To the contrary. From the time when I receive check was the understanding I had.

The third one would be involving a Mr. Gandhi's check.

Mr. SHAYS. And how much was that for?

Mr. HUANG. That was \$325,000. Now, that was not my solicitation on that in the first place. I don't know whether that was in that category you are talking about, the \$1.6 million, or not.

Mr. SHAYS. OK. We will check that out. And that was illegal because? Why was that illegal?

Mr. HUANG. The way I understood is that—again, this knowledge is coming from a newspaper account, it is not coming from the original knowledge that I have, because at the time my information that it was his one money, Mr. Gandhi's own money.

Mr. SHAYS. Now explain to me if it was his own money versus the company's money, why would that make a difference?

Mr. HUANG. No, no. That was an individual check.

Mr. SHAYS. You mean it was a hard money contribution?

Mr. HUANG. No. You see, an individual can give both hard money contribution and also soft money contribution, if the amount was going over—

Mr. SHAYS. Let me just say something. I am not a fan of newspaper reports in a hearing like this, but what I am interested in is to try to understand why you think something may be illegal or not. That interests me. So I need to understand why you think that may have been illegal.

Mr. HUANG. The understanding when I receive the check that was his money, but later on, the information evolved from the news account that the DNC determined through their investigation the money he contributed was not really his money. That is why it was returned.

Mr. SHAYS. Thank you.

Mr. HUANG. Now, the fourth one.

Mr. SHAYS. Yes, sir.

Mr. HUANG. The fourth one probably was related to Wiriadinata's money, which is around \$400 some thousand.

Mr. SHAYS. Riady's money?

Mr. HUANG. No, no. Wiriadinata. It is a long name.

Mr. SHAYS. How much are we talking about?

Mr. HUANG. That is probably \$450,000, I believe, all together.

Mr. SHAYS. And why was that returned?

Mr. HUANG. I couldn't find any reason that it was returned. The only way I can think of—the decision was not made by me.

Mr. SHAYS. OK. But it was money raised by you?

Mr. HUANG. It was raised by me, yes.

Mr. SHAYS. And it was your understanding that this was their personal money?

Mr. HUANG. I have no reason to doubt that, sir.

Mr. SHAYS. They had the resources?



Mr. HUANG. Yes.

Mr. SHAYS. This is a male?

Mr. HUANG. No, husband and wife. In aggregate, \$450,000.

Mr. SHAYS. You had every reason to believe they had the resources?

Mr. HUANG. That's correct.

Mr. SHAYS. They were U.S. citizens and so on; they met all the requirements.

Mr. HUANG. No. The Wiriadinatas were permanent residents.

Mr. SHAYS. OK. Permanent residents.

Mr. HUANG. Right.

Now, the fifth one probably is related to the Miss Kanchanalak, Pauline Kanchanalak. That was involving a few hundred thousand dollars. I don't know whether it is in this category or not.

Mr. SHAYS. And why do you think that was returned?

Mr. HUANG. Again, that was through the news account that I learned about this matter. I still at this moment do not know in real, real detail why the money was returned.

Mr. SHAYS. This was money you raised, though?

Mr. HUANG. Yes.

Mr. SHAYS. The only amount you say you didn't raise was the amount of \$325,000?

Mr. HUANG. That is correct.

Mr. SHAYS. Who raised that?

Mr. HUANG. I believe through Mr. Charlie Trie.

Mr. SHAYS. But Charlie Trie gave it to you?

Mr. HUANG. I was handling the main fundraisers.

Mr. SHAYS. Let's be clear. Charlie Trie didn't work for DNC. Correct?

Mr. HUANG. No, no.

Mr. SHAYS. You did.

Mr. HUANG. Yes.

Mr. SHAYS. So you raised it for the DNC. Correct? I mean, it was given to you.

Why don't you talk to your counsel.

Mr. HUANG. No. I was responsible for the DNC, but the solicitor was Charlie Trie. That is what I am saying.

Mr. SHAYS. Yes, but you are told that when the money is raised and it is given to you, you then assume a responsibility. Clearly, the DNC would have made that clear to you. Your employer would have made that clear to you. Correct? You are not going to take the position that any time someone else gave you money from someone else, this isn't your money. Are you going to take that position, or are you going to take accountable—

Mr. HUANG. I am taking accountable. I am trying to explain to you the source.

Mr. SHAYS. Fair enough. Bottom line, it was your money raised by Charlie Trie?

Mr. HUANG. That is correct.

Mr. SHAYS. Fine. I yield back.

Mr. BURTON. Mr. LaTourette.

Mr. LATOURETTE. Thank you, Mr. Chairman. Good morning, Mr. Huang. We were talking about this February 19th fundraiser, and

if we can go back to that and sort of keep our eyes on that ball for just 5 minutes, I guess.

We were talking yesterday about the head table and I think that I asked you how the head table got to be the head table, who got to sit with the President of the United States at that particular function and from my review of things last night—I didn't get a homework assignment from Mr. Shays like you did and Mr. Waxman did, but I did some reading anyway, and it looks like there were tables of 12. Does that sound about right to you?

Mr. HUANG. That is correct, sir.

Mr. LATOURETTE. Let me just run through who I think was at that head table, and you can tell me whether I am right or not. Nina Wang, Ted Sioeng, Kwai Fai Li, Pauline Kanchanalak, Richard Park, Sant Chatwal, Kazuhiro Nakagawa, Tju Jin Tan, Andrew Cherng, Ng Lap Seng, and Charlie Trie, and the President of the United States. Does that sound about right?

Mr. HUANG. It sounds right, yes.

Mr. LATOURETTE. Now, I think you told me that the way nobody was required to pay more than \$12,500, but you had a hand in and selected who got to sit with the President of the United States; it was a place of honor at this particular fundraiser and it was based upon what their prominence, or how much they had contributed in the past, or how much you thought they could contribute to the President's events?

Mr. HUANG. And also the ethnicity of the person.

Mr. LATOURETTE. Am I not—am I correct in saying that of those 11 names, because the 12th seat I guess was sort of reserved for the President himself, of those 11 names, 5 of them could never contribute to the President's campaign because they were noncitizens?

Mr. HUANG. They were the guests of the other country leaders publicly on that.

Mr. LATOURETTE. But am I right about that, that Nina Wang, Ted Sioeng, Kwai Fai Li, Pauline Kanchanalak, and Ng Lap Seng are all noncitizens and they are all seated at the President of the United States's table and they can't make a contribution?

Mr. HUANG. I will argue with some of them.

Mr. LATOURETTE. OK. Tell me. I don't want incorrect information.

Mr. HUANG. Pauline's situation, to my total surprise, later on I find out she was not, and because she has been with this political fundraising matter for a long, long time, I was really surprised that she was not.

Mr. LATOURETTE. As a matter of fact, at the time I believe that Pauline Kanchanalak was a managing trustee of the Democratic National Committee, was she not?

Mr. HUANG. That's right.

Mr. LATOURETTE. That is probably how you knew her. She is a Thai citizen, a citizen of Thailand, and she is not a citizen, permanent resident, or green card holder at this time, of the United States of America; is that right?

Mr. HUANG. Unfortunately, that is what I later on find out.

Mr. LATOURETTE. So at the head table at this event on February 19th, out of 11 guests, 5 of them are not even eligible to make legal

contributions to the campaign of the DNC or the President of the United States. I am right about that. Right?

Mr. HUANG. Yes, that's correct.

Mr. LATOURETTE. OK. Then let's go back then to that fundraiser if I can, and I want to sort of pick up where I left off yesterday. We were talking about Charlie Trie, Antonio Pan and others. Did Charlie Trie request that certain people be permitted to sit at that head table?

Mr. HUANG. That is correct.

Mr. LATOURETTE. And who did he ask to sit at the table?

Mr. HUANG. I think Mr. Ng.

Mr. LATOURETTE. Mr. Ng?

Mr. HUANG. Yes.

Mr. LATOURETTE. Who was his business partner from Macao in the trading business who we were talking about.

Mr. HUANG. That is correct, yes.

Mr. LATOURETTE. Did he make a request that any of the other four noncitizens that I just mentioned sit at the head table?

Mr. HUANG. The other four partners not related to him at that time.

Mr. LATOURETTE. Now, Mr. Trie at that fundraiser, he also made a contribution of \$12,500, did he not?

Mr. HUANG. I believe so, yes.

Mr. LATOURETTE. And that contribution has subsequently been termed to be not appropriate, illegal, and returned by the Democratic National Committee; is that right?

Mr. HUANG. Later I learned that, yes.

Mr. LATOURETTE. If we could have exhibit No. 317, his contribution was on a check from Daihatsu International, which is the business that he shares with Mr. Ng, is that right?

[Exhibit 317 follows.]



Mr. HUANG. That is correct, yes.

Mr. LATOURETTE. And that check didn't come to, even though we are talking about a fundraiser that is on February 19, 1996, that check is dated February 29, 1996. Is that not right?

Mr. HUANG. Yes, on the check, it is.

Mr. LATOURETTE. And do you know why? Is this money that he gave to you after the event?

Mr. HUANG. It is not unusual for people to give me money later, as long as they have already established as ongoing persons.

Mr. LATOURETTE. But do you have any specific recollection as to how this check came into your possession and then on to the DNC? Was this check given to you?

Mr. HUANG. I believe it came to me, but I don't remember the exact time when I receive, from the check date, probably around that time, sir.

Mr. LATOURETTE. Did Mr. Trie give you any indication when he gave you that check as to the origin of the funds used, or that backed up this check?

Mr. HUANG. No.

Mr. LATOURETTE. You know today, do you not that those funds came from Mr. Ng who was a noncitizen and hence unable to contribute to a campaign in this country.

Mr. HUANG. Still I don't know.

Mr. LATOURETTE. You don't know that.

Mr. HUANG. Right.

Mr. LATOURETTE. Did Mr. Trie request that he be seated at the head table himself, aside from the question that Mr. Ng be seated at the head table?

Mr. HUANG. To me, Mr. Trie should have been, but Mr. Trie will make that room to Mr. Ng, he request it.

Mr. LATOURETTE. Did you have any idea as to how many guests Mr. Trie invited or brought to the event on February 19th?

Mr. HUANG. I have to give you a roughly number, maybe around between 15 to 20 or something like that.

Mr. LATOURETTE. And all of them paying \$12,500?

Mr. HUANG. May or may not. Might or might not, I am sorry.

Mr. WAXMAN. Mr. Chairman, his time is about to expire and I want to ask unanimous consent that the gentleman be given 5 additional minutes.

Mr. BURTON. Without objection, so ordered.

Mr. LATOURETTE. I appreciate very much your courtesy, Mr. Waxman.

I want to go through some of Mr. Trie's guests with you now and I really appreciate Mr. Waxman's courtesy because it let's me have a little continuity in talking about that subject, because you get questions from all over and then come back to me on this February 19th business.

I want to show you some photographs that now are exhibits, the first one is exhibit No. 318 and it is a photograph request of an individual with the President of the United States and a gentleman by the name of Peter Chen. Do you know Mr. Chen?

[Exhibit 318 follows:]



Mr. HUANG. Yes, I do.

Mr. LATOURETTE. Can you describe for the committee what the relationship is, if any, between Charlie Trie and Peter Chen?

Mr. HUANG. Yes. Mr. Chairman, I reported to you yesterday, Mr. Chairman, I have some so-called brother-in-law situation with Mr. Trie. This is the person.

Mr. LATOURETTE. Does Mr. Chen—

Mr. HUANG. I cannot verify that though. I am sorry.

Mr. LATOURETTE. Does Mr. Chen to your knowledge or has Mr. Chen worked for the Lippo Group?

Mr. HUANG. He did.

Mr. LATOURETTE. And do you know when?

Mr. HUANG. Starting from—my best recollection, probably early 1980's.

Mr. LATOURETTE. Mr. Chen, to my information, owns a company called the Sun Union Group. Do you know that to be true? Do you know that?

Mr. HUANG. I vaguely remember there is some company like that, yes.

Mr. LATOURETTE. Are there any ties between Sun Union and the Lippo Group to your knowledge?

Mr. HUANG. I don't know about that.

Mr. LATOURETTE. And what contact, if any, are you aware of between Mr. Chen and the Riady family, aside from—

Mr. HUANG. He was employed by Lippo Group before.

Mr. LATOURETTE. Any connection other than being an employee of the Lippo Group that you are aware of?

Mr. HUANG. I was aware of later on he left the Lippo Group but remained to be a partner of—with the Riady family, especially Mochtar Riady particularly.

Mr. LATOURETTE. Next I want to show you exhibit No. 319, which is another photograph, and this depicts to my understanding another one of Mr. Trie's guests, a fellow by the name of Santoso Gunara. Are you familiar with this individual?

Mr. HUANG. I am not familiar with this individual.

Mr. LATOURETTE. OK. Another one of Mr. Trie's guests at the event was Dr. Tju Jin Tan, excuse me, which is exhibit No. 320. Are you familiar with Dr. Tan?

[Exhibit 320 follows:]





Mr. HUANG. I am not.

Mr. LATOURETTE. OK. Dr. Tan, according to the records that we have reviewed from the February 19th fundraising event, did not contribute to the event. Are you aware as to how he came to be in attendance?

Mr. HUANG. He is a guest of Mr. Trie. Whatever money Mr. Trie raised, he can designate a guest he would like to invite.

Mr. LATOURETTE. Dr. Tan, I think as I went through the list with you before at the head table, Dr. Tan was seated at the head table at that event. Can you tell me, since you were in charge of arranging who was at the head table how it is that Mr.—Dr. Tan became at the head table with the President of the United States?

Mr. HUANG. If he was, probably on the recommendation by Mr. Trie.

Mr. LATOURETTE. OK. Many of Charlie Trie's guests, and we went over this list yesterday, like Peter Chen, William Peh, Santosa Gunara did not pay to attend. In other words, if you match up who was there, they were there, but there is no check from them.

Mr. HUANG. That is correct.

Mr. LATOURETTE. Conversely, many people who gave to the event, Manlin Fong, Joseph Landon, Zie Pan Huang and others did not attend, but contributed. Now, that is not unusual.

Mr. HUANG. That is correct, sir.

Mr. LATOURETTE. I think in the fundraising business as Members, politicians, we are always happy when people send in the checks but don't show because we don't have to pay for the hor d'oeuvres, they are not going to eat them at the event. But did you ever become concerned, based on this reserves scenario, that you had people at your fundraising event that you were in charge of in attendance that weren't contributing and were invited guests, and then you had a large list of people that paid but didn't show up?

Did you ever become concerned and, again, concerned because you are an individual who is knowledgeable about what a conduit contribution is. You know from the activities to which you pled guilty in 1992, 1993 and the other times that one, it is illegal to give money that is not your money; it is illegal for a noncitizen to contribute.

Did you ever become concerned that Mr. Trie's guests—that Mr. Trie was using conduit contributions to pay for the attendance of all of these nonpaying guests at the fundraiser on the 19th? And just while you are thinking about that, if we could put up exhibit No. 323, which is a chart of the nonpaying guests and nonattending contributors, just to refresh your memory.

[Exhibit 323 follows:]

## *Hay Adams Event (February 19, 1996)*

Trie Guests Who Did Not Pay

- 1) Nina Wang
- 2) William Peh
- 3) Peter Chen
- 4) Santoso Gunara
- 5) Tju Jin Tan
- 6) Antonio Pan
- 7) Elfida Halim
- 8) Ng Lap Seng
- 9) Pun Nun Ho
- 10) Li Sum
- 11) Yin Jun
- 12) Sio Tak Hong
- 13) Yeung Sue Lai

Trie Contributors Who Did Not Attend

- 1) Manlin Foug      \$12,500
- 2) Joseph Landon    \$12,500
- 3) Yue F. Chu        \$12,500
- 4) Ming Chen         \$7,500
- 5) Xiping Wang      \$5,000
- 6) Jack Ho (J&M Int'l) \$25,000

TOTAL:      \$75,000

PRISMA SYSTEMS, INC.  
**EXHIBIT**  
 323

Mr. HUANG. Congressman LaTourette, I have been interviewed by so many people over periods of times and each time I gain certain knowledge about certain things. The best I can think of right now, at the time I was concentrating on raising money. You know, the guests were being invited by people, and then I thought it was general practice people doing that. I did not really pay attention to that.

Mr. LATOURETTE. I remember in your opening statement you said that you were dedicated to the Democratic National Committee and you took that job seriously, and I know you did. You were very successful.

But my specific question—and I guess you are saying no, but I would like you to say no if that is your answer that you were not concerned in 1996 that Charlie Trie was using the same sort of scheme that you used in 1992 and 1993, that is, conduit contributions to get to the Democratic National Committee. Are you telling me you were not concerned about that?

Mr. HUANG. In that time the things did not come to my mind, yes, sir.

Mr. LATOURETTE. OK. When I come back during the next round, I want to talk to you about specific guests of Mr. Trie's, people that gave \$12,500 to that event, but whose annual salaries were \$20,000 and we will just go through some of those. Because I think again as I was talking to you yesterday, it begins to stretch credulity that a clerk who works at the clerk of the court's office in Maryland making \$25,000 a year can give \$12,500 to the Democratic National Committee of their own money and for you to be familiar with the idea of conduit contributions as a vice-chair of the Democratic National Committee, to not have red flags going off or sky rockets or whatever the alarm bells would need to be, is unusual to me, and I hope we can talk about it and explain it.

Again, Mr. Waxman, I thank you for your courtesy.

Mr. WAXMAN. Well, if the gentleman would permit, you are in the middle of asking questions and I certainly would have no objection if you want to continue and have another 5-minute round.

Mr. LATOURETTE. If my colleagues on this side don't—

Mr. WAXMAN. I will ask unanimous consent, and if they object, they can object; but I will ask unanimous consent that you be given 5 additional minutes to pursue questions.

Mr. BURTON. Without objection, so ordered.

Mr. WAXMAN. Would you yield to me just to ask a question at this point?

What I am trying to understand, Mr. Huang, is that there was a dinner; people were sitting at the President's table who did not give money. The money was given by Mr. Trie as far as you were concerned.

Mr. HUANG. Or raised by Mr. Trie.

Mr. WAXMAN. Or raised by Mr. Trie. Is there any way you would have known that those people that were sitting there—you didn't care whether they gave the money or not; you knew that the money was paid for by their attendance.

Mr. HUANG. That is correct. The guest list of Mr. Trie's, yes.

Mr. WAXMAN. And would you be suspicious that there was a conduit contribution because they were sitting there?

Mr. HUANG. Not at the time, no.

Mr. WAXMAN. Thank you.

Mr. LATOURETTE. Thank you, Mr. Waxman. I think that the only observation I would make is that is pretty bad luck, if you have a head table of 11 and half of them are illegal individuals in terms of giving contributions to the President's campaign, that is 500—

Mr. WAXMAN. Will the gentleman yield? They didn't give contributions to the President's campaign. They were not legal residents or citizens, but no one has claimed they gave a contribution to the President of the United States. Someone else gave a contribution who presumably was legally able to give a contribution and invited these people to be, in effect, at his table, but his table turned out to be with the President of the United States.

Mr. LATOURETTE. I appreciate that point, and I think we will find out that Pauline Kanchanalak, in fact, made substantial contributions through this period of time to the DNC and the course of money from Mr. Ng Lap Seng that Charlie Trie actually wrote on February 29th was Mr. Seng's money. But I appreciate your remarks.

Mr. WAXMAN. You may very well be right, but the question is whether Mr. Huang should have been alert to that at that time.

Mr. LATOURETTE. Right. OK.

I appreciate the distinction. I want to talk about two individuals who were at the event, guests of Mr. Trie, and I think demonstrate that even if you were not aware as a vice chair of the Democratic National Committee in 1996 that conduit contributions were taking place at the fundraiser that you organized on February 19th, that in fact the pattern does I think really, if it's circumstantial it's probably the best circumstantial evidence I could think of that it was going on. And I want to talk to you about a woman by the name of Lei Chu. Do you know a woman by the name of Lei Chu?

Mr. HUANG. I do not know her.

Mr. LATOURETTE. As we reviewed the records from your fundraiser on the 19th, Lei Chu made a \$12,500 contribution the day after the event. Also, bank records indicated she deposited a check for \$12,500 into a new account. The check was written the day after the event to the DNC, was written on a starter check. On the tracking form that was submitted, Charlie Trie is listed as the solicitor and you are listed as the DNC contact.

Now, again, does it concern you that an individual who is contributing \$12,500 is doing so on a starter check? Does that raise any red flags or concerns to you as a fundraiser for a major political party?

Mr. HUANG. It did not. Did not.

Mr. LATOURETTE. OK. Did you have the occasion to speak with Lei Chu either at this event, or she also attended the breakfast with Vice President Gore the next morning—did you talk to her at all, have any recollection of talking to her?

Mr. HUANG. I don't have any recollection of talking to her, no.

Mr. LATOURETTE. OK. Did you ever have a conversation with Charlie Trie that would—wherein he indicated that he had provided Lei Chu with the funds necessary to make the \$12,500 contribution?

Mr. HUANG. I did not either.

Mr. LATOURETTE. Next, another individual who attended, Keshi Zhan, also was an attendant and a contributor of \$12,500, dated February 19, 1996. It lists you as the contact and no solicitor is mentioned on the reporting form. Do you know Keshi Zhan?

Mr. HUANG. I met with her before, yes.

Mr. LATOURETTE. And would you have met with her about the time of this particular fundraiser?

Mr. HUANG. No. Around that period of time, because she was also working for Mr. Charlie Trie.

Mr. LATOURETTE. And did you have any idea what it was that she did employment-wise at that time?

Mr. HUANG. She had a job in some way in Virginia, but I did not ask the detail as to what she was doing.

Mr. LATOURETTE. OK. Well, in fact, Ms. Zhan had a job as a clerk for the Arlington County in Virginia and it paid her less than \$25,000 a year. Again, it's a fundraiser for the Democratic National Committee. Would it surprise you, unless she had a trust fund or came from a very wealthy family, wouldn't it—I guess would that fact pattern surprise you, that someone making less than \$25,000 writes a check for \$12,500 to a major—unless she really loves the Democrats and is willing to give half of the money that she would make in a year to her cause, but don't you find that to be unusual?

Mr. HUANG. Congressman, I'm not trying to be argumentative. There are some—a lot of people appear don't have any money, but they have a lot of savings in my community. So I did not really ask this question.

Mr. LATOURETTE. Well, we know today what you may not have known in 1996, and that is on the same day that she contributed \$12,500 to your fundraiser, she wrote a check to herself from Charlie Trie's bank account reimbursing herself for the contribution. Now, have you been told that today? Do you know that to be so today?

Mr. HUANG. I'm sorry I was disturbed right here.

Mr. LATOURETTE. That's OK.

[Discussion off the record.]

Mr. HUANG. Congressman, I did not know that. If that was the case, that was wrong to do that.

Mr. LATOURETTE. I know it's wrong. I'm asking you if—you say you didn't know it in February 1996 and have you been told that since? I mean, am I telling you that for the first time?

Mr. HUANG. Oh, I read it from the news account to indicate that, yes.

Mr. LATOURETTE. And two others, Manlin Fong and Joseph Landon also wrote checks at that event for \$12,500. And I would ask you—we were talking about Antonio Pan yesterday—are you aware that shortly after their contributions, Antonio Pan sent Fong and Landon cashier checks totaling \$25,000 to reimburse them? Do you know that?

Mr. HUANG. I did not know that at that time, no.

Mr. LATOURETTE. The fact of the matter is all those facts which I believe to be true, and I understand you say you didn't know them in 1996, that's exactly the way that you used to raise money illegally in 1992 and 1993. You see the problem, right?

Mr. HUANG. Excuse me.

[Discussion off the record.]

Mr. HUANG. To the extent of the conduit money, that's correct. But the process was not exactly the same on that, as you know very well, on that. You know what I'm trying to say.

Mr. LATOURETTE. I do know what you're trying to say. I'll come back and we'll talk some more later. I thank everybody for their courtesy.

Mr. BURTON. Mr. Ose.

Mr. OSE. Thank you, Mr. Chairman. I would like to yield my time to Mr. Souder.

Mr. SOUDER. I thank the gentleman from California. I appreciate that. Good to see you again, Mr. Huang. We're going to—

Mr. HUANG. Morning.

Mr. SOUDER [continuing]. Now go back to some of the Mr. Hubbell discussions that we had yesterday. And I wanted to first review—yesterday I asked you about a Little Rock visit and where you had a car, and you couldn't at that time recollect why you were in Little Rock. You said that you didn't have business interests there, personal or family, and probably weren't vacationing.

I wondered if overnight, I know it's a number of years ago, whether you had a chance to review.

Mr. HUANG. I still cannot recall I went to Little Rock. I might have. All right. From this American Express charge records there are two car registrations.

Mr. SOUDER. I notice that, too.

Mr. HUANG. The few possibilities there, since I cannot really recall for sure, the family was there, the—James Riady, the whole family including the children and, I believe, the maid.

Mr. SOUDER. Now, wait. Yesterday we talked about airline flight records showing that Mr. Riady was in New Orleans, and you didn't think that he was in Little Rock.

Mr. HUANG. It was not a case of in New Orleans, sir.

Mr. SOUDER. The flight ticket on the bottom.

Mr. HUANG. The flight ticket on the date on the charges on June 25th. So I believe—after they finish all the Washington event, they went to Orlando and New Orleans. This is probably visiting Little Rock was prior to the visit of Washington, DC.

Mr. SOUDER. So let me see if I've got this straight. Because yesterday I had asked you whether you were with Mr. Riady in Little Rock and you couldn't recall being in Little Rock, but your car registration showed that, but you didn't think Mr. Riady was. Now, today Mr. Riady and his family, and/or his family, you believe were in Little Rock and they could have used your credit card; is that what you're saying?

Mr. HUANG. The credit card made—I may have made a reservation and reserved the car for them. Now, if I were in Little Rock, I—one of the car I was using—there are two cars. One of the better cars was using for the family, the other one was used by me.

Mr. SOUDER. So one car could have been used by you, you say.

Mr. HUANG. Yeah.

Mr. SOUDER. And one by the Riadys.

Mr. HUANG. By the Riadys. There's a better one, a larger charge bill of \$223.65, that represent a longer period of time and also a better selection of a car that the other one was—

[Discussion off the record.]

Mr. HUANG. That was basically I used my credit card to make a reservation or travel arrangement for the family.

Mr. SOUDER. So as I understand what you're saying, the better car was for Mr. Riady and his family most likely.

Mr. HUANG. I'm speculating on that.

Mr. SOUDER. But it is your credit card.

Mr. HUANG. That was my credit card, yes.

Mr. SOUDER. And there was a second car and you're speculating that you were in the second car.

Mr. HUANG. If I—

Mr. SOUDER. If you were there.

Mr. HUANG. If I was there. Because—

Mr. SOUDER. Did you go to Little Rock often?

Mr. HUANG. In that year I visited Little Rock every now and then, but it's not very often. Few times, I think, in the 1993, 1994.

Mr. SOUDER. I mean, a few times is two.

Mr. HUANG. Oh, it's more than two, sir.

Mr. SOUDER. More than two.

Mr. HUANG. Yeah. About three to five times, yes.

Mr. SOUDER. And I mean, did you travel lots of other places, too, in your job?

Mr. HUANG. Yes, some places; yes, I do.

Mr. SOUDER. Let me—here's why I keep asking you this question because I have a series of questions to follow. This is a very critical time period and something that's been very much examined around the United States. Because yesterday—and you correct me if I'm misstating this, but I think what we established that what you said was that you met Mr. Hubbell at a reception in the spring. You didn't have the precise date. We—

Mr. HUANG. No, did I say the Inauguration of 1993?

Mr. SOUDER. In 1993 you met him at the—

Mr. HUANG. That was the first I met him.

Mr. SOUDER. First you met him.

Mr. HUANG. Right.

Mr. SOUDER. But you saw him at a reception in the spring of 1994.

Mr. HUANG. That's correct.

Mr. SOUDER. And he gave you a card.

Mr. HUANG. Right.

Mr. SOUDER. And then on May 19th, which may or may not have been approximately the time of the reception, but he called—what we know from the records is he called Lippo Bank twice. Yesterday you speculated that those two phone calls may have been about an appointment.

Mr. HUANG. No, the appointment—

Mr. SOUDER. Of Mr. Riady.

Mr. HUANG. Right.

Mr. SOUDER. And then on June 11th, Mr. Riady comes to Washington.

Mr. HUANG. June.

Mr. SOUDER. 11th—he comes to Washington. That's when I asked you about the travelers checks. He brought \$32,000 includ-

ing \$17,500 travelers—when he came to the United States, excuse me, he came to the United States on June 11th.

Mr. HUANG. I'm not sure to Washington, though.

Mr. SOUDER. I take that back. He came to the United States on June 11th. That in the—so he came to—he came to the United States on June 11th. Then you also said during that time period you talked to Mr. Riady about the support, the help for a friend. So we're in this period of time between where Mr. Hubbell has called the Lippo Bank, you received a card. You also said yesterday that you talked to Doug Buford, who was with Bruce Lindsey's law firm, former law firm, and he talked to you about the need for money for Mr. Hubbell. That's where you first learned about the money. So we have you getting a card from Mr. Hubbell, you talking to Mr. Buford.

Mr. COBB. The Buford conversation was first.

Mr. SOUDER. The Buford conversation was first. You heard about—

Mr. WAXMAN. Mr. Chairman, let me ask unanimous consent, I notice that Mr. Shays had 15 minutes, Mr. LaTourette had 15 minutes, and Mr. Souder yielded 5 minutes of his time to Mr. Shays. I ask unanimous consent that Mr. Souder be given 10 additional minutes so he will also have 15 minutes.

Mr. BURTON. Without objection.

Mr. OSE. Reclaiming my time, I thank the gentleman from California. This is my yield to him.

Mr. SOUDER. California is a great State.

So you first got a call from Doug Buford, then you got a card from Webb Hubbell. Then Mr. Hubbell called to Lippo Bank. But as I understood you to say that while you thought it might have been an appointment, the appointment was going to be set up through you because, generally speaking, Mr. Riady didn't meet with Mr. Hubbell except through you, to your knowledge.

Mr. HUANG. Right.

Mr. SOUDER. Then you talked with Mr. Riady about the money. And all this was occurring in this period of time somewhere between May 19th where we have the documented phone calls and the—and where the money actually went, which was June 24th. In that period of time it appears, at least from the credit cards, that you were in Little Rock with the Riadys. At least there's two cars rented in Little Rock.

Mr. HUANG. As I—

Mr. SOUDER. In your name.

[Discussion off the record.]

Mr. HUANG. Congressman, it is not—it was my duty to make travel arrangements, very frequently travel arrangements for Mr. Riady or Mr. Riady and his family. It's been the practice for me, anyway, as reflected by this American Express charge card slips on that. And as I indicated to you, I do not recall at that time I was in Little Rock by my own in this political occasion.

Mr. SOUDER. I just—I have to say that even though it's a number of years ago, because of the nature of this controversy and the type of issues that we're dealing with, I find it extraordinary that you can't remember whether you were in Little Rock. It is so much a part of what we're doing here, because you need to understand the



gravity of this, that you also said yesterday, as I understood this, that Mr. Riady knew Mr. Hubbell back way before they went to Washington because—is that because Mr. Hubbell did work for the Riadys?

Mr. HUANG. Either Riady or Worthen at that time. Mr. Riady had—Lippo had an interest in the Worthen Bank during the mid-eighties.

Mr. SOUDER. And that in itself is a sordid tale that most people will not understand we don't have a chance to get into with the Worthen Bank, and it leads us into Stevens and a number of other things. But you see what a tangled web we weave here. Because one of the difficulties—and there are many, many millions of Americans who believe that silence was purchased—and that when you see the tangled web of relationships and the types of discussions here, it's disconcerting. But let me move on. Because if you don't remember, I'm not going to, by repeating the question, continue to find that.

So now what we do, I think, agree that by the time we get to the 21st, they're both in Washington.

Mr. HUANG. Right.

Mr. SOUDER. Now, on June 23rd,—on June—I asked you about the phone log call on June 20th exhibit 97 yesterday to Mark Middleton, and the meeting was set up and we didn't establish where you were because you thought maybe the Hay-Adams, but you could have been in Little Rock.

Now on June 21st, the call schedule for Bruce Lindsey refers to, if you can look at exhibit 98 if we could put that up, it refers to a call schedule for Bruce Lindsey. Did you and Mr. Riady meet with Mr. Mark Middleton on June 21st?

[Exhibit 98 follows:]

BRUCE R. LINDSEY CALL SCHEDULE  
 JUNE 21, 1994  
 Page 2

NON-RESPONSIVE  
 MATERIAL  
 REDACTED

EOP 004218

TIME	RESOLUTION	NAME/AGENCY	PHONE NUMBER(S)	MESSAGE
3:17 pm		John Huang James Riady	Hay Adams, Room 710	Are meeting with Mark Middleton at 4:30 today and would like to see you for a minute either today or sometime this week. FYI: I called Mark's office to ask him to call here before he tries to bring them by so I can head him off at the pass if you aren't available.



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Mr. HUANG. I don't know exactly time. We did meet in that week with Mr. Middleton, yeah.

Mr. SOUDER. Do you know who was at that meeting?

Mr. HUANG. Do I—

Mr. SOUDER. Do you know who was at the meeting with Mr. Middleton besides you and Mr. Riady?

Mr. HUANG. I do know one occasion just myself and Mr. Riady and Mr. Middleton alone.

Mr. SOUDER. And what would the purpose of that meeting have been?

Mr. HUANG. Because we are all acquaintances, you know, just friendly chat, because Mr. Riady has not seen Mr. Middleton for awhile. Just to more a courtesy basis.

Mr. SOUDER. Did—what might you have chatted about? I mean, the weather or—

Mr. HUANG. I really don't have any recollection of exactly account, Congressman.

Mr. SOUDER. But since Mr. Riady has just been asked to give a substantial contribution to Mr. Hubbell by another longtime Arkansas person, and Mark Middleton is a longtime political director of this administration also from Arkansas, you don't think it would have come up in the discussion with Hubbell?

[Discussion off the record.]

Mr. HUANG. The chronological thing is, Mr. Souder, as you know very well, that Mr. Buford was the first one. That was quite an early time on that basis. And the visit with Middleton, I have no knowledge of what was—I cannot remember what was talked about. But I do remember it was not—he and I never talk with Mr. Hubbell about it.

Mr. SOUDER. So your testimony was that, to your knowledge, Mr. Middleton didn't know Webb Hubbell needed help, to your knowledge.

Mr. HUANG. To my knowledge, who?

Mr. SOUDER. You have not discussed with Mr. Middleton that Webb Hubbell needed help.

Mr. HUANG. That is correct.

Mr. SOUDER. And that—who suggested that Bruce Lindsey be called that shows up in that document that you wanted to meet with Bruce Lindsey?

[Discussion off the record.]

Mr. HUANG. I really don't know. I really don't know at this point.

Mr. SOUDER. What's troubling about this is that in that memo or the White House notation, they'd—you'd like to see—you're going to see Middleton, that you would like to see Lindsey. Doug Buford, you've testified, is the person who notified you that they needed help. Yesterday you said that that help was basically not really a job, it was more out of friendship and the need that Mr. Hubbell had; that, and that Doug Buford is a senior partner in Bruce Lindsey's former law firm, which is named Lindsey. Do you think that Bruce Lindsey was aware that Mr. Riady was going to give this \$100,000 check to Mr. Hubbell?

Mr. HUANG. I do not know.

Mr. SOUDER. So, to your knowledge, you never talked with Bruce Lindsey about whether or not Mr. Riady was going to aid Mr. Hubbell?

Mr. HUANG. I did not, sir; no.

Mr. SOUDER. Did Mr. Riady ever say to you whether he had talked to Bruce Lindsey or to Mark Middleton about Mr. Hubbell?

Mr. HUANG. No, he did not.

Mr. SOUDER. Would it seem logical to you that Mr. Riady might have wanted to check out with some of the people he had worked with in Arkansas about whether to give the money to Mr. Hubbell?

Mr. HUANG. The conversation never occurred on that in the line you are suggesting, sir. No.

Mr. SOUDER. Exhibit 99 as well as exhibit 100 shows a series of meetings that I will ask you about, where you and Mr. Riady visited different people from the administration. Did you return to the White House on June 21st to attend a Business Leadership Forum, to your recollection?

[Exhibits 99 and 100 follow:]

APPLY DATE	LNAM	FNAME	VISITER	ROOM	ARRIVE TIME	POST	TO
940621	HUANG	JOHN	JOTUS	SOUTH LANN	18:50	VIS01	19:31
940621	HUANG	JOHN	MIDDLETON	WM	16:45	A0402	0:00
940622	HUANG	JOHN	MIDDLETON	WM	14:07	A0402	15:10
940623	HUANG	JOHN	BIRMAN	WM	10:27	A0402	10:32
940624	HUANG	JOHN	MIDDLETON	WM	12:05	A0401	0:00



COMMITTEE ACCESS

EOP 98701

REPORT NO: MA007781

WAVES

PAGE NO: 576

REPORT DATE: 94/07/01

VISITOR SUMMARY FOR 94/06

REPORT TO: 000000 1851 U18

VISITOR

VISITEE

UIN

TIME DATE

LOC ROOM

REPAIRSTOR

RADCF TOA POA

VISITOR	VISITEE	UIN	TIME	DATE	LOC	ROOM	REPAIRSTOR	RADCF	TOA	POA
RIADY JAMES	MIDDLETON	U34861	1420	940621	H	411	EMING	897208	1445	AO4
RIADY JAMES	MIDDLETON	U34861	1515	940622	H	411	EMING	332355	1437	AO4
RIADY TAMARA	MIDDLETON	U34861	1000	940623	H	411	MEXLER	434534	1026	AO4
RIADY CAROLINE	MIDDLETON	U37219	1200	940624	H	411	EMING	755487	1210	AO4
RIADY JOHN	MIDDLETON	U37219	1200	940624	H	411	EMING	585495	1210	AO4
RIADY JAMES	MIDDLETON	U34861	0915	940624	H	411	EMING	897208	1445	AO4
RIADY ALLEN	MIDDLETON	U34861	0915	940624	H	411	EMING	897208	1445	AO4
RIADY CAROLINE	MIDDLETON	U37219	0915	940624	H	411	EMING	755487	1210	AO4
RIADY JAMES	MIDDLETON	U37219	0915	940624	H	411	EMING	755487	1210	AO4
RIADY JOHN	MIDDLETON	U37219	0915	940624	H	411	EMING	755487	1210	AO4
RIADY ALLEN	MIDDLETON	U34861	0915	940624	H	411	EMING	897208	1445	AO4
RIADY STEPHANIE	POTUS	U34233	2015	940623	H	131	HEAVER	000000	1851	U18
RIADY ALLEN	POTUS	U34233	2015	940623	H	131	HEAVER	000000	1851	U18

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EOP 004777

Mr. HUANG. I believe there was—there was functions in the White House during that period of time. I believe we left and we went back to the function in the evening.

Mr. SOUDER. Because if—as you can see from this exhibit, there were a series of meetings that I want to ask you about; and in fact, three—looks like three with Mr. Middleton. And your testimony is that in none of those meetings you talked about Webb Hubbell.

Mr. HUANG. Not with me, no.

Mr. SOUDER. Did you discuss any of these meetings with—I'm going to—my time is about to run out. I will not startup on another round. I just find it very difficult because what we're going to see at the end of this is that Mr. Riady writes a check for \$100,000. You've had basically six visits to the White House in a period of 4 days when this is a pending matter. And it's just hard to believe there was not a discussion about the Hubbell matter.

[Discussion off the record.]

Mr. HUANG. You know, the matters during the week, we did meet with Mr. Hubbell himself, at least on two occasions we met with him. And also some of the visit went in, I believe I took the Riadys to—wife and also children to visit to tour the White House. Maybe the name who clear us in is Middleton, but actually it was probably Middleton was not involved. It could be someone else who cleared us in. So we did visit White House quite a few times, but my best recollection was I've never been aware of there's any issues related to Hubbell that I was involved. Because we had a meeting with Mr. Hubbell personally already; one was in the hotel, one was in his office at that time.

Mr. SOUDER. OK. My followup questions are going to relate to the meeting with Alexis Herman, the meeting with Webb Hubbell, as well as some others. Thank you.

Mr. WAXMAN. Mr. Chairman.

Mr. BURTON. I think it's my time now. But do you have something you want to ask?

Mr. WAXMAN. I thought Mr. Ose was going to go. Are you going to take your time now?

Mr. BURTON. I think Mr. Ose yielded.

I would like to go over the chronology real quickly and followup on what Mr. Souder was talking about.

May 19th, Hubbell calls John Huang at Lippo Bank, 1994. That's at 12:25. He called again a minute later at the Lippo Bank.

May 23rd, Huang calls Doug Buford, Buford asks Huang to contribute to the Hubbell children's education trust fund. That was at 7:03 a.m.

June 7, 1994, 4:17 p.m., Hubbell calls John Huang at the Lippo Bank.

June 19th through—and Tuesday June 20th, John Huang and James Riady are in Little Rock. Monday, June 20th, John Huang calls Mark Middleton. He wants to arrange a meeting with Middleton for June 21st at 3 p.m. That's the time that's written in.

Tuesday, June 21st, 3:17 p.m., Huang and Riady call Bruce Lindsey at the White House and tell him they're meeting with Mark Middleton at 4:30 p.m., and ask if they could see him for a minute either today or sometime this week. Lindsey claims he did not meet with Huang or Riady, but nevertheless that meeting was

set up for 4:30 that day. 4:45 that day, Tuesday June 21st, Huang and Riady enter the White House for a meeting with Mark Middleton. 6:51, Huang, Riady and his wife Aileen enter the White House for a Business Leadership Forum. That was later on. Evidently he went back that day.

June 22nd, 12 noon, John Huang's expense sheet shows a lunch at the Mayflower for \$61.69. 2:37 p.m., John Huang enters the White House for a meeting with Mark Middleton. 2:57, James Riady enters the White House for a meeting with Mark Middleton. 6:30 p.m., the Presidential Gala took place, and of course many of the people were there to visit with President Clinton.

Thursday, June 23rd, Hubbell has James Riady on his schedule. That's 2 days later or the next day. 10.10 a.m., Mark Grobmyer enters the White House to see Alexis Herman. Huang and Riady enter the White House at 10:26 to meet Alexis Herman. 10:32, Huang exits the White House. Unknown when Riady left. 11:05, call to the White House chief of staff's office from James Riady's room at the Hay-Adams. 11:10, call to the Democrat Leadership Council from James Riady's room at the Hay-Adams. Noon, Hubbell has James Riady, H. Adams, 12, on his schedule. 2 p.m., call to an unknown White House number from James Riady's room at the Hay-Adams.

Friday, June 24th, Middleton schedule reads lunch with James Riady, Aileen Riady, and children. 12:05, John Huang enters the White House to see Middleton. This is on the 24th. John and Carolyn Riady, James' children enter the White House to see Middleton. James Riady enters the White House to see Middleton. Call to Debbie Shoen at 2:11 at the OEOB from James Riady's room at the Hay-Adams. 2:16, call to unknown White House number from James Riady's room at the Hay-Adams. 5, Hubbell schedule says meet with James Riady. 8:04, call to the residence of the Indonesian ambassador to the United States from James Riady's room at the Hay-Adams. 9:50, call to unknown White House number from James Riady's room at the Hay-Adams. 10:10, call to the residence of the Indonesian ambassador to the United States from James Riady's room at the Hay-Adams.

Saturday, June 5th, John Huang, James and Aileen Riady with the four children go to the White House for the President's radio address. At 3:45 they check out on June 26th at 3:45 p.m. That's on Sunday.

The next day, the next day \$99,985, \$100,000 minus the \$15 transfer fee from the Hong Kong Bank, was sent to Webb Hubbell.

June 30th, Hubbell calls the Lippo Bank in Los Angeles, Huang was in China. 3:17, he calls, same day. Huang was in China.

July 5th, Huang enters the United States.

July 8th, Huang—or Hubbell calls Lippo Bank in Los Angeles; 2:20 Hubbell calls Lippo Bank in Los Angeles.

July 12th, Hubbell calls Lippo Bank in Los Angeles.

July 13th, Hubbell calls the Lippo Bank, and at 2:23 he calls the Lippo Bank.

When were you appointed to the Department of Commerce, after that?

To refresh your memory I think it was July 18th.

Mr. HUANG. Oh, I'm sorry, yes.



Mr. BURTON. So you were appointed by the President to the Commerce Department on July 18th?

Mr. HUANG. Monday, right.

Mr. BURTON. I presume you're going to answer this question in the negative, but I would like to ask you for the record, all of this took place between you and the Riadys and all these meetings at the White House with Middleton; and I don't know if you met with the President, but you were in the White House many, many times with the Riadys.

Does any of that and the \$100,000 contribution that Webb Hubbell got from the Riadys have anything to do with you going over to the Commerce Department being appointed by the President?

Mr. HUANG. No. I was appointed already. I had knowledge way—you know, at least a month or two ahead of time. That has nothing to do with this money thing with Mr. Hubbell.

Mr. BURTON. So the \$100,000 that was given by the Riadys just because they liked Mr. Hubbell had nothing to do with all these meetings at the White House and your appointment to the Commerce?

Mr. HUANG. It's nothing to do with my appointment, no.

Mr. WAXMAN. Mr. Chairman, I would like to ask unanimous consent that you be given an additional 10 minutes so you can have as much time as each of the Republican Members have had.

Mr. BURTON. I appreciate that Mr. Waxman, but I will take a different line of questioning at a subsequent time so I will go ahead and yield.

Mr. WAXMAN. Maybe we could inquire—maybe Mr. Huang wants a short break.

Mr. BURTON. Yes. Mr. Huang, would you like a short break right now, and if so, would you like to have included in that a time to get a sandwich for lunch since it's almost noon?

Mr. HUANG. Better ask my counsel. I normally don't take lunch, Mr. Chairman.

Mr. BURTON. Well, I'll let you ask your counsel if you guys would like to take 30 minutes or 40 minutes we can do that.

Mr. WAXMAN. Mr. Chairman, may I make a suggestion to the counsel? It's just so—I would certainly prefer that we just move on and let's get this questioning so that we can hopefully finish it at some reasonable point. But there's no guarantee that if we continue without lunch that we will finish the questioning.

Mr. COBB. If we could have a 10-minute break.

Mr. BURTON. Ten minutes would be fine. Is that OK with everybody? If your stomach starts growling, holler and we will—

Mr. BURTON. Did you have a comment before we break Mr. Huang?

Mr. HUANG. Mr. Chairman, he just rattled a list of the chronology of events.

Mr. BURTON. Yes.

Mr. HUANG. I just want to make sure that May 23, that event related to Mr. Buford's call, which is not related to what Mr. Souder is referring, that there is no relations on that.

Mr. BURTON. On the May 23rd call that Huang called—you called Doug Buford.

Mr. HUANG. I don't recall. But I know for sure this thing says it's not related to what Mr. Souder was talking about.

Mr. BURTON. It says here that Buford asked Huang to contribute to the Hubbell's children's education fund at 7:03 that morning; is that correct?

Mr. HUANG. I don't recall on that.

Mr. SOUDER. Will the chairman yield?

Mr. BURTON. Yes, I'll yield.

Mr. SOUDER. My understanding from the questioning is, while our notes have suggested it was May 23rd, he suggested that date was earlier before the reception that he had heard from Mr. Buford.

Mr. BURTON. We'll double-check our records on that. We'll stand in recess for 10, 15 minutes. Then we'll be right back. Let's make it 15, 15 minutes. We'll be back at 5 till 11.

[Recess.]

Mr. BURTON. In order to expedite things, Mr. Huang, we'll go ahead and get started with Mr. Souder.

Mr. SHAYS. Mr. Chairman, I'm sorry. I'm here. I want to yield my time to Mr. Souder.

Mr. BURTON. We'll recognize you, Mr. Shays, and you yield to Mr. Souder then.

Mr. SOUDER. I thank you.

Mr. Huang, I wanted to ask you about the meeting with Mr. Hubbell and Mr. Riady. The records seem to show it was at 7 a.m., on June 23rd. Do you recall that meeting? That's exhibit 101.

[Exhibit 101 follows:]

29

THURSDAY  
JUNE 23, 1994

THURSDAY  
JUNE 23, 1994

DATE	DESCRIPTION	AMOUNT	EXPENSES
6/23	W. 25 - Dep 174, 191 left		
6/23	1		
6/23	2		
6/23	3		
6/23	4		
6/23	5	640.00	
6/23	6	546.00	
6/23	7		
6/23	8		
6/23	9		
6/23	10		
6/23	11		
6/23	12		

EXPENSES

- TRANS
- GAS
- TOLLS
- PARK
- LOOC
- MEALS
- LI
- D
- TIPS
- TELE
- TRIP
- OTHER
- TOT

Entertainment Details

Mileage

TO BE DONE TODAY (ACTION LIST)

PHILIP-REYNOLDS, R.I.  
**EXHIBIT**  
 101

Mr. HUANG. My recollection was not really—let me see the exhibits. Personally, I do not have a recollection if there was a morning meeting, but I do remember the afternoon meeting.

Mr. SOUDER. I think in the 302s that you told the Justice Department that Mr. Riady met Mr. Hubbell at a breakfast meeting at Mr. Hubbell's temporary office.

Mr. HUANG. Mr. Souder, as I reported earlier, there were two meetings between Mr. Riady and Mr. Hubbell. And to a certain degree I was also present. Not all the time. The one was related to a luncheon, and I did not join the luncheon meeting until, at the tail end, I joined in. I thought the meeting was over between them. I just barged into that room. The luncheon meeting was at Hay-Adams in Mr. Riady's room. The other one would be in Mr. Hubbell's office, or temporary office, or wherever Mr. Miller—in Mr. Miller's firm.

Mr. SOUDER. So you don't recall whether the June 23rd meeting on Mr. Hubbell's schedule here, exhibit 101, is in fact the breakfast meeting?

Mr. HUANG. My recollection was that the lunch meeting was the first in the afternoon.

Mr. SOUDER. OK. So let's go to the lunch meeting. Is—let me—I've got these questions in a different order. When we changed the date, it confused me a little bit.

At what point—let me ask this question. At what point did Mr. Riady—was it after the lunch meeting he asked you to check on the bank account information for Mr. Hubbell? Did he ask you after a meeting with Mr. Riady?

Mr. HUANG. I believe it was all after the whole thing is over.

Mr. SOUDER. After, so this like June 25th?

Mr. HUANG. The week it's over, yes.

Mr. SOUDER. So he didn't walk out of any meeting and ask you about that, that was a separate conversation at the end of the week?

Mr. HUANG. That's a separate conversation, right.

Mr. SOUDER. So in—what the record shows is that on June 23rd there was a meeting with Mr. Hubbell and Mr. Riady in Mr. Hubbell's log, then—but you don't—you believe the luncheon meeting was first. Do you know who was at the breakfast meeting?

Mr. HUANG. My recollection, there wasn't a breakfast meeting.

Mr. SOUDER. Let me move to, also on June 23rd on exhibits 99 and 100, which we showed earlier, there was a meeting there with Mr. Riady and you with Alexis Herman, the Labor Secretary. Who was at that meeting?

Mr. HUANG. I cannot really recall on that incidence. However, the records indicate there was a meeting with Ms. Herman, probably just as a courtesy visit to Ms. Herman, very simple like that.

Mr. SOUDER. Was this Mark Grobmyer was also shown as being at that meeting. Was this the only meeting with Mark Grobmyer that week.

Mr. HUANG. At that period of time, yes.

Mr. SOUDER. For the record could you explain who—Mr. Grobmyer is—did he do work for Lippo?

Mr. HUANG. He was, he was—at least he was hired as a consultant for Lippo. Probably by that time he was no longer—I'm talking

about that time around June 1994—was no longer the consultant any further.

Mr. SOUDER. He's another attorney from Little Rock?

Mr. HUANG. That is correct.

Mr. SOUDER. Sometimes you wonder if there are any attorneys left in Little Rock. But that's another—they seem to mostly be here.

Why would he have been at the meeting?

Mr. HUANG. Maybe he was trying to introduce, you know—he might have known Alexis Herman better than Mr. Riady did at that time.

By the way, Congressman Souder, the records indicate the meeting was very, very short though. It was just a few minutes that we were seeing Mrs. Herman.

Mr. SOUDER. What would be the point of seeing the Labor Secretary?

Mr. HUANG. She was not Labor Secretary then.

Mr. SOUDER. What was she doing at that point?

Mr. HUANG. I believe she was Director of Public Liaison at that time for the White House, during that period of time, Mr. Souder.

Mr. SOUDER. Exhibit 102 shows a telephone call, a receipt to the White House chief of staff office at 11:05, also on June 23rd.

[Exhibit 102 follows:]



16th and H Streets, N.W., One Lafayette Square, Washington, D.C. 20005 • Telephone: 202-638-6600 Fax: 202-638-2716 Toll Free: 800-424-5054

RIADY, JAMES MR. & MRS.	Arrival	6/22/94
711 WEST COLLEGE STREET	Departure	6/25/94
LOS ANGELES, CA	No. in Party	2
90012	Rate	495.00

#	Date	Description	Amount
27	6/23/94	MISCELLANEOUS CHARGES/818/439770/1/1 FAX 7 PGS	29.00
28	6/23/94	LAFAYETTE DINING RM/816/1156/3/1/093052 RECEIVED FROM: 439780/816/RIADY, JA	32.89
29	6/23/94	TELEPHONE-L'DIST/818/6230348002/1/4 10:01/62217200321	7.88
30	6/23/94	TELEPHONE-L'DIST/818/6230372008/1/4 10:02/62821019164	23.42
31	6/23/94	TELEPHONE-LOCAL/816/6230462002/1/4 11:04/4291780 RECEIVED FROM: 439780/816/RIADY, JA	.85
32	6/23/94	TELEPHONE-LOCAL/816/6230465002/1/4 11:05/4566797 RECEIVED FROM: 439780/816/RIADY, JA	.85
33	6/23/94	TELEPHONE-LOCAL/816/6230469002/1/4 11:08/6382626 RECEIVED FROM: 439780/816/RIADY, JA	.85

CONTINUE...

Ok'd	Company	Street	City	State	Zip Code
By:					

I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company or association fails to pay for any part or the full amount of these charges.

Signature



Mr. HUANG. The item No. 32 you are talking about sir?

Mr. SOUDER. Yes.

Mr. BURTON. We'll now yield to Mr. Souder for his 5 minutes.

Mr. SOUDER. Item No. 32 is the White House call. Yeah, it's the 11:05 call.

Yes, so the item No. 32, do you know why you would have called the White House chief of staff office that morning?

Mr. HUANG. I wouldn't know. I would not know. Definitely there were some calls being made from Mr. Riady's room to the White House, and I do not know.

Mr. SOUDER. So you don't know whether it was—it was to Mr. Middleton, who was assistant chief of staff?

Mr. HUANG. I do not know.

Mr. SOUDER. Exhibit 103 shows that at 11:10, which would be the item 35, there's a telephone call to the Democratic Leadership Council. Do you know who made that call or for what purpose?

[Exhibit 103 follows:]





Mr. HUANG. I don't know what—I cannot recall on that. But if anybody would call, it would be—I had a relationship with the DLC, Democratic Leadership Council, with Mr. Al From. I believe he was executive director for the DLC and more or less it's just a courtesy visit to visit Al From. That's about all, if that was the situation like that.

Mr. BURTON. Would the gentleman yield real briefly?

Mr. Souder asked why a call from Mr. Riady's room would go to the chief of staff's office and you said you didn't know. And then just now there was a call to the Democratic Leadership Council from James Riady's room, and you said that you probably would have made that call; is that correct?

Mr. HUANG. No. The only thing is, Mr. Riady did not have any connections with the DLC.

Mr. BURTON. So there was a call to the Democratic Leadership Council's office. Would that have been your call?

Mr. HUANG. The only way—that would be me, yes, maybe me.

Mr. BURTON. So you were in the room at the same time that he called the chief of staff's office because that was only 5 minutes before.

Mr. HUANG. Mr. Chairman—

Mr. BURTON. Let me just finish.

If you were in the room 5 minutes before you called the Democratic Leadership Council for some reason, why wouldn't you have known why he was calling the chief of staff at the White House?

Mr. HUANG. That's a very good question, Mr. Chairman. I was really trying to say I did not really remember what was the content about why he called. I did also some support, and there were quite a lot of calls being made between Mr. Riady's hotel room and the White House, sir.

Mr. BURTON. I thank the gentleman for yielding.

Mr. SOUDER. Then at 12 I think the records show in exhibit 101 that you had a meeting with a Mr. Hubbell at the Hay-Adams. That was the lunch you were referring to earlier at 12 on exhibit 101?

Mr. HUANG. That is luncheon I was referring to that I recalled to, right.

Mr. SOUDER. So—and what was the purpose of this meeting?

Mr. HUANG. Basically that Mr. Riady wanted to chat with Mr. Hubbell, and I was not, you know, involving in the luncheon, until the tail end I came back from outside.

Mr. SOUDER. Yesterday you told me that to your knowledge that whenever there were meetings between Mr. Riady and Mr. Hubbell that you set them up. Had they met a number of times before? Had you set up other meetings?

Mr. HUANG. Prior to this?

Mr. SOUDER. Yes.

Mr. HUANG. I didn't believe so, sir.

Mr. SOUDER. So to your knowledge this, at least in this time period, was the only meeting between—

Mr. HUANG. I believe that was the first meeting, Mr. Souder.

Mr. SOUDER. And you don't know what they chatted about?

Mr. HUANG. I don't know the detail.

Mr. SOUDER. What would be some nondetail, kind of general feeling?

Mr. HUANG. Mr. Souder, let me offer this way to you. Mr. Riady did previously have conversation with me, and I did convey the information to him previously about people would like to, you know, suggest or help Mr. Hubbell. And I remember I mentioned to you yesterday about the set-up-a-trust-fund situation, the limit was the \$15,000 limit. That was over the phone. He did not really give me any response about that. All right?

And later on he came over here he asked me the opinion, I said if you really want to help a person, you want to help people you need. That's all I offered on that basis. And I was sort of left everything for him.

Now, if you want me to say what was involved in meeting, I believe that was related to, you know, anything related to this.

Mr. SOUDER. So did Mr. Riady tell you after he came out any comment that Mr. Hubbell might have made or any impressions? Did you talk about the meeting with him?

Mr. HUANG. No, I did not even ask about that.

Mr. SOUDER. The exhibit 104 shows that then at 2 another phone call over to the White House. Do you know what the purpose of that phone call would have been? It was the officer for the number of White House personnel that's 456-7510 in the log there.

[Exhibit 104 follows:]



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RIADY, JAMES MR. & MRS. Arrival 6/22/94  
 711 WEST COLLEGE STREET Departure 6/25/94  
 LOS ANGELES, CA No. in Party 2  
 90012 Rate 495.00

Acct. No.	Room #				Amount
439770	818				
#	Date	Description			Amount
42	6/23/94	TELEPHONE-LOCAL/818/6230770002/1/4 14:00/4567510			.85
43	6/23/94	TELEPHONE-LOCAL/818/6230775002/1/4 14:04/6382626			.85
44	6/23/94	PAID OUT/818/439770/1/4			40.00
45	6/23/94	TELEPHONE-L' DIST/816/6230224002/1/4 19:10/3103940252			2.31
46	6/23/94	RECEIVED FROM: 439780/816/RIADY, JA TELEPHONE-L' DIST/816/6230226003/1/4 19:11/3102745331			3.06
47	6/23/94	RECEIVED FROM: 439780/816/RIADY, JA VALET/818/9334/1/4			26.00
48	6/23/94	VALET/818/9329/1/4			54.00
49	6/23/94	TELEPHONE-L' DIST/818/6230250006/1/4 19:35/3106146512			4.19
50	6/23/94	TELEPHONE-LOCAL/816/6230449002/1/4 23:03/3013408373			.85
		RECEIVED FROM: 439780/816/RIADY, JA			

CONTINUE...

OK'd By: \_\_\_\_\_ Company \_\_\_\_\_ Street \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company or association fails to pay for any part or the full amount of these charges.

Signature \_\_\_\_\_



Mr. HUANG. I cannot recall specifically.

Mr. SOUDER. Right after the lunch was completed.

Mr. HUANG. Mr. Souder, did you mention that was related to the White House personnel?

Mr. SOUDER. Yes.

Mr. HUANG. OK.

Mr. SOUDER. Do you know why you would have called White House personnel during that time?

Mr. HUANG. Maybe during the slack time and want to go over the visit with some of the friends.

Mr. WAXMAN. Mr. Chairman, I ask unanimous consent Mr. Souder be given an additional 5 minutes.

Mr. BURTON. Without objection.

Mr. SOUDER. Then the next day, exhibit 105, shows that there was a lunch at the White House mess with Mr. Riady, his family and Mark Middleton. Do you recall that?

[Exhibit 105 follows:]

SCHEDULE OF MARK MIDDLETON

---

FRIDAY, JUNE 24, 1994

---

9:15 am

10:00 am

11:00 am

11:30 am

12:00 pm

1:30 pm

4:00 pm

7:00 pm

7:00 pm

8:30 pm

Lunch w/JAMES RIADY (01-07-57), AILEEN RIADY (06-18-64) *+ children* 33.00  
22.00 (5.50)



REDACTED

Mr. HUANG. I remember there was a luncheon involved, but I was not attending.

Mr. SOUDER. So you did not attend this lunch?

Mr. HUANG. Right. But I was there though. I was outside waiting in the reception room, as I reported to you yesterday.

Mr. SOUDER. Was there anyone there besides—it says on the schedule Mr. and Mrs. Riady and their children, and it's on Mark Middleton's schedule; was anyone else at the luncheon that you know of or might have stopped by?

Mr. HUANG. Let me retract a little bit. There might be two luncheons involved. One luncheon was involving just Mrs. Riady and the children and myself in the White House mess. There was a separate luncheon, which I did not attend—I was waiting outside in the reception room—that involved Mr. Riady and Mr. Middleton, that in terms of who went to that luncheon I do not know for sure on that.

Mr. SOUDER. Do you have any idea of what the purpose of this luncheon was at 12 on June 24th?

Mr. HUANG. Now, if this is the day referring to with the families, the children, just an experiencing thing for Mrs. Aileen Riady and the children to be having the opportunity of dining in the mess.

Mr. SOUDER. Just as a casual observer, we're having a lot of experiential time with Mr. Middleton's schedule here. I think there are three different appointments. There's a lunch. Presumably he has something—the reason it's hard not to believe there wasn't any substantive discussion is that it isn't as though they didn't already see him a couple of times earlier and seeing him more, and it's hard to believe there weren't any substantive discussions because there's only so much socializing you do. It's not like they were real buddy-buddy here.

Mr. HUANG. Mr. Souder, I can offer this way because he was the only person that would know better to get us in. So we always call on the same person to get—let him clear us in on that basis.

Mr. SOUDER. So you don't think he stayed at the lunch?

Mr. HUANG. Are you talking about staying—in my luncheon, I didn't believe, with the children.

Mr. SOUDER. And Mr. Middleton.

Mr. HUANG. Mr. Middleton. In my luncheon, he did not.

Mr. SOUDER. He just—

Mr. HUANG. He just book us in, I didn't believe he was at a luncheon with us.

But he had a luncheon with Riady on the other luncheon I was talking about.

Mr. SOUDER. And do you know what was discussed at that luncheon?

Mr. HUANG. No, I don't know.

Mr. SOUDER. And Mr. Riady didn't discuss anything with you about that?

Mr. HUANG. He did not.

Mr. SOUDER. So, in effect, what you were saying is there were a lot of social calls, but there was one very substantive luncheon most likely because it was done without you or the children present.

Mr. HUANG. I don't know whether it was substantive or not, yeah.

Mr. SOUDER. They had already done their social calls. I mean, in effect, you testified you have had multiple social calls with him, he did a social call to get you into the luncheon. So the social call part is kind of done; then they have another luncheon.

[Discussion off the record.]

Mr. HUANG. I really don't know about that, yeah.

Mr. SOUDER. And I know you weren't present. On exhibit 106, there's a receipt, another phone call over to Debbi Shon at the Executive Office Building—Shon, is it Shon?

[Exhibit 106 follows:]





Mr. HUANG. Shon.

Mr. SOUDER. Do you know what that purpose would have been?

Mr. HUANG. Just a courtesy. Shon is coming from our community. She's a Korean American, and we knew her before.

Mr. SOUDER. So it was a courtesy call?

Mr. HUANG. It's basically make a round, yeah.

Mr. SOUDER. Do you know who called 456-7510 at 2:16, which is in exhibit 106 as well?

Mr. HUANG. Mr. Souder, you have to help me. What is 7510's department? Is it personnel?

Mr. SOUDER. Personnel.

Mr. HUANG. Probably that's—I do remember we met with Maria Haley, I believe she was also at that time working in the Personnel Department as also old friends from Arkansas time. You know, just went over to say hello.

Mr. BURTON. Would the gentleman yield?

Mr. SOUDER. I would be happy to yield.

Mr. BURTON. Did you discuss with her your future position at the Department of Commerce when you were in there?

Mr. HUANG. I might have. My position was determined I believe.

Mr. BURTON. I know you said that. But we're looking at the sequence of events here that led up to Webb Hubbell getting \$100,000 from the Riadys and then a short time later you were appointed to an important position at the Department of Commerce. On this list, it shows that you met with a lot of people and then you met with the personnel director there at the White House. Did you discuss with her your position at the Department of Commerce that was coming up, or the possibility you would be getting that job?

Mr. HUANG. I have already got offered it. At that time I mentioned to her that I would be coming to Commerce Department.

Mr. BURTON. So you did talk to her about the job at the Commerce Department?

Mr. HUANG. That is correct.

Mr. BURTON. Thank you.

Mr. SOUDER. In exhibit 107, if we could go to 107, once again where—I think this is Mr. Hubbell's schedule again. It shows June 24th at 5 that Mr. Riady met with Mr. Hubbell. Do you remember that meeting?

[Exhibit 107 follows:]

DOT 0084C

29

FRIDAY  
JUNE 24, 1994

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O. Lambert - 1:30

S. Rind

C. Rhee

S. Rind

TO BE DONE TODAY (ACTION LIST)

EXPENSES	
TRAVEL	
FOOD	
ENTERTAINMENT	
OTHER	
TOTAL	122.35
	100.00
	22.35



Mr. HUANG. Yes, I do.

Mr. SOUDER. And who was at that meeting?

Mr. HUANG. Mr. Riady and I went over there. Mr. Riady and Mr. Hubbell went into the room to discuss. I was sitting outside in a small conference room.

Mr. SOUDER. Where did it take place, did you say?

Mr. HUANG. I think it's Mr. Miller's office on 19th or 20th and M Street in that corner.

Mr. SOUDER. Who is he?

Mr. HUANG. Mr. Miller I believe used to be the Treasury Secretary. I think he was officially in a previous rank in the administration.

Mr. WAXMAN. Would the gentleman yield to me for a quick question?

You mentioned \$100,000 that Mr. Riady gave to Webb Hubbell, you said because of friendship. But was he expecting some work in exchange for that or was he simply giving a gift?

Mr. HUANG. I do know some basically trying to answer and do certain thing, but I don't know the specific things at that time. You know, hire him as a consultant type of things.

Mr. WAXMAN. But he was planning to hire him to do something in exchange for the \$100,000, you don't know whether the work was done; but did you know he was being hired or just given a gift?

Mr. HUANG. No, in other words, we'll hire him to do whatever the work he can to help the Lippo situation. More specifically, I did not know at that time.

Mr. WAXMAN. There was \$100,000 to hire him?

Mr. HUANG. That is correct.

Mr. WAXMAN. Thank you. I thank the gentleman for yielding.

Mr. HUANG. Mr. Waxman, I'm not very clear what I knew at that time, that the \$100,000 was mentioned or not. Normally that would be an amount of money in practice that Mr. Riady would do. For instance, on Mark Grobmyer situation was start at like \$100,000. So you could get another consultant probably be logical amount. I would have to venture to guess on that.

Mr. BURTON. Mr. LaTourette.

Mr. LATOURETTE. Thank you, Mr. Chairman and I would like to yield to Mr. Souder.

Mr. SOUDER. I think it's important to point out for the record that yesterday, under oath, when I asked you the question, was this predominantly a job or was this predominantly out of friendship, you said that it was predominantly out of friendship. And when you raised it to Mr. Riady you raised that we should help him out of friendship.

So to the degree it was a job, there might have been tasks given, but you do not recall the specifics of the tasks. In fact, you stated again today earlier that you felt that this was predominantly to help out a friend who is in need, not a job.

Mr. HUANG. That's correct.

Mr. SOUDER. I wanted to followup. You do not recall the breakfast meeting, but Mr. Hubbell had a breakfast meeting. We have discussed the earlier luncheon meeting, and then there was another meeting at 5 with Mr. Hubbell. Why do you believe there were at least two and possibly three meetings needed?

Mr. HUANG. The reason I remember those two is because I was there.

Mr. SOUDER. Yes. But why do you think they needed so much time together? Because it is clearly beyond courtesy. It is clearly now beyond the point of even saying, hey, I am in real trouble. I need the money. These are pretty lengthy time periods now, all in 1 day.

Mr. HUANG. That was different dates.

Mr. SOUDER. The breakfast was on the 23rd, but you did not recall that. You are right. Two were on the 23rd and one was on the 24th.

Mr. HUANG. Mr. Souder, I really deep down in my heart did not think this was a breakfast meeting.

Mr. SOUDER. Let's say there were two meetings. Why would two meal meetings be needed here?

Mr. HUANG. As I also mentioned to you, the logical thing is they had not seen each other for a while and really sit down to chat. The first one was basis of warming up and chatting. The following meeting was talking about more detail in his office.

Mr. SOUDER. At what point did Mr. Riady ask you to check into his bank account?

Mr. HUANG. After those two meetings. Apparently the meeting was over. Mr. Riady thought there was one item missing maybe out of his bank account. So I don't now exactly the date I believe I called Mr. Hubbell to find out what his bank account was, you know, to have the accounts being wired. So I passed the number back to either Lippo or back to Mr. Riady; I don't remember exactly whom I did.

Mr. SOUDER. Could you precisely explain to me what "in his bank account means?" You said you called Mr. Hubbell. Did you ask him what his assets were, his current cash-flow?

Mr. HUANG. Oh, no. To do that I knew probably the decision was already being made to offer help to him. The money has to be coming in—

Mr. SOUDER. So you just wanted a number where to send the money?

Mr. HUANG. That's correct, to facilitate the wire for sending the money.

Mr. SOUDER. In the 302 from the Justice Department, on page 42, the recollection—and it is DOJ H000065—it says, according to FBI's recounting of your conversation, "During the last week of June 1994, Hubbell and J. Riady had a breakfast meeting in Hubbell's temporary office at 19th and M in Washington, DC. Huang was outside the door during the meeting pursuant to Riady's."

Now, you are saying that was actually a lunch?

Mr. HUANG. I think I was referring there was a meeting in Mr. Miller's office, I was waiting outside the room.

Mr. SOUDER. But according to this deposition, it starts out by saying that you recall a breakfast meeting, then you also recall that they had a lunch meeting. And the breakfast meeting, by the way, is on Mr. Hubbell's schedule. And then in the evening, they had another meeting. And I am confused as to why the FBI is reporting that you said, in effect, three and the records show three and what the discrepancy is.

Mr. HUANG. Congressman, No. 1, that was not really a FBI deposition at the time. All right? And I never review about 302. I want to testify to you on that. I assume FBI might probably be confused by Mr. Hubbell's diary for that. I always asserted that it was two meetings, for sure that in my mind.

Mr. SOUDER. I mean, is it possible there was a meeting you were not aware of that shows up in Mr. Hubbell's diary?

Mr. HUANG. Everything is possible, though. You know, it is very unlikely at that period of time it is just something I was not aware of.

Mr. SOUDER. If I could ask for 5 additional minutes, I think I could finish up with my Hubbell questioning. Is that acceptable?

Mr. BURTON. Without objection.

Mr. SOUDER. It also shows that on the evening of June 24th there was a call made to the Indonesian ambassador at 8:04. That's on exhibit 108.

[Exhibit 108 follows:]



16th and H Streets, N.W., One Lafayette Square, Washington, D.C. 20006 • Telephone: 202-638-6600 Fax: 202-638-2716 Toll Free: 800-424-5064

RIADY, JAMES MR. & MRS.  
711 WEST COLLEGE STREET  
LOS ANGELES, CA  
90012

Arrival 6/22/94  
Departure 6/25/94  
No. in Party 2  
Rate 495.00

Acct. No. 439770 Room # 818

#	Date	Description	Amount
71	6/24/94	TELEPHONE-LOCAL/818/6240805002/1/4 16:05/3631870	.85
72	6/24/94	TELEPHONE-LOCAL/818/6240043002/1/4 20:04/5377447	.85
73	6/24/94	TELEPHONE-LOCAL/818/6240092002/1/4 21:50/4567510	.85
74	6/24/94	TELEPHONE-LOCAL/818/6240098002/1/4 21:54/8351700	.85
75	6/24/94	TELEPHONE-LOCAL/818/6240119002/1/4 22:10/5377447	.85
76	6/24/94	TELEPHONE-L'DIST/818/6240123002/1/4 22:12/6163826100	2.28
77	6/24/94	VALET/818/9452/1/4	28.00
78	6/24/94	VALET/818/9453/1/4	23.50
79	6/24/94	TELEPHONE-L'DIST/818/6240138002/1/4 22:38/6163826100	2.28
80	6/24/94	TELEPHONE-L'DIST/818/6240140002/1/4 22:39/62821005688	10.10

CONTINUE...

Ok'd By: \_\_\_\_\_ Company \_\_\_\_\_ Street \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company or association fails to pay for any part or the full amount of these charges.

Signature \_\_\_\_\_



Mr. HUANG. I can generally talk about that. Whenever Mr. Riady is in town, he tries to make a round to pay a courtesy visit to various people and, you know, renew the friendship. He and the Indonesian ambassador were friends back in Indonesia.

Mr. SOUDER. And then at 9:50 there was a call once again over to White House personnel.

Mr. HUANG. In the evening?

Mr. SOUDER. Yes. That also shows up in exhibit 108. Presumably that was not a courtesy call. It is the same number as earlier we determined was 456-7510 was White House personnel. There was a call to that same number on June 23rd and there was a call in the afternoon on June 24th and then another call in the night of June 24th to the same number.

Mr. HUANG. I could not explain to you on that, no.

Mr. SOUDER. Then after that call—

Mr. BURTON. Would the gentleman yield real briefly? We will get you some more time.

Were you in the Riadys' room when he made that call at 9:50 that night?

Mr. HUANG. I cannot recall, Mr. Chairman.

Mr. HUBBELL. You said when you had gone to the White House personnel office earlier that you had discussed your potential job over at the Department of Commerce. Now we have a call just a day or so before Mr. Hubbell gets the \$100,000 at 9:50 at night, again to the personnel office. This obviously was not a courtesy call. So was Mr. Riady talking to them about your job to make sure you were getting that job at the Department of Commerce or was this just another courtesy call?

Mr. HUANG. Mr. Chairman, I really don't know about that. As I stated to you before, my appointment has nothing to do with Mr. Hubbell's—the money to Mr. Hubbell.

Mr. BURTON. I thank the gentleman for yielding.

Mr. SOUDER. There was another call, by the way, to the Indonesian ambassador that night at 10:10. But was that another—you don't know any particular business?

Mr. HUANG. I don't. I don't.

Mr. SOUDER. Now I'd like to talk a little bit about on June 25th, did you and Mr. Riady and his family attend the President's radio address?

Mr. HUANG. Yes.

Mr. SOUDER. The White House records do not show an entry time. Do you know how you got into the White House that day? It is possible you drove into the White House complex? But, if so, it would have had to have been specially arranged.

Mr. HUANG. No. I think we went in as routine, went through security, if I remember correctly, just like everyone else was going in.

Mr. SOUDER. Well, that usually would be logged.

Mr. HUANG. It's very strange. I didn't recall there was any special arrangement for us to be in there for the radio address, sir.

Mr. SOUDER. I would like to show the videotape on the radio address. If we could show that at this point.

[Videotape played.]

Mr. SOUDER. My question is going to be when the camera goes off, were you and the Riadys the only ones left with the President?

Mr. HUANG. That is correct. Mr. Souder, we were probably the last. If it is not the last one, it will be the next to the last ones.

Mr. SOUDER. Was it arranged beforehand that that would be the case?

Mr. HUANG. No. We just purposely stayed late to be the last.

Mr. SOUDER. How long did you stay?

Mr. HUANG. Not very long. But the reason for that is that the family with the kids were there, they were trying to get a family photo with the President.

Mr. SOUDER. So there were not any substantive discussions. You were just posing for photos?

Mr. HUANG. I didn't spot anything on that, sir.

Mr. SOUDER. And to your knowledge, there was—you say there might have been one other person left?

Mr. HUANG. I don't know. But we were very nearly the last, almost the last, yeah.

Mr. SOUDER. And it is your testimony that this was not any special arrangement for private time or anything regarding that?

Mr. HUANG. No, sir. No, sir.

Mr. SOUDER. Were there any other kids there? I mean, wouldn't other people want to hang around, too?

Mr. HUANG. I didn't recall.

Mr. SOUDER. Because usually nobody clears out of the room until there is a forced clearing out of the room. I hate to admit this, but I was at a radio address. It was not a radio address here in Washington, but it was at the Summit of the Americas. There was a large group like that. Nobody really wants to leave. I mean, I might have but that was beside the point. But most people wanted to stay. Then they clear them out.

I was not the only Member of Congress present. For example, now-Speaker Hastert was there, as well. Then there was time before he had the next appointment with which to have a substantive discussion. That is fairly standard that everybody leaves at the same time. Or I assume that is what generally happens at events.

But your testimony is that there was no private discussion to your knowledge; there was no prearranged time after the radio address, that after the camera went off, everybody else cleared out except maybe one but you and the family?

Mr. HUANG. No. No. Actually I was taking a photo, as well. No special arrangement. No, sir.

Mr. SOUDER. OK. I may have some closing comments, but I thank you for your patience and your willingness to try to address these questions.

Mr. WAXMAN. Would the gentleman want to finish up? If he wants more time, I would certainly be willing to agree to it.

Mr. BURTON. The gentleman is recognized for 5 more minutes then.

Mr. SOUDER. Thank you. My concern is that what we have seen is that, in a period of the 21st to the 25th, that you and Mr. Riady went to the White House six times, saw the President three times, you called the White House four times, that we are debating whether there was a meeting with Mr. Riady and Mr. Hubbell two or three times; and after all this happened in 1 week, which is a lot of courtesy calls and in fact repeated courtesy calls, Mr. Riady



gave Mr. Hubbell \$100,000 not for a particular job, although there might have been some work with it, but to help a friend. And your testimony here at this hearing yesterday and today is that, in all those meetings, other than directly with Mr. Riady and Mr. Hubbell, there was no discussions about support for Mr. Hubbell?

Mr. HUANG. I wasn't aware of, no.

Mr. SOUDER. You are aware of none. Your testimony is not that there were none, but that you are aware of none; is that precise?

Mr. HUANG. That is correct.

Mr. SOUDER. But your testimony is that it is possible that Mr. Riady in a number of these meetings could have been talking about the need to support Mr. Hubbell, but he would not have necessarily told you?

Mr. HUANG. I could not speculate on that, Mr. Congressman.

Mr. SOUDER. In fact, you did speculate earlier because you said you—you didn't speculate. You said you didn't even ask any questions.

Mr. HUANG. I did not.

Mr. SOUDER. So the fact is that there could have been discussions and you wouldn't have known because you did not ask any questions.

Even though you were the point person who was asking Mr. Riady to give the money to Mr. Hubbell and you were the person who was setting up these meetings and making a lot of these phone calls and setting up the radio address, you did not even ask Mr. Riady whether or not he talked with anybody about it?

Mr. HUANG. Whatever you suggest, Mr. Congressman, it was possible. But, in my mind, it was not likely. The reason is, the \$100,000 was really not as large amount of money, you know, so I never really, you know, think that will be, you know, any special thing he would have to do.

Mr. SOUDER. Well, let me ask you a question about that. I mean, to me \$100,000 is a lot of money and I think to most people. But it certainly was a lot of money to Mr. Hubbell. Right?

Mr. HUANG. That is correct.

Mr. SOUDER. And that it was certainly important to Mr. Hubbell's friends because they had the law partner, former law partner of Bruce Lindsey call you and say, look, our friend is in trouble. He needs some help. His kids need it. It was important to people who were associated with the White House that there was support.

It is just hard to imagine that there would not have been people saying, hey, we really hope you will help our friend, he is really in trouble, that no discussions occurred in all these phone conversations, all these meetings, all these meetings of Mark Middleton. I mean, these people are friends from Little Rock.

What we have heard is we ran into a whole series of attorneys from Little Rock, friends of Webb Hubbell, Webb Hubbell is in trouble. This is a man who comes into town, has a series of meetings, and at the end gives him \$100,000 to help him. It is just hard to imagine there were not discussions, I mean the average person watching this. You may not know. You did not ask any questions about it. But I think that the evidence kind of suggests that we do not know the extent of the discussions, whether they were casual or in depth.

But it certainly, without people willing to come forth who were in the meetings and talk to us, a lot of Americans are looking at this and saying, boy, this sure looks like hush money. And your testimony today did not really do anything to prove that, but it did not do anything to really disprove it either. In fact, I think it would be a legitimate question to ask those people.

Mr. HUANG. Mr. Souder, you know, I am trying to be helpful as much as I can, but I'm limited to the fact I can only testify what I know, what I really know about that.

Mr. SOUDER. And I absolutely agree with that. And you should not, while I might ask you your opinion, that is still different than a fact and nobody is convicted until there is a fact. But part of our problem here is a lot of people will not talk to us. And I realize you are at one level and some people have implied that you are at a higher level than you probably are because in fact if you don't know the answers to some of these questions you cannot be at the center of a conspiracy, if there is a conspiracy, which has not been proven. But if there is one, you are clearly at a level that is moving up here. But you can see, I would hope, at least why we are asking the questions. Because to the average observer looking at this, this was a very questionable active week.

I appreciate that you have tried to answer the questions, and I thank you for your patience.

Mr. WAXMAN. Will the gentleman yield?

Mr. SOUDER. I will be happy to yield.

Mr. WAXMAN. Just so I understand where things are. You knew that people wanted to help Webb Hubbell and that you even said to Mr. Riady, Mr. Hubbell is in trouble. So Mr. Riady gave Hubbell \$100,000.

Is there anything that you know of that would indicate that it was given as hush money to keep Mr. Hubbell from not saying something? Or just that they wanted to help him out when he was down?

Mr. HUANG. The term of "hush" never came to my mind at that time and at a later date. I always felt it was a friendship, you know, to help a friend.

Mr. WAXMAN. I thank the gentleman for yielding to me.

Mr. SOUDER. Of course that is partly what hush money is. In other words, friends usually do not go and turn in other friends and they support one another in a network. And while it might not be the case in this case, it could be. And our dilemma in a lot of these kind of things is that it could be or could not. Our job is to continue to try to prove that. But we moved along and laid out a series of events that I think most Americans would have serious doubts about.

Mr. WAXMAN. If the gentleman would yield further, I do not know why you see your job as trying to prove that. It seems to me our job is trying to find out what the facts are. And some people speculate and maybe would like to think there was hush money involved and maybe would like you to prove there was hush money involved, but all we can do is find the evidence that we have before us. And the witness, who had some knowledge of things that were going on, can tell us what he knew. And to this point there is no evidence of any hush money.

Mr. SOUDER. Reclaiming my time, it is clear that Webb Hubbell has not talked. It is clear that we have 120-some witnesses who have either taken the fifth or fled the country to this committee. I believe that that is what has been proven is that there is obstruction of justice. We do not know what justice has been obstructed, whether it was secrets of the United States, whether it was political compromises, whether it was multiplicity of interests of Mr. Riady. There is lots of possibilities. But the goal here was not to prove that this was hush money.

What we know is that he has been hushed. What we do not know whether there was any payoffs that did that, whether it was choice because he is a friend of the President. We do not know what he is hushed about. But we know they are not talking.

Mr. WAXMAN. Will the gentleman yield? We know that Mr. Hubbell testified before the grand jury; he cooperated with the independent counsel, not to the independent counsel's satisfaction, obviously. And maybe the problem is he is not saying, not because of hush money, but he is just not saying what people want him to say because that is not what he believes.

Maybe people want Webb Hubbell to say what they want him to say. But he has testified over and over again, and he has not said what they want him to say. Now that could be for whatever reason, but it could be also because it is the truth.

Mr. SOUDER. And this will be hopefully the final comment with this extended red light is that, while I agree that that is possible, I do not think it is probable because there have been so many—I don't remember what we discussed at that meeting, I can't quite recall, that it stretches plausibility to believe it has been completely open. But I agree that that is a possibility and that, in this country, you are innocent until proven guilty. Any suggestion that I have had that it has been proven I try to say over and over, it has not been proven. But that is why many of us think it is there even if it has not been proven and nobody is guilty until it is proven.

Mr. BURTON. The gentleman's time has expired. I would like to take some time now.

Mr. Huang, you went into the White House to the personnel office a short time before Mr. Hubbell got the \$100,000. You said that you talked to the personnel people in passing about you were going to be working over at the Department of Commerce and you said that that was already a done deal before any of this happened. But then that night there was another call to the personnel director at 9:50, I believe it was, and you do not know what that call was about. It was from Riady's room at the Hay-Adams Hotel, and you do not remember whether or not you were present.

Do you have any idea why Mr. Riady would be calling the personnel office at the White House just before the \$100,000 was given to Mr. Hubbell?

Mr. HUANG. I have no idea. I don't have any clue.

Mr. BURTON. You do not know that he was trying to help anybody get a job or anything?

Mr. HUANG. It would be really unlikely, Mr. Chairman.

Mr. BURTON. So you would have no idea why he would call the personnel office?

Mr. HUANG. That's correct, sir.

Mr. BURTON. Now, you went to the Commerce Department and you started working there. During the time that you were at the Commerce Department, from your home, from your office, and across the street at the Stephens Co., you made or received 232 contacts from the Lippo Group in Indonesia and here in the United States and in Hong Kong.

Why did you make calls from the Stephens office across the street, and why did you send faxes from the Stephens office across the street to the Lippo Group? Why didn't you do that either from your home or from the Commerce Department? Why did you feel it was necessary to go to an outside office to do that?

Mr. HUANG. Excuse me 1 second.

Mr. Chairman, there are quite a few questions there. I am trying to answer portion by portion.

Mr. BURTON. Let's narrow it down to one.

Why did you go across the street to the Stephens office to contact the Lippo Group with faxes and phone calls when you had a phone in your office?

Mr. HUANG. I'm not even sure those faxes were sent to Lippo by me through the Stephens office across the street. I did use the Stephens financial office. Sometimes I made some personal calls which I did not feel it was proper to use the office phone.

Mr. BURTON. Did you call the Lippo Group or send any faxes from the Stephens office?

Mr. HUANG. I certainly do not recall. But I do Stephens finance—Stephens office did send some fax to the Lippo Group. That's their only business, though.

Mr. BURTON. You did not send any faxes from Stephens office to the Lippo Group. Is that what you are saying?

Mr. HUANG. I do not recall.

Mr. BURTON. You do not recall.

Mr. HUANG. Right.

Mr. BURTON. You do not remember going across the street to that office?

Mr. HUANG. I believe I did not.

Mr. BURTON. Did you make any phone calls from across the street to the Lippo Group from the Stephens office?

Mr. HUANG. You confine Lippo Group is——

Mr. BURTON. Any calls. To Indonesia, to the offices here in the United States, to Hong Kong.

Mr. HUANG. I really don't remember I called overseas to Lippo.

Mr. BURTON. So you do not remember?

Mr. HUANG. That's correct.

Mr. BURTON. Yeah. Why would you go over there and call the Lippo Group in the United States?

Mr. HUANG. I don't believe I used the Stephens finance primarily for——

Mr. BURTON. I want you to think hard about this because you have your counsel there. You are under oath and we're going to check this out very thoroughly.

Do you recall or did you make any phone calls to the Lippo Group here in the United States or overseas that you recall? Did

you send any faxes from the Stephens office to any Lippo entity while you were at the Department of Commerce?

Mr. HUANG. I did not recall, sir.

Mr. BURTON. You don't recall?

Mr. HUANG. I do not recall.

Mr. BURTON. Do you recall going over to their office?

Mr. HUANG. I did.

Mr. BURTON. What did you do when you went to their office.

Mr. HUANG. There are some personal things. For instance, I can raise the example to you. I was still the member of the Committee of 100. I used the office sometimes, and I asked them to send faxes over there.

Mr. BURTON. Well, let's pursue that. Do you remember the Committee 100? Committee 100 was a financial-raising organization, wasn't it? Did they raise money?

Mr. HUANG. No. No. I didn't think so.

Mr. BURTON. What was the purpose of that organization?

Mr. HUANG. It is organization to just basically promote the mutual understanding, you know, between the Chinese people and also the American people. That's one of them as far as I know.

Mr. BURTON. Before you went to the Department of Commerce, did you ever work with any of them to raise money?

Mr. HUANG. Now, in terms of raising money for the organization or raising money for other?

Mr. BURTON. For campaigns. Did you ever work with any of these people in those organizations to raise money?

Mr. HUANG. To the best of my knowledge, I did not.

Mr. BURTON. None of those people were contributors to the DNC?

Mr. HUANG. No, I don't know for fact. But not for me definitely true.

Mr. BURTON. When you went to the DNC, did any of those people contribute? I mean, pretty large contributions?

Mr. HUANG. Mr. Chairman, I take it back. Excuse me. I have to tell the truth. The one member—that was before I became a member of the Committee of 100 one member, Dr. Ky, did make contribution in August 1992 event.

Mr. BURTON. Well, while you were at the Department of Commerce and you went over to the Stephens office, did you ever ask anybody for money in phone calls from the Stephens office?

Mr. HUANG. No, sir.

Mr. BURTON. You're sure?

Mr. HUANG. I'm sure.

Mr. BURTON. OK. So you never made any calls that you recall. You don't recall calling the Lippo Group from the Stephens office, and you don't recall calling the Lippo Group or sending them faxes from the Stephens office?

Mr. HUANG. I do not recall.

Mr. BURTON. So if we find that there were phone calls—what is this here? Can we put this up on the board. Can I ask for 5 additional minutes? Without objection, so ordered. We do not have this to put it up on the board.

We have here from July 19, 1994, through January 30, 1995, there must be 30 or 40 faxes going to the Lippo in Hong Kong, di-

rector of the Lippo Bank, Lippo Hong Kong, Lippo Pacific, director of the Lippo Bank, Lippo Asia, Ltd., Lippo Pacific.

You don't recall having any involvement with any of these?

Mr. HUANG. I do not recall. Let me stress that Stephens group has some business. They used to be a partner between Lippo and Stephens. They might have some business to do.

Mr. BURTON. The man in charge was a man named Vernon Weaver?

Mr. HUANG. That's correct.

Mr. BURTON. I intend to bring Mr. Weaver before the committee and put him under oath. Now, Mr. Weaver was there when you were there, was he not?

Mr. HUANG. That's correct.

Mr. BURTON. If I ask him if all of these faxes and phone calls were from him to the Lippo Group, do you think he is going to say that they were from him or somebody on his staff?

Mr. HUANG. I believe he would tell the truth, yeah.

Mr. BURTON. OK. Well, we'll find out. We will get in touch with him. I would like to make a copy of this and have it put on the record.

[The information referred to follows:]

Calls & Fax Transmissions from Stephens, Inc., and Receipt of Intelligence Info

Date	Time	Description	Line used	Phone # called	Person/Entity Called	Location	Legs
07/19/94	03:42 PM	Facsimile transmission	202-628-6669	6221-620-1092	"Director of Lippo Bank"	Indonesia	1
07/19/94	03:45 PM	Facsimile transmission	202-628-6669	6221-620-1092	"Director of Lippo Bank"	Indonesia	1
07/27/94	10:21 AM	Facsimile transmission	202-628-6669	6221-620-1092	"Director of Lippo Bank"	Indonesia	1
07/28/94	01:56 PM	Facsimile transmission	202-628-6669	655-877-0620	Lippo Asia Limited	Hong Kong	2
08/08/94	12:45 PM	Facsimile transmission	202-628-6669	213-625-8554	Lippo USA	Los Angeles CA	1
08/08/94	01:34 PM	Call: Unidentified	202-628-6774	213-625-1888	Lippo USA	Los Angeles CA	3
08/30/94	02:22 PM	Call: Unidentified	202-628-6774	213-625-1888	Lippo USA	Los Angeles CA	7
10/04/94	12:46 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	2
10/05/94	09:00 AM	John Dickerson/OIL Briefing					
10/05/94	05:49 PM	Facsimile transmission	202-628-6669	852-840-0406	Lippo Ltd. Hong Kong	Hong Kong	1
10/06/94	04:20 PM	Facsimile transmission	202-628-6669	6221-620-1092	"Director of Lippo Bank"	Indonesia	1
10/06/94	04:24 PM	Facsimile transmission	202-628-6669	6221-620-1092	"Director of Lippo Bank"	Indonesia	1
10/06/94	04:28 PM	Facsimile transmission	202-628-6669	6221-620-1092	"Director of Lippo Bank"	Indonesia	1
10/06/94	04:32 PM	Facsimile transmission	202-628-6669	6221-620-5619	"Mr. Riady's Office"	Indonesia	1
10/06/94	04:36 PM	Facsimile transmission	202-628-6669	6221-620-5619	"Mr. Riady's Office"	Indonesia	1
10/11/94	12:00 PM	Facsimile transmission	202-628-6669	852-840-0406	Lippo Ltd. Hong Kong	Hong Kong	2
10/11/94	10:25 AM	Facsimile transmission	202-628-6669	852-840-0406	Lippo Ltd. Hong Kong	Hong Kong	2
10/18/94	04:13 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	04:17 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	04:21 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	04:25 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	04:35 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	04:36 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	04:39 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	04:41 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	04:43 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	04:44 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	04:47 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	04:48 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	04:52 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	05:47 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	05:49 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	05:53 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	05:56 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	05:57 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/18/94	05:58 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/19/94	12:56 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	1
10/19/94	12:58 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	2
10/19/94	02:14 PM	Call: Unidentified	202-628-6774	213-625-1888	Lippo USA	Los Angeles CA	10
10/19/94	02:16 PM	Call: Unidentified	202-628-6774	516-244-5089	Huang'sHome	Glendale CA	2
10/19/94	03:30 PM	John Dickerson/OIL Briefing					
10/28/94	02:00 PM	John Dickerson/OIL Briefing					
11/04/94	02:15 PM	John Dickerson/OIL Briefing					
11/09/94	04:00 PM	John Dickerson/OIL Briefing					
11/30/94		Classified Material Receipt					
11/30/94		Classified Material Receipt					
11/30/94	03:30 PM	John Dickerson/OIL Briefing					
12/01/94	04:00 PM	John Dickerson/OIL Briefing					
12/13/94	02:00 PM	John Dickerson/OIL Briefing					
12/21/94	03:00 PM	John Dickerson/OIL Briefing					
01/05/95	02:30 PM	John Dickerson/OIL Briefing					
01/05/95	03:08 PM	Call: Vernon Weaver	202-628-6776	213-625-8686	Lippo USA	Los Angeles CA	2
01/12/95	10:30 AM	John Dickerson/OIL Briefing					
01/18/95	05:03 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	3
01/25/95	11:00 AM	John Dickerson/OIL Briefing					
01/30/95	05:21 PM	Facsimile transmission	202-628-6669	6221-620-5400	Lippo Pacific	Indonesia	2
02/08/95	04:00 PM	John Dickerson/OIL Briefing					
02/14/95	04:00 PM	John Dickerson/OIL Briefing					
02/23/95	04:15 PM	John Dickerson/OIL Briefing					
02/28/95	03:00 PM	John Dickerson/OIL Briefing					
03/16/95	04:00 PM	John Dickerson/OIL Briefing					
03/22/95	04:30 PM	John Dickerson/OIL Briefing					
04/07/95	03:30 PM	John Dickerson/OIL Briefing					
04/24/95	11:00 AM	John Dickerson/OIL Briefing					
05/04/95	10:00 AM	Classified Material Receipt					
05/10/95		Classified Material Receipt					
05/12/95	11:00 AM	John Dickerson/OIL Briefing					

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Calls & Fax Transmissions from Stephens, Inc., and Receipt of Intelligence Info

Date	Time	Description	Line used	Phone # called	Person/Entity Called	Location	Lnth
05/25/95	10:00 AM	John Dickerson/OIL Briefing					
06/05/95	03:00 PM	John Dickerson/OIL Briefing					
06/13/95		Classified Material Receipt					
06/15/95		Classified Material Receipt					
06/15/95	03:00 PM	John Dickerson/OIL Briefing					
06/21/95		Classified Material Receipt					
06/29/95	11:00 AM	John Dickerson/OIL Briefing					
07/12/95	11:00 AM	John Dickerson/OIL Briefing					
07/28/95	11:00 AM	John Dickerson/OIL Briefing					
08/09/95		Classified Material Receipt					
08/11/95	03:00 PM	John Dickerson/OIL Briefing					
08/23/95	11:00 AM	John Dickerson/OIL Briefing					
08/30/95	03:00 PM	John Dickerson/OIL Briefing					
09/11/95	03:30 PM	John Dickerson/OIL Briefing					
09/19/95	03:00 PM	John Dickerson/OIL Briefing					
10/04/95		Classified Material Receipt					
10/04/95	02:30 PM	John Dickerson/OIL Briefing					
10/12/95	11:00 AM	John Dickerson/OIL Briefing					
10/26/95	10:30 AM	John Dickerson/OIL Briefing					
11/09/95	02:30 PM	John Dickerson/OIL Briefing					
11/28/95	02:00 PM	John Dickerson/OIL Briefing					



Mr. BURTON. Now let me ask you a couple of other questions. You met a number of times with people from the People's Republic of China, the Communist Chinese Government, while you were at the Department of Commerce, did you not? Did you have lunch with them or dinner with any of them?

Mr. HUANG. I have lunch with some of the Embassy personnel, yes.

Mr. BURTON. Do you remember how many times?

Mr. HUANG. I can't recall. Probably it was not too many, no.

Mr. BURTON. Did you go to the Chinese Embassy?

Mr. HUANG. I did.

Mr. BURTON. How many times?

Mr. HUANG. Not too many. Probably on invitation basis for whatever event they had.

Mr. BURTON. Was it one time, five times?

Mr. HUANG. It is definitely more than one time, Mr. Chairman.

Mr. BURTON. Do you remember what you talked about?

Mr. HUANG. No. It was a big gathering. Probably just saying hello, that's all. Meeting with various people. A lot of people were there. It was big function.

Mr. BURTON. And you were at the Department of Commerce at the time?

Mr. HUANG. That is correct.

Mr. BURTON. On January 19, 1995, your calendar reflects that you met with the PRC Ambassador, Li Zhaoxing, for dinner. Do you recall that?

Mr. HUANG. Can I read that, please?

Mr. BURTON. Yes, sure. Do we have that in his book? Where is that? 167.

Mr. COBB. Mr. Chairman, is that exhibit 167?

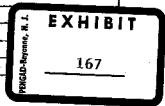
[Exhibit 167 follows:]

March 1995	April 1995	May 1995	<b>Week Ending</b> <b>January 22</b>
S M T W T F S	S M T W T F S	S M T W T F S	
1 2 3 4	1 2 3 4	1 2 3 4	
5 6 7 8 9 10 11	5 6 7 8 9 10 11	5 6 7 8 9 10 11	
12 13 14 15 16 17 18	12 13 14 15 16 17 18	12 13 14 15 16 17 18	
19 20 21 22 23 24 25	19 20 21 22 23 24 25	19 20 21 22 23 24 25	
26 27 28 29 30 31	26 27 28 29 30 31	26 27 28 29 30 31	

THURSDAY, JANUARY 19	19	FRIDAY, JANUARY 20	20	SATURDAY, JANUARY 21	21
7	7	7	7	7	7
7:15	7:15	7:15	7:15	7:15	7:15
7:30	7:30	7:30	7:30	7:30	7:30
7:45	7:45	7:45	7:45	7:45	7:45
8	8	8	8	8	8
8:15	8:15	8:15	8:15	8:15	8:15
8:30	8:30	8:30	8:30	8:30	8:30
8:45	8:45	8:45	8:45	8:45	8:45
9	9	9	9	9	9
9:15	9:15	9:15	9:15	9:15	9:15
9:30	9:30	9:30	9:30	9:30	9:30
9:45	9:45	9:45	9:45	9:45	9:45
10	10	10	10	10	10
10:15	10:15	10:15	10:15	10:15	10:15
10:30	10:30	10:30	10:30	10:30	10:30
10:45	10:45	10:45	10:45	10:45	10:45
11	11	11	11	11	11
11:15	11:15	11:15	11:15	11:15	11:15
11:30	11:30	11:30	11:30	11:30	11:30
11:45	11:45	11:45	11:45	11:45	11:45
12	12	12	12	12	12
12:15	12:15	12:15	12:15	12:15	12:15
12:30	12:30	12:30	12:30	12:30	12:30
12:45	12:45	12:45	12:45	12:45	12:45
1	1	1	1	1	1
1:15	1:15	1:15	1:15	1:15	1:15
1:30	1:30	1:30	1:30	1:30	1:30
1:45	1:45	1:45	1:45	1:45	1:45
2	2	2	2	2	2
2:15	2:15	2:15	2:15	2:15	2:15
2:30	2:30	2:30	2:30	2:30	2:30
2:45	2:45	2:45	2:45	2:45	2:45
3	3	3	3	3	3
3:15	3:15	3:15	3:15	3:15	3:15
3:30	3:30	3:30	3:30	3:30	3:30
3:45	3:45	3:45	3:45	3:45	3:45
4	4	4	4	4	4
4:15	4:15	4:15	4:15	4:15	4:15
4:30	4:30	4:30	4:30	4:30	4:30
4:45	4:45	4:45	4:45	4:45	4:45
5	5	5	5	5	5
5:15	5:15	5:15	5:15	5:15	5:15
5:30	5:30	5:30	5:30	5:30	5:30
5:45	5:45	5:45	5:45	5:45	5:45
6	6	6	6	6	6
6:15	6:15	6:15	6:15	6:15	6:15
6:30	6:30	6:30	6:30	6:30	6:30
6:45	6:45	6:45	6:45	6:45	6:45
7	7	7	7	7	7
7:15	7:15	7:15	7:15	7:15	7:15
7:30	7:30	7:30	7:30	7:30	7:30
7:45	7:45	7:45	7:45	7:45	7:45

*PLC Park & Ride - 1000 - 1000*  
*7:15 (20) 662-8886*

*Went to Lenox*  
*with person*



Mr. BURTON. Exhibit 167, page 17.

Mr. HUANG. Mr. Chairman, as you indicated list on my calendar, the secretary kept my calendars. There was a dinner over there.

Mr. BURTON. Do you know what you talked about on January 19, 1995, with the PRC Ambassador, Li Zhaoxing?

Mr. HUANG. If I remember correctly, there was an invitation working through another Chinese-American community member, who invited some of the Chinese American government officials to have a dinner with Mr. Ambassador Li.

Mr. BURTON. Did you go?

Mr. HUANG. I did not go.

Mr. BURTON. You did not go?

Mr. HUANG. I did not go.

Mr. BURTON. On February 14, 1995, did you have a reception with the People's Republic of China Minister Counselor named Ming? Did you go to that?

Mr. HUANG. This is on exhibit——

Mr. BURTON. Exhibit 168. It is February the 15th.

[Exhibit 168 follows:]

# 13 Week Beginning February

January 1995	February 1995	March 1995
S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	S M T W T F S 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

*800-648-1111*      *Minisk M. W. Day*  
*Meter Readers*      *(75)*

MONDAY, FEBRUARY 13 44	TUESDAY, FEBRUARY 14 45	WEDNESDAY, FEBRUARY 15 46
7	7	7
7:15	7:15	7:15
7:30	7:30	7:30
7:45	7:45	7:45
8	8	8
8:15	8:15	8:15
8:30	8:30 <i>ETC to Staff</i>	8:30
8:45	8:45	8:45
9	9	9
9:15	9:15	9:15
9:30	9:30	9:30
9:45	9:45	9:45
10	10 <i>Kenya/Kenya</i>	10
10:15	10:15	10:15
10:30	10:30	10:30
10:45	10:45	10:45
11	11	11 <i>Jerry - Johnson</i>
11:15	11:15	11:15 <i>John</i>
11:30	11:30	11:30
11:45	11:45	11:45
12	12 <i>Paul - Johnson</i>	12
12:15	12:15	12:15
12:30	12:30	12:30
12:45	12:45	12:45
1	1	1
1:15	1:15	1:15
1:30	1:30	1:30
1:45	1:45	1:45
2	2	2
2:15	2:15	2:15
2:30	2:30	2:30
2:45	2:45	2:45
3	3	3
3:15	3:15	3:15
3:30	3:30	3:30 <i>USS from Harwick to</i>
3:45	3:45 <i>John - Johnson</i>	3:45 <i>(K. G.)</i>
4	4	4
4:15	4:15	4:15
4:30	4:30	4:30
4:45	4:45	4:45
5	5	5
5:15	5:15	5:15
5:30	5:30	5:30
5:45	5:45	5:45
6	6	6
6:15	6:15	6:15
6:30	6:30	6:30 <i>Richard - P. L.</i>
6:45	6:45	6:45 <i>on computer Mike</i>
7	7	7 <i>2:30 - 5:15 Mike</i>
7:15	7:15	7:15
7:30	7:30	7:30
7:45	7:45	7:45

**EXHIBIT**  
168

Mr. HUANG. I believe down below it says Wisconsin Avenue maybe is the address?

Mr. BURTON. It says reception with the PRC Minister Counselor Ming. Where was that located?

Mr. HUANG. Counselor Ming just opened up a separate office. It was opening invitation to have a lot of people going over there.

Mr. BURTON. Do you recall what you talked about or anything, or was it just a social event?

Mr. HUANG. It was a social event.

Mr. BURTON. On April 5th at 10 a.m., your calendar reflects Ms. Zhu Yang, PRC Deputy Director for UI. I believe that is Far East relation.

Did you go to that?

Mr. HUANG. I did not go to that. They came to me.

Mr. BURTON. What did you talk about?

Mr. HUANG. No, that was arranged, Mr. Chairman, by, I think, AID. Some of the people from China, there was touring the United States, that meeting was arranged by AID to come to visit me. It was not my initiative, sir.

Mr. BURTON. Well, I see my time has expired. I will come back to this later.

Mr. WAXMAN. Mr. Chairman, I want you to have the continuity if you want to continue on. But if you wouldn't mind, would you yield to me just for a second or two to make some points for the record?

Mr. BURTON. Sure.

Mr. WAXMAN. I don't want to take my 5 minutes, which I'll do later.

But the question of this Committee of 100, what is this group again, Mr. Huang?

Mr. HUANG. It is Committee of 100. The basis is leading distinguished Chinese-Americans who form the groups after the Tiananmen Square event in 1989, I think.

Mr. WAXMAN. The chairman said that this group is under some suspicion. But I do want to point out in the Congressional Record of March 22, 1994, Senator McCain said, and I am quoting from Senator McCain's record statement, "I have long admired the work of the Committee of 100 and the very distinguished members that represent it. The members of the Committee represent Chinese-Americans from all over the Nation and across a wide range of political opinions and professions. To give my colleagues an idea of the caliber of people making up the organization, I commend to them the biographies of three members who recently visited my office, one of whom, Ms. Ming Shin Chu, is an Arizona resident. The biographies are somewhat dated but I think they illustrate well the competence of the Committee of 100 delegation."

The second point I want to make is that the chairman said that he was going to bring Mr. Weaver in to question whether you had made those calls or not. As I recall, we deposed Mr. Weaver in the last Congress, and I think we have asked those questions. So we are checking to see whether we already know whether Mr. Weaver has testified so we do not have to bring him in if he has already testified on this subject. We will find out soon what he had to say, and we will put that in the record. And, without objection, may I

ask we put his testimony in the record on those points if you think it is appropriate.

Mr. BURTON. We may bring Mr. Weaver. In fact, I plan to bring Mr. Weaver in again because, according to my staff, the information that we have now we did not have at that time and those questions were not presented to him, especially on these lists of phone calls and list of faxes that were sent. So we may have to talk to him again. But I have no objection to putting it in the record.

Mr. WAXMAN. Let's just withhold it and see what comes up within the transcript.

Mr. BURTON. That will be fine.

Mr. WAXMAN. Let me ask unanimous consent that the chairman be given 10 minutes.

Mr. BURTON. Without objection.

Let me just say that, the Committee of 100, I do not want it to appear as though we have cast aspersions on that organization. What I was asking was whether or not any of those people, while you were at the Department of Commerce were solicited and gave money to the DNC or when you were at the DNC. And I believe your answer was there was one individual but you did not solicit any of them. Is that correct?

Mr. HUANG. Mr. Chairman, I believe what I was saying is back in 1992 there was one individual, maybe even more than one individual, at that time I was not even a Committee of 100 member then, made a contribution to the candidate Clinton campaign at that time.

Mr. BURTON. While you were at the Department of Commerce?

Mr. HUANG. While I was in Commerce, no. And while I was in DNC, the answer is yes.

Mr. BURTON. You did?

Mr. HUANG. In DNC the answer is yes, probably about in one event, maybe around few checks.

Mr. BURTON. Do you have any idea who those people were, how many there were?

Mr. HUANG. Yes, I can give you at least at this time what I remember.

Mr. BURTON. What I would like to do is for the record if you could give us the names and the amounts if you could recollect those for us.

Mr. HUANG. Right now I can off my head give you one right now. The lady Chen did give some money. The amount I don't remember. That was September 1996 event in L.A.

Mr. BURTON. And you were with the DNC?

Mr. HUANG. I was with the DNC at that time.

Mr. BURTON. In any event, if you could give us those from the 100 group.

I want to followup and ask a question about that.

Mr. HUANG. Sure.

Mr. BURTON. Did you have any responsibility for China issues when you were at Commerce? I mean, did you have any responsibility or were you charged with the responsibility of dealing with China on commerce issues, issues of that type?

Mr. HUANG. No.

Mr. BURTON. Why not?

Mr. HUANG. Basically the territory was taken away and was under the umbrella of Mr. Rothkopf, who was the deputy undersecretary.

Mr. BURTON. So they did not want you to be involved in commerce issues with China at that time?

That was not your responsibility, right?

Mr. HUANG. That was not my responsibility, that's correct.

Mr. BURTON. So you had a number of meetings, and I will go through these meetings again chronologically, but you had a number of meetings with people from the Chinese Embassy, with people coming in and out from China. You had those meetings at the Department of Commerce, at the Chinese Embassy and other places. Why were you meeting with those people?

Mr. HUANG. It was by invitation. Whenever there is a function or event, I was invited to go, like other officials also receiving invitation as well. I just went.

Mr. BURTON. Well, let's go through these because some of these I do not think they were widely attended events. Some of these were just lunch or dinner with one or two people. Let's go through these.

Mr. HUANG. OK.

Mr. BURTON. You reflected a meeting with Ambassador designate to China, Jim Sasser. Do you remember what that meeting was about?

Mr. HUANG. Yes.

Mr. BURTON. What was that about?

Mr. HUANG. The meeting—at that time it was a designate Ambassador, it was not confirmed.

Mr. BURTON. That's right.

Mr. HUANG. I had a few of the Committee of 100 members to visit his temporary office at that time.

Mr. BURTON. So you took them over there?

Mr. HUANG. No, I did not. I came with the other members of the Committee of 100 to go to see Mr. Sasser.

Mr. BURTON. OK. On May 10, 1995, at 7 p.m., your calendar reflects you will had a meeting with Ambassador Li, China meeting. Do you recall what that one was about?

Mr. HUANG. That is the same name, Ambassador Li, as the then-Ambassador Li for the United States from People's Republic of China. That is a different Ambassador Li.

Mr. BURTON. OK. But do you know what that meeting was about?

Mr. HUANG. Yes, I was advised by Committee of 100, Ambassador Li used to be the Ambassador for China to Nepal but temporary at that time was visiting the United States and various countries. Since he was coming over to Washington they asked me whether I could just extend the courtesy to meet with him and have dinner with him.

Mr. BURTON. On September 21st, at 9:30 a.m., your calendar reflects Chinese delegation, Chinese State Planning Commission. What was that meeting?

Chinese delegation, Chinese State Planning Commission.

Mr. HUANG. I could not explain for sure right now. I did meet with some of the Chinese delegations. People made arrangement to come over to see me, I offered to meet with them.

Mr. BURTON. I know. But the point is you had no responsibilities to deal with the Chinese Government or the Chinese people and here you have an official delegation coming over and you met with them and you do not recall what it was about?

Mr. HUANG. It was not really an official delegation probably at that time. Oh, say that again. I'm sorry. Sorry, one more time. Excuse me, I remember now. I'm sorry.

Apparently there was a delegation visit Commerce Department. They would like to know how the Commerce Department's organization is. I was not the only one being asked to meet with them. I believe there was a deputy undersecretary for the economic and statistics also was there trying to introduce the organization of the Commerce Department. And it was done in the Commerce large conference hall and I was there.

Mr. BURTON. On October 12th you took a taxicab to the residence of the Chinese Ambassador. Do you know what you went over there for?

Mr. HUANG. I was invited by a friend of mine who is the head of the United States institute—not United States institute—Asian Institute to go over there and see what he was doing and he was inviting a lot of American businessmen to go there to the Ambassador, that Ambassador was actually the deputy of the mission, was not really the chief at that time, and just had a breakfast there.

Mr. BURTON. Do you know what you talked about?

Mr. HUANG. Yes, I do.

Mr. BURTON. What did you talk about?

Mr. HUANG. I did not really say very much. I was asked questions at that time. Apparently the Ex-Im Bank at that particular moment disapproved the loan, the financing of the Three Gorge project in China and I was asked, you know, whether I have any opinion on that.

Mr. BURTON. And what did you say?

Mr. HUANG. They said off record basis, Mr. Huang, can you express your thoughts on that.

Mr. BURTON. Uh-huh. But you had nothing to do with that issue at the Commerce Department?

Mr. HUANG. No, I did not.

Mr. BURTON. But they were asking your opinion nevertheless?

Mr. HUANG. That's correct.

Mr. BURTON. While you were at Commerce, you met with Tin Ming Wang, minister of counselor commercial affairs. Wang stated that he had known the PRC Minister Wang since 1972. "Wang sought out Huang for personal advice, he says. He was retiring and wanted to know if Huang could give him a job in the private sector."

Do you recall that meeting?

Mr. HUANG. Yes, I do.

Mr. BURTON. What was that about?

Mr. HUANG. Basically, he was facing retirement age and he asked me since I came from the private sector and also I know



some of the groups in Asia whether I have any idea for him to continue his, you know, career. It's a personal basis.

Mr. BURTON. At any of these receptions or dinners or anything did you discuss anything of an official nature at all?

Mr. HUANG. No, except I was, you know, it's not on official capacity, not a government business.

Mr. BURTON. I am not asking that. Did you discuss anything of an official nature at all?

Mr. HUANG. No, sir.

Mr. BURTON. Were you ever told specifically that you were to be walled off from any China issues at the Department of Commerce?

Mr. HUANG. I did not know. I learned later on. I found out from news account.

Mr. BURTON. Well, Undersecretary Garten stated, "Well, generally I didn't want Huang working on anything regarding China, and since China was such a high priority there was no chance that with my knowledge he would have gotten close to it."

So they expected you to stay away from the Chinese issues at the Department of Commerce, and yet you met on a regular basis or frequently with people from the Chinese Government and the Chinese Embassy. Why was that?

Mr. HUANG. No, I visit the Chinese Embassy based on by invitation. OK? The reason I did not have the territory is Mr. Garten came into the Department of Commerce much earlier and already took all those functions from Mr. Chuck Meissner, who was my assistant secretary for my unit.

Mr. BURTON. You went to the International Trade Administration. Did you notify anyone at ITA that you would be attending this event? Let's see which event we are talking about.

Did you notify anybody at the ITA that you were going to do any of these events?

Mr. HUANG. You're talking about all the events you were talking about?

Mr. BURTON. Any of those events, the International Trade Administration. Did you tell them that you were going to these events over at the Chinese Embassy and meeting with these people?

Mr. HUANG. I didn't believe so.

Mr. BURTON. Weren't you supposed to do that? Weren't you required to do that?

Mr. HUANG. I thought many of them was a social invitation. Every now and then when we would receive those invitation we were going.

Mr. BURTON. Were you authorized in any way to discuss any commerce policies relating to China?

Mr. HUANG. I did not discuss any policy with China.

Mr. BURTON. Well, we have a whole list of meetings here with Ambassador Li and a whole host of people. I have pages and pages of them. And it appears as though they were not all social events, some of them were lunches or dinners with individuals. And these were all social?

Mr. HUANG. Principally those are, what you pointed out to me just now.

Mr. BURTON. You had an interview with the task force you described in May 1995, breakfast with Zhou Wen Jong. Mr. Zhou was an official at the Chinese Embassy; isn't that right?

Mr. HUANG. Yes. That's the one you were referring on the taxi fare?

Mr. BURTON. Uh-huh.

Mr. HUANG. I believe that was related to that.

Mr. BURTON. Did you talk about anything officially at that?

Mr. HUANG. No, except I just reported to you, you know, asked my comment.

Mr. BURTON. About that project in China?

Mr. HUANG. Yeah, Three Gorge project.

Mr. BURTON. How was that project funded?

Mr. HUANG. I don't know.

Mr. BURTON. Did the Department of Commerce have anything to do with that project?

Mr. HUANG. I don't think so.

Mr. BURTON. Did Lippo Group companies or partners have any interest in the Three Gorge project?

Mr. HUANG. No, sir. Not that I know of, sir. I don't believe so, either.

Mr. BURTON. Did you have any other meetings that you have not reported with Chinese officials other than what we have gone into here?

Mr. HUANG. Sorry, I don't recall. If I recall any, I'll definitely report to you, Mr. Chairman.

Mr. BURTON. I would like to have a list of those if we can get those.

Mr. HUANG. If I remember.

Mr. BURTON. Mr. Shays.

Mr. SHAYS [presiding]. I yield my time to Mr. LaTourette.

Mr. LATOURETTE. Thank you very much.

Mr. Huang, there was a movie a couple years ago called "Groundhog's Day" and there was an actor Bill Murray and I think Andie McDowell and they kept coming back to this day in February and revisiting it. And I apologize to you, but we're just going to finish this business on February 19, 1996, if I can.

I was interested, just as an aside, about what a small world it is. I had a chance to be in China a few years ago with the Transportation Committee in a visit to the Three Gorges project because it is an amazing thing not only in what it is going to represent for hydroelectricity for China, but I was also fascinated with the fact that a government could forcibly move a million people from one place to another. But the former Speaker of the House had just been over in that part of the world and he had made some remarks that were interpreted to be supportive of Taiwan, and so the Chinese Government canceled our plane from Beijing to Xian, where I understand we would have seen the project. But I'm sure that it is coming along nicely and the people have been relocated and it is going to be a really nice dam some day.

Going back to February 19th, I have two more contributions I want to talk to you about and then I want to sort of wrap up what happened on the 19th.

There was a \$12,500 contribution by an individual by the name of Charles Chiang again. If we could put up exhibit 337, maybe if you could refer to that and if we can put it on the screen. I would ask you first of all are you acquainted with an individual by the name of Charles Chiang?

[Exhibit 337 follows:]



Mr. HUANG. May I take a look at it?

Mr. LATOURETTE. Sure.

Mr. HUANG. Congressman, if this is the same Charlie Chiang I know, then I know him. I'm going to say the Charlie Chiang of the Chinese restaurant owner?

Mr. LATOURETTE. I believe he is associated with Mr. Trie is the best connection. Do you know of Charles Chiang that is connected with Mr. Trie?

Mr. HUANG. The only Charles Chiang there is quite a few Chinese restaurant called Charlie Chiang's restaurant.

Mr. LATOURETTE. Well, in this particular instance, this \$12,500 check that was given for the event of February 19th, Mr. Chiang has indicated to us that he received \$6,500 directly back in a check from Mr. Trie and then \$6,000 in those travelers checks that I showed you the other day.

Were you aware of that before I just said that?

Mr. HUANG. I was not aware of that, sir.

Mr. LATOURETTE. Likewise, the next exhibit, it would be the page after, No. 338, is a \$25,000 contribution from an individual by the name of Jack Ho. Were you acquainted with Mr. Ho before this event?

[Exhibit 338 follows:]

J. AND M. INTERNATIONAL, INC.

730

4/23/96

118  
375  
4/15/95

DEMOCRATIC NATIONAL COMMITTEE

\$ 25,000.00

TWENTY FIVE THOUSAND & 00/100

CITIBANK

CITIBANK, N.A. BR. #14  
201 N. W. STREET  
ALBUQUERQUE, NM 87102

CONTRIBUTION

John Ho

Check Tracking Form

(All information must be provided before entry)

Name/Contact J. AND M. INTERNATIONAL, INC  
Company/Employer Jack Ho, PRINCIPAL OWNER  
Home/Company Address (circle one) [REDACTED]  
City/State/Zip \_\_\_\_\_

Telephone: \_\_\_\_\_  
Work [REDACTED]  
Home \_\_\_\_\_  
FAX \_\_\_\_\_  
Alternate \_\_\_\_\_

Program:  
MTR \_\_\_\_\_  
TRD \_\_\_\_\_  
BG \_\_\_\_\_  
HPC \_\_\_\_\_  
WLF \_\_\_\_\_  
DC \_\_\_\_\_  
LG \_\_\_\_\_  
OTD APAC

Demographic:  
TND \_\_\_\_\_  
SND \_\_\_\_\_  
SND \_\_\_\_\_  
SND \_\_\_\_\_  
SND \_\_\_\_\_  
SND \_\_\_\_\_  
SND \_\_\_\_\_

Event: 1996 Asian Dinner - May 1996 Source Code: IASI  
DNE Contact: John Ho Fundraiser Code: 821  
Submitter: \_\_\_\_\_

Revenue Code: F01 \_\_\_ S01 \_\_\_ F02 \_\_\_ P00F \_\_\_ H01  C00P \_\_\_ H02 \_\_\_ S02 \_\_\_ H03 \_\_\_ F00K \_\_\_  
(do not complete) F02 \_\_\_ P02 \_\_\_ F04 \_\_\_ T0000 \_\_\_ H02 \_\_\_ S02 \_\_\_ F04 \_\_\_ T00P00

EXHIBIT  
338

DNC 3687056

Mr. HUANG. I was not.

Mr. LATOURETTE. And the contribution actually is from a business called J&M International. Did you know anything about that business, J&M International, before that day?

Mr. HUANG. No, sir.

Mr. LATOURETTE. We have—again the information is that \$25,000 contribution was returned to Mr. Ho in these travelers checks that came from Jakarta. Were you aware of that at any time before I just said it?

Mr. HUANG. No, sir.

Mr. LATOURETTE. To wrap up, then, I haven't been keeping a running total, but I think that we have talked about the fact that included in the money, did you raise \$1 million on February 19th?

Mr. HUANG. No.

Mr. LATOURETTE. How much did you raise, do you remember?

Mr. HUANG. My recollection is probably \$800 and some thousand at that time.

Mr. LATOURETTE. OK. Of the \$800 some thousand, I think that you and I have gone through over the last couple of days close to \$200,000 of money that is interesting, to say the least, and interesting in its connection to Mr. Charlie Trie. We talked about the fact that a woman who makes \$25,000 gave \$12,500; we have talked about a woman who wrote a check on a starter check. We have talked about a couple of checks that were drawn on foreign businesses to the tune of \$12,500 in one case and \$25,000 in another case.

And I guess at the end of it we know today in the list of names that I went over with you earlier in the hearing, we know today that a number of illegal contributions were received for the benefit of the Democratic National Committee as a result of that February 19, 1996, fundraiser, do we not? Not that you knew that they were illegal when you accepted them. But I think it's safe to say, and we can quibble about whether it is \$190,000 or \$200,000, but close to \$200,000 of that money, at least, from just what we have been talking about, were illegal contributions, right?

Mr. HUANG. That's correct.

Mr. LATOURETTE. OK. Now I'm curious as to what sort of debriefing, then, takes place after one of these events you did in 1996. And I want to ask you if you had a meeting after the event with a fellow by the name of Joe Sandler?

Mr. HUANG. Yes.

Mr. LATOURETTE. Who, for the record, is Joe Sandler?

Mr. HUANG. He was general counsel for DNC.

Mr. LATOURETTE. What was the purpose of the meeting?

Mr. HUANG. As you indicated, that was my first fundraising event and I was told by then the financial director Mr. Sullivan, Richard Sullivan, to go over and see Mr. Joe Sandler and Mr. Sandler actually wanted me to bring all the checks I collected and let him review it.

Mr. LATOURETTE. And did you do that?

Mr. HUANG. Yes.

Mr. LATOURETTE. At that meeting did Mr. Sandler ask any questions about the checks?

Mr. HUANG. He asked me about individual checks, whether you know about these people, if he has any questions. For instance, the question in general, is he a U.S. citizen that you know of? He has a permanent residency? If it is a corporate check, he says, is it a U.S. company, has U.S. revenue? Things like that. In many some instances I did not know and I go back to find out.

Mr. LATOURETTE. How many checks roughly would you say you collected for this event?

Mr. HUANG. I don't know the exact numbers right now.

Mr. LATOURETTE. It would be less than 1,000, wouldn't it?

Mr. HUANG. Definitely less than 1,000.

Mr. LATOURETTE. And he went through, as I understand what you just said, he would go through this pile of checks and if he had a question he would ask you a question or if you had something to say you would say something about it?

Mr. HUANG. That's correct.

Mr. LATOURETTE. And the question was focused on whether or not the contributor was a U.S. citizen or a legal resident?

Mr. HUANG. That's correct.

Mr. LATOURETTE. And also if it was a corporate contributor that had an address outside of the United States, whether or not this business had sufficient U.S. profits to cover the cost of the donation? Those would be typical of the questions that were asked?

Mr. HUANG. I don't specifically recall that he asked the company has a foreign address on the check.

Mr. LATOURETTE. I never knew the word "vetting" until I came to Washington, DC, but I think we call that vetting checks. During this vetting process that you had with Mr. Sandler, were any of the illegal contributions close to \$200,000 in contributions, illegally obtained or given at that event, were any of those identified during this meeting with you and Mr. Sandler?

Mr. HUANG. No, sir, not in that event.

Mr. LATOURETTE. In response to his questions that he would ask you, for instance, is this person a U.S. citizen, and you did not know the answer, what process or steps did you go through to get the information to get back to him?

Mr. HUANG. If there was a question being asked, if I know for sure about the contributor, then I would answer directly. If not, I would find out who actually is the solicitor and I would go to ask them.

Mr. LATOURETTE. Mr. Chairman, I see that my yielding time has expired.

Mr. SHAYS [presiding]. Mr. Souder, you have the floor.

Mr. SOUDER. I yield my time to Mr. LaTourette.

Mr. LATOURETTE. Thank you, Mr. Souder.

I just want to finish this line of questioning, because I have heard you say over the last couple of days that you didn't know that certain contributions were illegal. I think when Mr. Waxman was saying what is suspected and what is proven, what is proven today is that a number of these contributions at this event were illegal. They were given by people that weren't qualified to make contributions to political parties in this country for a variety of reasons.



So that, I think, is proven, and if anybody disagrees with me, they can take it up with us a little bit later.

But this process, there are two ways that you can approach that. I mean, you can say, I didn't know, which you have said. You can also say, nobody ever did anything to try and find out, sort of the political contributing equivalent of don't ask, don't tell. I mean, I have a check; yep, it looks like a starter check; yep, I know it came from a woman who only makes \$25,000, but if I only ask the questions as to whether or not this person is a U.S. citizen or a corporation or a person that has sufficient U.S. property, then I guess we will never know whether or not contributions are obtained illegally.

Earlier, when somebody was asking you about, you have to fill out on some of these FEC forms where a person works, and if you can't find it out, for instance, you put—"best efforts" is I think what your lawyer told you, we put best efforts in that instance.

Can you describe to the committee what the best efforts were by you? And you were what, a vice chair of the finance department of the Democratic National Committee? What best efforts did you put forth in vetting these checks from the February 19, 1996, fundraiser as to whether or not these were contributions that could be legally obtained by a major political party in this country?

Mr. HUANG. I recall that in the event I don't have any address, I try to find out the address, because most of these people were individual. That was the information I try to complete, as much as I could, on a check-tracking form.

Mr. LATOURETTE. OK. But aside from the address—where these people lived isn't the problem; the problem with these contributions is that they were conduit contributions, they were made by people that couldn't make them lawfully. They were made with money that came from foreign countries in violation of our laws.

What best efforts did you use to determine—today we know that one-quarter of the money that you raised at least, and maybe I don't quite have the stuff down, but just from the questions you and I have talked about over the last 2 days, 25 percent of the money that you raised at this event was illegal, couldn't have been given. I am interested to know what you did, as a high-ranking official in the Democratic National Committee, to vet these checks, to determine whether or not what we know today you could have decided back in 1996 and given the money back.

Just so you don't think I am picking on the Democratic National Committee, I think this is an important thing because there needs to be, as Mr. Shays and Mr. Waxman and the rest of the Congress looks at our campaign finance laws, obviously we have to punish and prosecute people, as you have been punished and prosecuted for violating the laws we have today. But I can't believe that we can just have a system in this country where you say, well, we are going to rake in a bunch of cash at a fundraiser, and if we don't ask the right questions, then come catch us to figure out if they were legal contributions or illegal contributions.

So what responsibility did you take and did this Joe Sandler take to determine as to one out of every four checks you got was bad. What did you do about it? What did you try to do about it to find out if people could give money?

[Discussion off the record.]

Mr. HUANG. Congressman, as I reported to you, I did later on spot two of the checks, as I reported to you, which I find out was not proper; and I also vetted those checks with the general counsel, Joe Sandler, you know, whatever the checks I had at the time and given to me. And I filled out a check-tracking form to the best I can. I could—afterwards, whatever process I did not know, I did not really do personally, you know, on that.

Mr. LATOURETTE. Well, one of the checks we talked about that came from the partnership that Mr. Trie was involved in with Mr. Ng came in on the 29th, 10 days after the event.

Mr. HUANG. You are talking about the Daihatsu—

Mr. LATOURETTE. I am. Was that particular check, was that given to you before or after your meeting with Mr. Sandler?

Mr. HUANG. I believe that was after.

Mr. LATOURETTE. There is an example of—I mean, today we know that Charlie Trie got that money from Mr. Ng. That, again, is one of those proven things, it is not one of those out there in the air. It could be; we know that based upon the bank records. We know that that is an illegal contribution.

I am interested to know, since that came after the vetting meeting that you had with the general counsel of the Democratic National Committee, what did you do, as a vice chair of the DNC, to check that check out? What did you do?

Mr. HUANG. I did not check out. The Daihatsu was Mr. Charlie Trie's business and Mr. Charlie Trie is very established that DNC was fundraiser before. I did not really do any further checking on that.

Mr. LATOURETTE. Thank you very much. I appreciate the yielding of time.

Mr. SHAYS. The gentleman has his own time now, if he would like to use it.

Mr. LATOURETTE. I would be happy to claim my own time and yield it to my good friend, Mr. Ose.

Mr. OSE. I thank the gentleman.

Mr. Huang, I am particularly interested in the events surrounding two particular fundraisers, the first being on November 2, 1995 and the second being—pardon me while I turn my page here—the events surrounding a fundraiser for Congressman Jackson.

The questions I have deal—I just want to run through a couple of questions I have.

Do you recall the event of November 2, 1995? It is an Asian Pacific American event at the Mayflower Hotel with Vice President Gore?

Mr. HUANG. Yes, I do, sir.

Mr. OSE. Who was the first person to tell you about that event?

Mr. HUANG. I believe was director of the DNC for Asian Pacific American Affairs of DNC, I think it is Mona Pasquil.

Mr. OSE. And when did that—do you recall when that conversation took place—with you and Ms. Pasquil?

Mr. HUANG. It could be over the phone and also—we also had a meeting and also had lunch together later on.

Mr. OSE. Generally, would that have been in September 1995?

Mr. HUANG. I would tend to think probably even early September or could be late September. Most likely it would be early October, I think.

Mr. OSE. The Asian Pacific American event, what was the format or the context of that event?

Mr. HUANG. Essentially trying to form, if I could best understand it, is the Asian American community would like—under the DNC would formalize such a council, so hopefully we can begin working on Asian Pacific American issues and raising money through the Asian American community.

Mr. OSE. Was this a lunch and a dinner, or just a lunch or just a dinner?

Mr. HUANG. I believe that event, Congressman, was a dinner.

Mr. OSE. And the solicitation that was made for attending the dinner was X number of dollars, or what?

Mr. HUANG. My best recollection was \$10,000 a head. At least a target on that basis, sir.

Mr. OSE. So that the approach was that if you wanted to join the Asian Pacific Council and attend this dinner, you had to write a check for \$10,000?

Mr. HUANG. That is correct, basically.

Mr. OSE. And the beneficiary of the \$10,000 contribution was?

Mr. HUANG. I believe was the DNC.

Mr. OSE. OK. And you told me that—well, you suggested and I want to make sure I understood, who was organizing the event for the DNC? Was that Mona Pasquil?

Mr. HUANG. She was at least one of them. There were some other people as well in helping out.

Mr. OSE. Do you recall who they were?

Mr. HUANG. It could be Sam Newman was another one. I think Mr. Mercer also was helping out.

Mr. OSE. Now, you are familiar with the event. Did you help Ms. Pasquil at the event in terms of setting it up?

Mr. HUANG. Oh, no, not in terms of setting up. She and I had lunch and tried to give my opinion how she might be able to work on that.

Mr. OSE. And what kind of questions was she asking?

Mr. HUANG. She had—that was her first position in doing this. This was going to be the first event for Asian Pacific Americans at that time, and I did not want personally—as a member of the Asian American community, I did not want to see that thing fail and look very bad; and politically I did not want to see our congressional leader, which is Mr. Matsui, look bad either on that part.

Mr. OSE. What kind of suggestions did you make? I mean, I can understand the advice that she was seeking from you. I mean, that is perfectly logical. What type of help did she ask you for?

Mr. HUANG. First, most specifically refer some names to her, you know, she might be able to contact.

Mr. OSE. Identifying people that she could contact to either attend and/or contribute money to the cause?

Mr. HUANG. That is correct, sir.

Mr. OSE. OK. Was anyone else at the lunch?

Mr. HUANG. No. That was still Mr.——

Mr. OSE. Excuse me. That was lunch or dinner?

Mr. HUANG. Sam Newman was there too.

Mr. OSE. Sam Newman was there. And is Mr. Newman a fundraiser for the DNC?

Mr. HUANG. I believe he was at that time, yes.

Mr. OSE. OK. And this is late September or early October 1995?

Mr. HUANG. That is correct.

Mr. OSE. OK. Did you have a private conversation with Ms. Pasquil at that luncheon where you asked Mr. Newman to excuse himself?

Mr. HUANG. I did.

Mr. OSE. Why was that?

Mr. HUANG. Ms. Pasquil apparently had some difficulty in working around the Asian Pacific American communities, so that is why I encourage her, more or less, giving her some general advice in working with the community.

Mr. OSE. For what purpose was Mr. Newman asked to leave that particular portion of the conversation?

Mr. HUANG. That was basically very personal matter. That was also the first—I believe it was the first time that Ms. Pasquil was able to—was working at the DNC for this political event—political role, rather.

Mr. OSE. After Mr. Newman left, what did you and she discuss?

Mr. HUANG. I don't know specifically, but basically trying to encourage her, you know, to work around—it is very hard to work around our community. You know, you lump Asian Pacific American community as one. Actually, there are Japanese; Korean; Chinese, even among Chinese there are different groups, Indo-Chinese; and Indians—all of these things, getting very complicated.

Mr. OSE. Mr. Chairman, I see that the time that Mr. LaTourette yielded—

Mr. WAXMAN. Mr. Chairman, I would like to ask unanimous consent that the gentleman be given 5 additional minutes. I don't want him to be interrupted in the middle of his questioning.

Mr. OSE. That would be Mr. LaTourette getting the additional 5 minutes? I haven't yet claimed my own time. Are we on my time right now?

Mr. BURTON [presiding]. Do you need 5 more minutes right now?

Mr. WAXMAN. Whoever's time it is, I am asking that you be given an additional 5 minutes.

Mr. OSE. All right. I appreciate that. Thank you, Mr. Waxman.

After Mr. Newman left, you talked with Ms. Pasquil about a number of things. Did you talk about fundraising specifically?

Mr. HUANG. No. I don't recall specifically, except I mentioned to you, you know, along the line I refer some names. But essentially, Ms. Pasquil was encountering some difficulty in doing the job and she was at the point of tears. Most of the time I offer some encouragement, you know, to her.

Mr. OSE. Were you in—I am a little bit curious about this. Did you kind of play a mentor role there with Ms. Pasquil?

Mr. HUANG. I would never take that role, sir. I am unworthy. I would not claim to be a mentor for anybody. I am learning things every day, sir.

Mr. OSE. Did David Mercer ask you to help out for this event on November 2nd?

Mr. HUANG. Not at that particular time.  
Are you talking about that meeting?

Mr. OSE. Yes.

Mr. HUANG. No.

Mr. OSE. He was not at the lunch with Ms. Pasquil or Mr. Newman?

Mr. HUANG. No, sir.

Mr. OSE. OK. But at that time he had not asked you to help with the event scheduled for November 2nd?

Mr. HUANG. No. At that period of time, no.

Mr. OSE. You suggest that he subsequently did contact you about it?

Mr. HUANG. When the event is getting very close, the number did not come with the expectation. I did receive a call from Mr. Mercer. He said, John, you've got to come out and help a little bit, meaning help out giving some more names or something, give more encouragement to some of the people I know.

Mr. OSE. OK. So Mercer calls you and says, we need your particular expertise here within the Asian Pacific community, further than what we have to date; and part of that role was to identify other individuals, for instance, who might be able to attend the dinner and contribute the money. Is that correct?

Mr. HUANG. That is basically correct. However, the names already being known to the DNC, is already there. It is just the responses did not come. The positive responses did not come yet.

Mr. OSE. That really leaves—I mean, I found that if you have the right person asking the right question at the right time, you get a different answer than having the wrong person asking the right question at the right time.

And what I am curious about is, from a comparative sense, relative to Ms. Pasquil asking individuals to contribute, was she the wrong person asking the right question at the right time compared with you asking the same question of the right person at the right time, or were you closing these deals, so to speak?

Mr. HUANG. No. That was not the situation, to close deals. She had made some success already. You know, just need more numbers.

Mr. OSE. And you were brought in to help increase the numbers?

Mr. HUANG. Well, increase the encouragement to more people to fill up.

Mr. OSE. If I understand correctly, Mr. Mercer—Mr. Newman concluded separately that Ms. Pasquil's efforts, however noteworthy, were just not sufficient for this particular event, and then they approached you for additional assistance?

Mr. HUANG. Yes. I was getting call from him, yes, for this.

Mr. OSE. Did anyone else from the DNC contact you about this event?

Mr. HUANG. I could not recall right now, Congressman, except to say Newman, you know, the person I mentioned earlier.

Mr. OSE. Who was at the lunch with Ms. Pasquil?

Mr. HUANG. That is correct, sir.

Mr. OSE. Did you contact anyone about this event?

Mr. HUANG. I did.

Mr. OSE. And who might that have been?

Mr. HUANG. The one I can remember more clearly was the lady called Chong Lo. I believe she was in San Francisco at that time.

Mr. OSE. She is an American citizen?

Mr. HUANG. I believe she was, yes, sir.

Mr. OSE. I mean if she was, I hope she still is, so—

Mr. HUANG. Yes, she is.

Mr. OSE. Did you talk to Charlie Trie about this?

Mr. HUANG. I did, also.

Mr. OSE. And what did you ask Charlie Trie, if anything, to do regarding this November 2nd—

Mr. HUANG. This is the first one and, hopefully, everybody can help out, you know.

Mr. OSE. Did you ask Mr. Trie to contact some others regarding this event? Specific people?

Mr. HUANG. Not specific. Probably—if there were any specific people I mentioned about, probably would be Charlie Chiang, you know, the man that was mentioned, the restaurateur, whom I happened to know him because Charlie also graduate from the same high school as I am, but he was much closer to Charlie Trie. You know, they have refer to bring some people like Charlie, some other people to come in.

Mr. OSE. Did you speak with, or did you contact Pauline Kanchanalak?

Mr. HUANG. I did also.

Mr. OSE. Regarding this event?

Mr. HUANG. Yes.

Congressman, let me clarify certain things. The event they want did not really come out with a lot of numbers, but somehow, around the oval table in the rooms, I recommend to invite some of the people who already made contribution to DNC in the past to join for the dinner. And Pauline Kanchanalak was one of them. I believe Charlie was also one of them.

Mr. OSE. And Mr. Trie did attend the dinner?

Mr. HUANG. I believe he did, yes.

Mr. OSE. OK. Going back to Chong Lo, what did you ask her to do for the event?

Mr. HUANG. I asked her to support. She was already known as a good fundraising among Democratic circle in the past.

Mr. OSE. Mr. Chairman, I see my time has expired.

Mr. WAXMAN. I ask unanimous consent if the gentleman wishes additional time to pursue his inquiry that he get another 5 minutes.

Mr. OSE. I again thank my good friend from California.

What did you ask Pauline Kanchanalak to do? Just to attend the dinner?

Mr. HUANG. Just asked her to attend, yes.

Mr. OSE. Did she attend the dinner?

Mr. HUANG. She did.

Mr. OSE. Did she do anything else besides? Did she sell tickets? Did she identify additional people?

Mr. HUANG. No. For that particular event, she did not. I don't know that she did. I don't think so, no.

Mr. OSE. All right.

Do you know Ramesh Kapur?

Mr. HUANG. I know the person is from the Indian community.

Mr. OSE. Regarding this November 2nd event, did you contact him regarding the event?

Mr. HUANG. I don't believe so, no, sir.

Mr. OSE. How about George Chiang?

Mr. HUANG. George Chiang is—the one from the Taiwanese community in Virginia is the one we are talking about, sir? If that same one, I did not. He has been—if I can recollect, he had been active in the circle also.

Mr. OSE. How about George Chaudry?

Mr. HUANG. George—

Mr. OSE. Dr. and Mrs. George Chaudry, I should say. Were they part of the people that you talked with about this event?

Mr. HUANG. Someone from New York from the Indian community as well?

Mr. OSE. It is clearly Indian, yes.

Mr. HUANG. No.

Mr. OSE. How about Paresh Shah?

Mr. HUANG. No.

Mr. OSE. Asha Putli?

Mr. HUANG. No.

Mr. OSE. Teddy Chan, was she on her list?

Mr. HUANG. Is last name C-H-A-N?

Mr. OSE. Yes.

Mr. HUANG. No. Not from me, no.

Mr. OSE. Maeley Tom?

Mr. HUANG. Yes.

Mr. OSE. Ashok Bhatt?

Mr. HUANG. No.

Mr. OSE. David Kim?

Mr. HUANG. No.

Mr. OSE. Sant Chatwal.

Mr. HUANG. No.

Mr. OSE. Kaz Nakagawa?

Mr. HUANG. I don't think so, no. No.

Mr. OSE. How about Howard Hom?

Mr. HUANG. Not from me, although I know Howard, yes.

Mr. OSE. How about Gelli Borromeo?

Mr. HUANG. I know her, but not from me, no.

Mr. OSE. Sharon Singh?

Mr. HUANG. Not from me, no.

Mr. OSE. OK. I want to—I would like to go in a little bit of a different direction. You were at this point—you were in the Department of Commerce for—when did you—I know someone asked you this question earlier.

You actually started your employment at the Department of Commerce when?

Mr. HUANG. July 18, 1994.

Mr. OSE. When I came to Congress, I had a number of briefings about what I could or couldn't do as a Member of Congress. Does the Department of Commerce offer that to their employees relative to either the Hatch Act, political behavior, or ethics?

Mr. HUANG. There were some memo coming to me for that, yes.

Mr. OSE. So you did receive some advisement from the Department of Commerce as to what you could or couldn't do?

Mr. HUANG. That is correct.

Mr. OSE. Now, I notice that you had a meeting with Harold Ickes regarding the November 2nd event, is that correct, or am I remembering incorrectly?

Mr. HUANG. I am sorry. Congressman, can you repeat that again, please, sir?

Mr. OSE. I stand corrected. Let me rephrase my question.

Did you have a discussion with Harold Ickes during the time of your employment at the Department of Commerce regarding a campaign by Jesse Jackson, Jr.?

Mr. HUANG. Yes, I did.

Mr. OSE. What was the substance of that conversation with Mr. Ickes?

Mr. HUANG. The key thing, Congressman, the conversation was purpose for other matter, these things came about during our phone conversation. I cannot really repeat exact words, but I can give you the general gist of that.

Mr. OSE. What was the substance of that telephone conversation?

Mr. HUANG. He say, can you—to see if I could do something in the Asian American community to come up with \$10,000 or \$15,000 for Mr. Jackson's campaign.

Mr. OSE. At this time—was Mr. Ickes at the DNC at this time?

Mr. HUANG. No. I believe he was at the White House, the deputy chief of staff.

Mr. OSE. So the deputy chief of staff—well, let me ask the question differently.

Did you call Mr. Ickes or did Mr. Ickes call you?

[Discussion off the record.]

Mr. HUANG. That is a call, as I said, that the subject was—the original purpose was for something else, but this came about during the conversation. I did not call him, but he called me on that.

Mr. OSE. He called you?

Mr. HUANG. That's right.

Mr. OSE. OK. The thing that I am curious about is that the deputy chief of staff—well, where did he call you from? He called you from the White House? Is that what I heard you say a few moments ago?

Mr. HUANG. I don't know where he exactly call me from. I assume he call me from the White House.

Mr. OSE. Well, I am not going to make that assumption. I am kind of curious.

So the deputy chief of staff at the White House calls you during the term of your employment at the Department of Commerce—did he call you at your Commerce office?

Mr. HUANG. That is correct.

Mr. OSE. So you were in a Federal position at that time and he asked you to assist with fundraising in a congressional campaign? That is a question, I should say. That is not a statement; it is a question.

Did he ask you to assist at that time with fundraising?

Mr. HUANG. Excuse me 1 second.

[Discussion off the record.]



Mr. WAXMAN. Mr. Chairman, I notice the gentleman's time has expired, and I would like to ask unanimous consent that he be given an additional 5 minutes to continue his inquiry.

Mr. BURTON. Without objection.

Mr. OSE. Thank you, Mr. Waxman.

Mr. HUANG. Congressman, to answer your question, yes, he did.

Mr. OSE. From your understanding of the briefing when you first went to work at the Department of Commerce or the ethics memos that might have otherwise come, is that an allowed activity?

Mr. HUANG. He—my understanding was he was not asking me to give contribution, he ask me, you know, to find out whether Asian community can do that. I was willing to help at that time.

Mr. OSE. So he called to ask you to solicit support within the Asian American community, rather than asked you for a contribution directly?

Mr. HUANG. Not solicit, to find out from the community whether they can come up with something, because I am from Asian American community. The perception was, I might have known somebody, might be able to do something.

Mr. OSE. I am a little confused now. Let me back up a little bit.

The deputy chief of staff calls you in your Department of Commerce office and asks you to identify, talk to, visit with members of the Asian Pacific community about fundraising? I mean, I am unclear on the concept here about what this particular portion of the discussion was about.

Mr. HUANG. Congressman, let me put down to the point where I did not feel comfortable. I probably know it is wrong to do that. OK? That is the nutshell for that. I was not sure on that.

Mr. OSE. I appreciate your saying that because I do have a copy of the Hatch Act here, and unfortunately, I am not going to be able to ask Mr. Ickes this same question. But I am just trying to understand. I mean, at the congressional level, the sanctions are pretty severe as to someone in my office or me engaging in that kind of an activity, which you might say has a rather significantly high smudge factor; it is kind of indeterminate to do that out of my congressional office.

I am trying to understand how it is that in your case, in this conversation with Mr. Ickes, that you could ever have gotten this far on the telephone or in person sitting in your Department of Commerce office, especially having had the training from the memos and the—and what have you from your personal testimony, and certainly Mr. Ickes having enjoyed the same benefit.

Mr. HUANG. I did not understand you. Could you repeat the question? I am sorry about that.

Mr. OSE. If somebody calls me up and says, I want you to do this, that, or the other thing, and it is vague—I mean, I understand what they are asking me to do, but they are purposely vague about the specifics; well, frankly, I understand the law from the briefings and memorandums that have been given to me as a Member of Congress what I can and can't do, and clearly, you at least now understand the import of those things.

I am just trying to understand where Mr. Ickes was coming from and what light you can shed on what his perspective was regarding that same activity. Because if it is not appropriate for you to do it

from your Department of Commerce office, it certainly seems inappropriate for the deputy chief of staff at the White House to ask you to do something inappropriate.

Mr. HUANG. I express my feeling that it was not proper. I don't know what Mr. Ickes was feeling at that time.

Mr. OSE. After the conversation, did you followup on what Mr. Ickes asked you to do?

Mr. HUANG. I did. I did not really do it immediately, though. Later on, it did come through, I did do something.

Mr. OSE. And the result of the—we are not going to use the word “solicitation,” because you are not comfortable with that. I might use that, but you are not comfortable with it.

But the contacts that you made subsequent to that call resulted in some benefit to Congressman—then Candidate Jackson's campaign?

Mr. HUANG. That is correct.

Mr. OSE. I have to think about this, Mr. Chairman. Can we come back on a next round? I yield back.

Mr. BURTON. Well, before you yield back, if you would yield to me quickly.

Mr. OSE. Certainly.

Mr. BURTON. How much money did you raise for Mr. Jackson's campaign?

Mr. HUANG. Mr. Chairman, if I remember correctly, the total amount, including the money from me personally and my wife, is about \$7,000.

Mr. BURTON. \$7,000?

Mr. HUANG. Yes, sir.

Mr. BURTON. How much was from you and your wife?

Mr. HUANG. In total, about \$1,000; \$500 each.

Mr. BURTON. About \$3,000. So you raised—

Mr. HUANG. No. \$1,000, in total. \$500 each.

Mr. BURTON. About \$1,000. So you raised \$6,000 from other sources?

Mr. HUANG. That is correct.

Mr. BURTON. Did you collect that money yourself? Did you get the checks?

Mr. HUANG. Yes, I did.

Mr. BURTON. Did you turn them over to the DNC or to Mr. Jackson's campaign?

Mr. HUANG. I deliver to the office on K Street somewhere. I believe that was related to Mr. Jackson's.

Mr. BURTON. When you did that, were you aware that you were violating the Hatch Act or possibly violating the Hatch Act?

[Discussion off the record.]

Mr. HUANG. Mr. Chairman, I certainly did not feel very comfortable in doing that, but I did not know for sure in that.

Mr. BURTON. When you talked to Mr. Ickes, did you tell Mr. Ickes that you thought that this was something you should not do?

Mr. HUANG. I did not.

Mr. BURTON. What did Mr. Ickes say to you?

Mr. HUANG. He basically, as I said—

Mr. BURTON. I know, but I want you to be a little bit more specific. What did he say, do you recall?

Mr. HUANG. He basically say, can you run up, you know, \$10,000 or \$15,000 for the Asian community for Mr. Jackson's campaign; and he say, you need to be careful about this—something in that language, "careful."

Mr. BURTON. He said be careful about it?

Mr. HUANG. Be sensitive about it.

Mr. BURTON. What do you think he meant by "be sensitive about it?"

Mr. HUANG. The reason there was a primary election, you know, there was different candidates running for that seat. I can sense that probably he didn't want people to know somebody is siding one against another among the Democratic candidates.

Mr. BURTON. You don't think he meant you are treading on the law and maybe you shouldn't be doing this?

Mr. HUANG. At least I did not think of it that way.

Mr. BURTON. But he could have meant that, couldn't he?

Mr. HUANG. I have no reason to believe that was the case though, sir, no.

Mr. BURTON. OK. The gentleman can continue the next round, I guess.

Mr. WAXMAN. Well, Mr. Chairman, if the Members won't mind, I would like to take some of my 5-minute round.

Mr. OSE. I would yield to the gentleman from California.

Mr. BURTON. The gentleman is entitled to his 5-minute round, and if he needs extra time, we can accommodate him.

Mr. WAXMAN. Thank you very much, Mr. Chairman.

Yesterday I talked about the issue of David Wang. David Wang was the gentleman to whom we gave immunity. He testified, and he said after we gave him immunity that Mr. Huang had come and given him money to pay for a contribution he had given to the Democrats, and then we at that time established that Mr. Huang was not in Los Angeles, but in New York. We established it seems to me, very, very clearly that Mr. Wang was not accurate in his statement; yet, even though this accusation has turned out to be false that Mr. Wang made against Mr. Huang, no one seems to be willing to admit that there was a mistake, that there was an accusation that turned out to be unsubstantiated.

Well, I want to show a video, if I might, from CBS Television. It was a news show.

[Video shown.]

Mr. WAXMAN. Mr. Chairman and my colleagues, that was from April 1997. Here it is December 1999. We now have the 302s, which are the interviews by the FBI checking into some of these allegations, and I would like to have distributed to other Members the FBI interview notes with Representative Solomon, who made these accusations. I think that is going to be distributed.

I want to read from this interview with Mr. Solomon, because the FBI wanted to find out what Mr. Solomon knew.

He

Began the interview by stating that at no time has he ever been the recipient of classified information from the Department of Commerce. He tries to avoid receiving any type of classified information so that he is not hindered when speaking by a fear of revealing information that is classified. All classified documents received by the House are directed to the House Committee on Intelligence. If there was some-

thing that he believed that he needed to review, he would go to that committee and review the information there.

Then the FBI report said,

At this point, Congressman Solomon advised that he did not have a copy of the article in question. Therefore, the relevant portion of the article was read to him as follows,

and then they read back to him:

I have received reports from government sources that say there are electronic intercepts, electronic intercepts which provide evidence confirming what I suspected all along, that John Huang committed economic espionage and breached our national security bypassing classified information to his former employer, the Lippo Group.

Congressman Solomon recalled that a Senate staffer at either a Senate or a House reception told him that he (the staffer) had received confirmation that a Department of Commerce employee had passed classified information to a foreign government. It was Congressman Solomon's understanding that the staffer meant John Huang and that the information went to China. However, the staffer did not say that.

Then—that was what he said on August 28, 1997. He also said that he “could not recall the staffer's name, but he might recognize him if he saw him again.”

Well, then on February 25, 1998, the FBI further asked Mr. Solomon about this, and Congressman Solomon advised,

He does not know this individual's name and he has not seen him again. He advised that the statement made by this Senate staffer was something to the effect that, “Congressman, you might like to know that you were right, there was someone at Commerce giving out information.”

Congressman Solomon described this staffer as a male in his 30's or early 40's, approximately 5 foot, 10 inches tall with brownish hair. This occurred in the hallway of the Rayburn Building while Congressman Solomon was either going to or returning from a reception.

Now, I know Jerry Solomon and consider him a friend, and I don't think he meant to hurt anybody particularly, but when you have an accusation like this made—it was on national television, the accusation was on the front page of the L.A. Times—and what is the basis for this accusation?

The basis appears to be some unidentified person saying something to him at a reception, in or out of a reception in the Capitol. He doesn't remember the staffer and he doesn't have anything specific that ties Mr. Huang into anything along the lines of giving information from the Department of Commerce to China.

I just want to raise this to illustrate the fact that Members of Congress particularly, and everyone, should feel some restraint in making allegations that are so inflammatory. The truth never quite catches up with the headlines.

Mr. Huang has admitted yesterday and today that he committed what amounted to a felony in terms of giving a conduit campaign contribution, but he has denied all of these other accusations that have had such widespread reporting in the major media for the last 3 years.

Where do you go to ever correct the record? Where do you go to point out that the accusations that were made just turned out not to have been true, not to have been substantiated? And it just seems to me that when accusations are made by Members of Congress for whatever reasons—including the fact that they may benefit a particular party politically by attacking President Clinton and his administration—that when you find out that the allegations

have no substantiation, people ought to be willing to say they were wrong.

I said yesterday if some of these accusations turn out to be true and we have evidence for them, I will admit that I was wrong, but I haven't heard anybody, the chairman or anybody else who has made these inflammatory accusations, ever admit their error. Mr. Solomon maybe will want to do something about this now, although he is not in Congress anymore, but he did talk to the FBI on two separate occasions, and despite his inflammatory accusations of what hints at treason by Mr. Huang, pretty serious stuff, it turned out that it was gossip from somebody he didn't really know about somebody that wasn't clearly identified, from an individual who was in his 30's or 40's that he saw outside going in or out of a cocktail party.

I raise that point, and I think we ought to try to learn from it, because we are supposed to be responsible people in the Congress of the United States, and I hope we would recognize our responsibility and take it seriously.

I yield back the balance of my time.

Mr. LATOURETTE. Will the gentleman yield to me for just a second?

Mr. WAXMAN. Yes, I would be happy to yield.

Mr. LATOURETTE. Thank you very much. In the spirit of what you are saying, I would like to ask a question. Maybe you know and maybe the chairman knows. I have read the 302 that you are referring to, Congressman Solomon or Chairman Solomon in the hallway with a staffer, but in his 302 he talks about the fact that his information may have also come from an NBC Worldwide broadcast alert, and then I had the chance to read that while you were talking.

The thing that is of interest to me is that the allegation I saw Congressman Solomon make on television was that this was information that was collected by U.S. listening stations. According to this NBC article, at least, a staffer, again familiar with intelligence matters, indicates that it was picked up at U.S. electronic eavesdropping sites targeted on trans-Pacific communications.

I remember yesterday when the chairman was making observations about Senator Lieberman as well, who had made some observations about classified information being passed on, concerning intelligence matters that were collected by these listening stations. I am wondering, were those the same things, or something else?

Mr. WAXMAN. Well, I don't know. We have seen already in the press, statements that there were intelligence intercepts of discussions by people in the People's Republic of China talking about how to try to influence the Congress and get more involved in lobbying and whatever. We know about that report. But Mr. Solomon said that he had information from an intercept. That was where his statements on television came from, from an intercept, an electronic intercept.

Now, Mr. Solomon, he has knowledge that if he were in receipt of electronic intercepts, it would be a violation of national security laws to release that information to the press. And he said in this interview that he didn't have any classified information from the Department of Commerce; and then he proudly told the FBI, I

don't—I try “to avoid receiving any type of classified information so that he is not hindered when speaking by a fear of revealing information that is classified.” He said, if he were going to get classified information, he would go to the intelligence community.

But the key point here is that Mr. Solomon, who made this allegation, might have been sincere in making it, but he apparently had no information. He was basing his allegation on gossip, and that is what is so disturbing to me.

Mr. LATOURETTE. Will the gentleman yield further? I would just like to make a request of you as the ranking member and also the chairman.

I think that—I have heard Mr. Huang over the last couple of days indicate that this didn't happen. I think it is a very serious allegation. If there is, in fact, evidence in the control of the U.S. Government that information was—and it has been picked up by listening stations or intelligence services or anybody else—that an official within the Commerce Department was transferring classified information to a foreign entity, I think that is treason, and I would hope that understanding the issues of national security—but for crying out loud, if this was in fact happening, as Senator Lieberman apparently had some observations to make about it, Congressman Solomon has had some observations about it, I think that Mr. Huang should either be cleared or not cleared. And I think that if we have the information, we have the tools and the ability and the power to get to the bottom of this.

Mr. WAXMAN. If I can just respond to the gentleman, we have had briefings by the FBI, and they have checked into all of these allegations, and there is not any evidence that the FBI has reported to us to indicate that these accusations have any basis in truth. And if there were a basis in truth, if we could establish these facts, then I would join with you in condemning them and expressing outrage.

But what I am expressing is outrage about the allegations that are made where there is no basis for those allegations, that take a man's reputation—that is not sterling obviously, because he has committed a campaign finance violation and admitted guilt to a felony—but that doesn't justify accusing him, based on gossip, of treason, selling out the interests of the United States to the Chinese Government.

Mr. BURTON. If the gentleman would yield briefly?

Mr. WAXMAN. Yes, be happy to yield.

Mr. BURTON. Let me just say that we quoted Senator Lieberman yesterday, and I would like to refresh everybody's memory, “Non-public evidence presented to the committee demonstrates a continuing business-intelligence relationship between the Riadys and the People's Republic of China Intelligence Service.” That does not mean Mr. Huang necessarily. But the fact is, there may be other intelligence-gathering agencies that have some information that we could take a look at.

I will ask the staff to assist me in checking into this to see if there is any verification. If there isn't, I agree with you that we ought to make sure that the record states that there is no evidence that Mr. Huang did that. But in the meantime, before we take that step, I will see if we can't contact the intelligence agencies to see

if there is any verification of what Mr. Solomon or what Mr. Lieberman said.

Mr. WAXMAN. If you will yield to me, I appreciate what you are saying, and I think—and I will be glad to work with you and have our staff work with your staff to find out the truth.

Mr. BURTON. Sure.

Mr. WAXMAN. But if there were a connection between Mr. Riady, who has business in Indonesia and China and I don't know where else; and in his business activities over there, he has any contact with the People's Republic of China and their intelligence agencies or anything along those lines, what does that have to do with Mr. Huang?

Mr. BURTON. Well—

Mr. WAXMAN. Unless you can show that Mr. Huang had some connection to it, it seems to me grossly unfair to accuse him of treason based on gossip and connections between people he worked for at one time and other activities that they might have had, which haven't been established, but might be in terms of some connection to the People's Republic of China and their intelligence agencies.

Mr. BURTON. If the gentleman will yield, we will check that out, and I will look forward to working with you and our staff to see if we can't clarify that as quickly as possible.

Mr. WAXMAN. If you are willing to at that point admit the error of some of the statements that have been made, I think that is only fair. And I would hope you would keep in mind the fact that we did an injustice to Mr. Huang when we had Mr. Wang's statement that Mr. Huang went into his office and gave him a conduit contribution, and it turned out that Mr. Huang was in New York and it was someone else. Mr. Wang was wrong and the accusations we made based on Mr. Wang's incorrect testimony should be withdrawn as well. I hope you would take that to heart.

Mr. BURTON. Well, I don't think Mr. Wang's testimony should be withdrawn in toto. If there was a mistake, that mistake should be corrected. But he was a conduit for at least \$10,000, as you know, in illegal campaign contributions.

Mr. WAXMAN. He, meaning who?

Mr. BURTON. Mr. Wang.

Mr. WAXMAN. Mr. Wang was a conduit, but he said he was a conduit for Mr. Huang.

Mr. BURTON. And the information that you have just stated to the committee, and I have not yet checked that out, was that instead of it being Mr. Huang, it was Charlie Trie; and you have stated—and I have not checked it, but we will—that Charlie Trie has said in his 302s to the FBI that he was the one that laundered that money through Mr. Wang.

Now, if you want to set the record straight, you will also recall that your staff tried to get Mr. Wang's father to say things that were untrue and that became a fiasco in the investigation as well.

So I don't know that we want to go through that whole rigmarole again. All I can say is that we will check that out as well. If Charlie Trie was the one, as we have heard that it is from 302s, we will set that record straight as well.

Mr. WAXMAN. You have made some allusion to my staff and I have checked out that accusation, and that is absolutely untrue.

Mr. BURTON. Well, not according to the attorney for Mr. Wang and from Mr. Wang's father.

Mr. WAXMAN. I will just tell you that it is untrue.

But let us check the record on Mr. Wang. Mr. Huang has denied that he was there giving Mr. Wang the money. Charlie Trie has said that he is the one who has done it, so it is clear that Mr. Wang was mistaken and that mistaken testimony by Mr. Wang became the basis for a very serious accusation by you, Mr. Chairman, against Mr. Huang that should be admitted as incorrect now that we have further information.

Mr. SOUDER. Mr. Chairman.

Mr. BURTON. Mr. Souder.

Mr. SOUDER. Given the nature of this debate, I have an article I would like to submit into the record that relates to this general point.

Mr. Solomon is not a member of this committee. I am sorry for any wrong that was done to Mr. Huang from that. If, indeed, the evidence holds that up, he deserves an apology from Mr. Solomon and anybody else.

One of the unfortunate by-products of this investigation, because millions of Americans are enraged that our secrets got to China. We don't know who and how; and it is wrong for anybody, which Mr. Waxman is warning us, to jump to conclusions and say that about individuals until it is proven.

At the same time, there is kind of an implication here that everybody involved in this has been jumping to conclusions, and the article I want to insert in the record, merely because it makes this point is by James Adams in the American Spectator, not necessarily known as the most cautious publication in America, in December 1996 that says John Huang was the fall guy in the Indonesian scandal and was merely the errand boy of billionaire Asian interests with long-standing ties to the Clinton crowd; and it also says he was more of an errand boy than a prime mover.

It says that he is being punished more than the politicians who received his illegal money, my point being that even those who have been very critical of this whole scandal since 1996 have not all maintained that John Huang was at the center of the universe with this.

I think it is important for the record to show that people have been all over the place. What we are trying to do with these hearings today is to find out actual facts.

Mr. BURTON. The purpose of the hearing is to get the facts out and the truth out to the American people, and we will try to do that. If the record is incorrect, we will correct it.

Who do we have next on the schedule?

It is the chairman. All right. We will go on to another—Mr. LaTourette, are you prepared? I understand that you wanted me to yield to you right now. I can get to my stuff afterwards.

Mr. LATOURETTE. Thank you, Mr. Chairman.

Mr. Huang, I want to go into another fundraising event that occurred on September 26, 1996.

But before I do that, I was just—this discussion that we have just been having with Mr. Waxman sort of jogged a memory, and that is, during your opening statement, you indicated—you made



reference to Mr. Solomon's interview. I don't know if it was the one that we just saw on CBS, but it said you had been advised from an anonymous source at a cocktail party, who turned out to be the source of Mr. Solomon's statements.

I didn't see, Mr. Chairman, Mr. Solomon's 302s from the FBI until they were just distributed, and I guess I am wondering how you came to be in possession of that information.

How did you know that Mr. Solomon said to the FBI that it was a person at the cocktail party?

Mr. HUANG. I was advised by my attorney.

Mr. LATOURETTE. Sometime I will ask your lawyer, I guess.

I want to turn to September 26th.

Mr. BURTON. I think that is pretty important, because we have an FBI 302 that was not yet made public, and if the counsel for Mr. Huang was giving him information from an FBI 302 that was not made public, I think it is important to find out how he knew that.

So with unanimous consent, I would like to ask the counsel, Mr. Cobb, how he knew about that 302. Is there objection? Objection not heard.

Mr. Cobb.

Mr. COBB. Mr. Chairman, I would be happy to answer that question. I did not get the information from the 302.

Mr. BURTON. From where did you get it?

Mr. COBB. I got it from the Campaign Finance Task Force.

Mr. BURTON. The Campaign—

Mr. COBB. During the course of Mr. Huang's interviews, the confusion about Mr. Solomon's statement was cleared up for us.

Mr. BURTON. In the hearing with the Campaign Finance Task Force? Is that what you are saying?

Mr. COBB. Yes, in the 20 days of interviews.

Mr. BURTON. So they gave you that information during the interviews?

Mr. COBB. Not in the detail as reflected in the 302.

Mr. LATOURETTE. Thank you, Mr. Chairman.

Thank you, Mr. Cobb.

The other day I was wondering whether you gentlemen represented Mr. Huang in this other stuff, and I saw you on TV, so you must have. You again are excellent lawyers and you are to be commended. If I ever get involved in this sort of thing, I will call you.

On September 26, 1996, Mr. Huang, were you involved in that event?

Mr. HUANG. Was that referring to the Central City in Los Angeles?

Mr. LATOURETTE. The Sheraton Carlton Hotel in Washington. There was a fundraiser at the Sheraton Carlton Hotel on September 26, 1996. You attended that, did you not?

Mr. HUANG. I think the date is not correct, if you are talking about Sheraton Carlton. It was not September 26th.

Mr. LATOURETTE. What day do you think it was?

Mr. HUANG. Are you talking about in May, maybe?

Mr. LATOURETTE. July 13th?

Mr. HUANG. I think it is May 13.

Mr. LATOURETTE. May 13th. Well, anyway, you know what, there was a fundraiser at the Sheraton Carlton sometime in 1996; is that correct?

Mr. HUANG. That is correct, yes.

Mr. LATOURETTE. And you attended that event. Did you do work for that event, help raise money for that event?

Mr. HUANG. Yes, I helped organize it.

Mr. LATOURETTE. Did Mr. Riady, James Riady, attend that event?

Mr. HUANG. Not that event, no.

Mr. LATOURETTE. OK.

Mr. HUANG. Congressman, trying to help you, I am supposed to help you in any way to the committee.

Mr. LATOURETTE. I appreciate it.

Mr. HUANG. Sheraton Carlton asked me to host quite a lot of events for fundraising. It could be really referring to one event probably in Sheraton Carlton, and Mr. James Riady did attend, and probably not the May 13th one, it could be later on. It could be the one you are talking about, the July, there is one on that.

Mr. LATOURETTE. Specifically, the month of September, do you recall an event at the Sheraton Carlton in Washington where you were in attendance and Mr. Riady was also in attendance? The reason I ask you is that David Mercer of the DNC indicates that one of the last times that he saw Mr. Riady was at this event with you.

Mr. HUANG. OK.

Mr. LATOURETTE. So I am going to try and help you too with your memory.

Mr. HUANG. Thank you. We are really in line with talking about specific right now.

Yeah, Mr. Mercer organized and hosted that event that was basically for the African American community.

Mr. LATOURETTE. And that was on September 26, 1996?

Mr. HUANG. That's correct, right. At the Sheraton Carlton Hotel, yes.

Mr. LATOURETTE. That took me about 4 minutes to get where we were going originally.

Mr. WAXMAN. Mr. Chairman, the gentleman is still in the middle of his interrogation. I want to give him by unanimous consent additional time. How about 10 minutes?

I ask unanimous consent that the gentleman proceed for another 10 minutes, but Mr. Huang ought to be given an opportunity if he needs a break to take it now; otherwise, we can keep going.

Mr. HUANG. Personally, I don't have any objection to continue.

Mr. SOUDER [presiding]. We will continue for these 10 minutes, and then if you would like, we will take a break then, so you can have a few minutes just to rest up and then we will come back.

Mr. HUANG. Thank you very much, Congressman.

Mr. LATOURETTE. Are you sure, Mr. Huang? I am known for my withering examinations. If you want to take a break ahead of time, go ahead.

Mr. HUANG. I am totally surrendering to all the lawyers. I am not a lawyer. As Congressman Shays said, I am really at a disadvantaged position.

Mr. LATOURETTE. We're at September 26, 1996, we are at the Sheraton Carlton in Washington, DC. It's a fundraiser organized by David Mercer, primarily you said was an African American event was the target audience, and you are there with Mr. Riady.

Mr. HUANG. That is correct.

Mr. LATOURETTE. Was Mr. Trie, Charlie Trie, also in attendance at this event?

Mr. HUANG. I couldn't quite recall but I don't believe he was there, though.

Mr. LATOURETTE. OK.

Mr. HUANG. I could not quite recall.

Mr. LATOURETTE. That's OK. All I want is your best memory and no guesses. I want to turn to the exhibit book if you can. In exhibit 501—and maybe if we could put 501 up on the screen as well for the benefit of everybody else. Exhibit—while it's being gotten out, 501 is a ticket from the Carey Limousine Co. While I—how I suspected you were in Washington on that day is that it indicates that you arranged for a limousine on that day to go from the Democratic National Committee Headquarters to Dulles Airport, then to the Watergate South Apartment. From there the limousine, according to the ticket, went on to the Sheraton Carlton, then back to the Watergate South.

Do you see all that and agree that I have the itinerary right for where that limousine went on that particular occasion?

[Exhibit 501 follows.]



Mr. HUANG. Yes, yes.

Mr. LATOURETTE. Are you able to explain to us—well let me ask you a series of questions. Did you go in that limousine to pick up James Riady?

Mr. HUANG. I believe I did.

Mr. LATOURETTE. Would that be the stop at Dulles Airport?

Mr. HUANG. I don't know—wait a minute. Yes, I did.

Mr. LATOURETTE. At Dulles. The Dulles stop on the ticket would be picking up Mr. Riady.

Mr. HUANG. That's right.

Mr. LATOURETTE. It then went to the Watergate South and the Watergate South is where Mr. Trie lived, is that correct; Charlie Trie lived at the Watergate, stayed at the Watergate?

Mr. HUANG. That is correct.

Mr. LATOURETTE. Was the purpose of the limousine on September 26th to go pick up Mr. Trie next?

Mr. HUANG. No.

Mr. LATOURETTE. Do you recall why it is you went—you directed the limousine to go to the Watergate South on that day?

Mr. HUANG. I think Mr. Riady was the guest, you know, to be invited to stay there, and stayed in the hotel by Mr. Trie.

Mr. LATOURETTE. Well, OK. But the—according to the ticket, it leaves the Watergate, goes to the Sheraton Carlton. So if you picked up Mr. Riady at the Dulles Airport, you then go to the Watergate South. I think that you picked up Mr. Trie and he got in the car then you all went to the Sheraton Carlton. Is that what happened, or did somebody—why would you—if he's going to—

Mr. HUANG. I did not quite recall Mr. Trie went for that evening's event or he came along with a limousine directly go to that event, though. If he did go, probably he went separately by himself, yeah.

Mr. LATOURETTE. But it was your recollection that Mr. Riady had been invited to stay with Mr. Trie at the Watergate?

Mr. HUANG. That is correct.

Mr. LATOURETTE. OK. So the stop at the Watergate could have been for Mr. Riady to drop off luggage or freshen up or whatever before you headed over to the Sheraton Carlton?

Mr. HUANG. If I am not mistaken Mr. Riady also stay overnight.

Mr. LATOURETTE. At the Trie's apartment?

Mr. HUANG. At Trie's apartment, yes.

Mr. LATOURETTE. Did you stay there as well that evening at the Sheraton Carlton?

Mr. HUANG. I might have, yes. I might have.

Mr. LATOURETTE. You might have but you don't recall specifically?

Mr. HUANG. I don't recall specifically.

Mr. LATOURETTE. That same exhibit indicates that the following morning you arranged for a limousine to pick someone up at the Watergate South at 7:15 but there was no response. Do you recall why it is that you made that arrangement; who it was supposed to pick up, where it was supposed to go?

Mr. HUANG. Are we on the right-hand side of the lower bottom, sir?

Mr. LATOURETTE. Uh-huh.

[Discussion off the record.]

Mr. LATOURETTE. I'm at the lower right-hand side; Watergate, time arrived.

Mr. HUANG. The best recollection, probably everybody overslept.

Mr. LATOURETTE. One more—everybody was gone already.

Mr. HUANG. No, overslept.

Mr. LATOURETTE. OK. Now that we have talked about and you think that people had overslept, did you have a recollection of spending the night at the Watergate with Mr. Riady and Mr. Trie now? I mean, is this refreshing your memory that that's where you were?

Mr. HUANG. Yes. Yes, I do.

Mr. LATOURETTE. The three of you spent the evening at Mr. Trie's place at the Watergate South Apartments.

Mr. HUANG. Right.

Mr. LATOURETTE. OK. This visit—well, hang on a minute. I want to go to exhibit No. 502 next, if you look at the next page. It's another limousine ticket for the 27th. It indicates that someone was taken from the Watergate to 14th and Pennsylvania Avenue, then to the Democratic National Committee, then to Connecticut and I Street, then back to 14th and Pennsylvania Avenue. Are you able to give us a reason as to why you hired a car for this purpose, who was in it and what was going on?

[Exhibit 502 follows.]

**CAREY** TRIP TICKET DRIVER 06671002  
 LIMOUSINE D.C., INC.  
 180 MT. VERNON AVE., ALEXANDRIA, VA 22305

DATE OF SERVICE 27SEP86 FR  
 TIME OUT 11:30  
 TIME IN 11:15

DRIVER *Quick*  
 VEH # 029  
 VEH CATEGORY 13

NAME HUANG  
 PICK UP WATERGATE  
 DO 01  
 PARTY # 01

AP AL FLIGHT FROM

AS DIRECTED  
 SERVICE DETAIL

ORDER GIVEN BY (FULL NAME)  
 BAY 281450 TRAVEL AGENT  
 BILLING COMPANY ACCT # LIPPO GROUP  
 ATTN: MR. JOHN HANNA  
 711 W. COLLEGE ST., RM605  
 LOS ANGELES CA 90012 213-625-1888

PHONE 000000  
*421 + fee*

JOB  
 CC TYPE ICC # EXP. AUTH. CD. AUTH. DATE

LIST ALL STOPS, DELAYS, TROUBLE	TIME	TELEPHONE	CHARGE
	IN	OUT	
1. 700 - Mt. Vernon	11:15	11:30	parking # 4.00
2. 14 - pa 2 w	11:45	11:55	STC
3. 20 - S. Corp at	12:10	12:15	COMMISSIONS
4. 20 - Comm. + eye	12:20		TELEPHONE EXPENSES
5. 14 - Comm. + eye	12:10		TIPS
8. A-D	12:20		TOLLS
TOTAL TIME	11:15 AM	11:15 AM	TOTAL CHARGE 407.75
TIME IN	10:45 PM		RESV. CC
MILES IN			4020
MILES OUT			0:18
TOTAL MILES			9/27/86

EXHIBIT  
 502

Mr. HUANG. At this moment I could not.

Mr. LATOURETTE. Let me ask you this: Do you know whether or not that limousine that we're now talking about in exhibit 502 picked up anyone other than Charlie Trie at the Watergate?

Mr. HUANG. Mr. Riady came in with another executive from the Lippo as well. So there is only two persons involved in the limo as best I can recollect.

Mr. LATOURETTE. Did you know why it went to 14th and Pennsylvania Avenue, and specifically the why; was it to pick up Mark Middleton?

[Discussion off the record.]

Mr. HUANG. No, although that I can really not recollect exactly, you know, it might be to visit Mr. Middleton. Mr. Middleton at that time already, I think—this is 1996, right?

Mr. LATOURETTE. September 26th.

Mr. HUANG. Right. Mr. Middleton has already left the government. He was a consultant for himself at that time. And—

Mr. LATOURETTE. You mentioned that there was another Lippo executive besides Mr. Riady. Do you recall who that was?

Mr. HUANG. No, I cannot recall. I never saw him before. But he came along with Mr. Riady.

Mr. LATOURETTE. Did this particular visit that we're talking about—September 26, 1996 was after the first news stories about the campaign finance scandal had broken on television. Do you recall when you and Mr. Trie and Mr. Riady are spending the night at Mr. Trie's place at the Watergate South, whether or not those news stories were the subject of any discussion among the three of you or among two other people in your presence?

Mr. HUANG. I don't recall specifically on that. No.

Mr. LATOURETTE. OK. And do you recall in all of the 20 days of interviewing that you had with the Department of Justice, did they ever talk to you about this series of limousine rides, that you can recall?

Mr. HUANG. No.

Mr. LATOURETTE. At any time on the two receipts that I have shown you, the 502 and 501, was the President of the United States, Mr. Clinton, either before or after the event that occurred at the Sheraton Carlton on September 26th, involved with Mr. Riady on any of these trips that this limousine was taking?

Mr. HUANG. Mr. Clinton, you say? No. No, he was not involved.

Mr. LATOURETTE. Are you aware of any ride, limousine ride taken by the President of the United States with Mr. Riady during this visit by Mr. Riady to Washington DC; that is, the day either before or after the September 26th African American event at the Sheraton Carlton in Washington DC?

Mr. HUANG. No, sir.

Mr. LATOURETTE. You were there.

Mr. HUANG. No, sir.

Mr. LATOURETTE. Do you know how much time I have left, Mr. Souder? Is there a clock? I don't want to start a new area. I can stop here. Why don't I stop? I tell you what. I yield back my time and I'll come back.

Mr. WAXMAN. If you want to go now and want another 10 minutes it's OK with me. I will give Mr. Huang a break.



Mr. LATOURETTE. Mr. Shays would like to ask a few. I'll yield back at this moment.

Mr. SOUDER. The committee will stand in recess for 10 minutes.  
Mr. HUANG. Thank you, Congressman. Thank you.

[Recess.]

Mr. BURTON [presiding]. The committee will reconvene. Mr. LaTourette, I think you have the floor.

Mr. SHAYS. If I could ask unanimous consent that he could have the 10 minutes that Mr. Waxman suggested.

Mr. BURTON. Without objection, so ordered.

Mr. LATOURETTE. I thank everyone for their courtesy. I also appreciate the break.

I want to talk next, Mr. Huang, about a document that appears in your book as exhibit No. 513. And this is a document that was taken from Charlie Trie by the Federal Bureau of Investigation. And the title of the document is Cooperation Opportunities with James Riady. The original document, I just want to get it here real quick, was in Chinese, and it's been translated and as it appears now in exhibit 513. And I just want to read it for the benefit of the record, although it will be submitted into the record.

The text that we received is a translation as follows:

No. 1, Wal-Mart in Shanghai opens a store—and just an editorial comment is where haven't they opened a store? Because Lippo has a successful cooperation experience at Lippo Village and received sweet reward at Shenzhen. Actively urged Lippo to work with them in opening stores in Shanghai and Beijing.

Must obtain retail license and buy local product and imports to sell before we can consider. Local government may join in but maximum 10 percent. Wal-Mart takes 50 percent. Remaining may be divided by you.

The needed land must be not less than 10,000 square meters. Hopefully it will be a clear-cut deal. Distance from medium and high-income area cannot exceed 20 minutes driving time.

Buy a hospital in Shanghai and modernize it. The Lippo Village already has gained high-level hospital experience. Plus, James is a trustee of the Arkansas Medical School. His father is a trustee of USC. They may invite foreign doctors to be visiting doctors as Shanghai and can send Shanghai doctors for advanced training in foreign countries. The targets are foreign businessmen and high-income people.

Buy a school in Shanghai or work out a joint venture for an international school. Lippo Village's international school may be used as a model for planning.

No. 4 there's a hotel in San Francisco—the stock should be bought in total or in part. This hotel is owned by the bank and is worth \$7 million. It has a good record and may get a 60 percent loan. Suggest that you find 6 Chinese accounts to invest \$1 million each. Lippo will retain one-seventh of the stock. These investors instantly become a partner of Lippo. They can use that to request immigration.

L.A. Bank Stocks: Maybe a part of the L.A. bank stock can be sold to Wang Jun. Knowing you have good relations with Wang Jun, hoping you can be an intermediary. Proposing that Wang Jung buy the Lippo bank stocks with money as reinforcement to enter the U.S. market. You may also plan to get a part of the stocks and a director position. James is a fair person. He knows especially the long-term strategy and advantage of using business partners. He knows you have good relations with China. Hope you may be able to realize the above suggestions. He agrees with my proposal and is willing to work with you on the above items.

If you are going to Jakarta in October, he may send his helicopter so you can visit Lippo Village. Thus you may have a clearer picture to push for the above items in China.

He may wait until you finish meeting on October 9 and hold a detailed talk with John Huang in New York on October the 10th."

First, have you ever seen this document before Mr. Huang?  
[Exhibit 513 follows:]

Cooperation Opportunities with James Riady

1. Wal-Mart in Shanghai opens a store. Because Lippo has a successful cooperation experience at Lippo Village, and received sweet reward at Shenzhen. Actively urged Lippo to work with them in opening stores in Shanghai and Beijing.

Must obtain retail license and buy local product and imports to sell before we can consider. Local government may join in but maximum 10%. Wal-Mart takes 50%. Remaining may be divided with you.

The needed land must not be less than 10,000 square meters. Hopefully it will be a clear-cut deal. Distance from medium and high-income area cannot exceed 20 minutes driving time.

2. But a Hospital in Shanghai and Modernize It. At the Lippo Village, already has gained high-level hospital experience. Plus, James is a trustee of the Arkansas Medical School. His father is a trustee of USC. They may invite foreign doctors to be visiting doctors at Shanghai. And, can send Shanghai doctors for advanced training in foreign countries. The targets are foreign businessmen and high-income people.

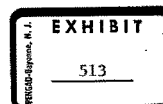
3. Buy a School in Shanghai or Work Out a Joint Venture for an International School. Lippo Village's international school may be used as a model for planning.

4. There is a hotel in San Francisco - the stock should be bought in total or in part. This hotel is owned by the bank and is worth \$7 million. It has a good record and may get a 60% loan. Suggest that you find 6 Chinese accounts to invest \$1 million each. Lippo will retain 1/7 of the stock. These investors instantly become a partner of Lippo. They can use that to request immigration.

5. L.A. Bank Stocks: Maybe a part of the L.A. bank stock can be sold to Wang Jun. Knowing you have good relations with Wang Jun, hoping you can be the intermediary. Proposing that Wang Jun buy the Lippo bank stocks with money as reinforcement to enter the U.S. market. You may also plan to get a part of the stocks and a director position. James is a fair person. He knows especially the long-term strategy and the advantage of using business partners. He knows you have good relations with China. Hope you may be able to help realize the above suggestions. He agrees with my proposal and is willing to work with you on the above items.

If you are going to Jakarta in October, he may send his helicopter so you can visit Lippo Village. Thus you may have a clearer picture to push for the above items in China.

He may wait until you finish meeting on October 9 and hold a detailed talk with John Huang in New York on October 10.



Mr. HUANG. No, sir.

Mr. LATOURETTE. Either in its original form or in its translated form?

Mr. HUANG. No, sir.

Mr. LATOURETTE. At any time did either Charlie Trie or Ng Lap Seng ask you for a business help or introductions?

Mr. HUANG. No.

Mr. LATOURETTE. Do you know if Charlie Trie ever had a relationship, a business relationship with the Lippo Group?

Mr. HUANG. Not prior to that, no.

Mr. LATOURETTE. Prior to what?

Mr. HUANG. Up here what you are saying on this—the memo or whatever the translation, anything prior to that—this indication looks like they're going to go through some business, you know.

Mr. LATOURETTE. You would—

Mr. HUANG. I was not aware of that.

Mr. LATOURETTE. You would agree with me that exhibit 513 appears to be a recitation or a proposal that there be further discussions for business between Mr. Trie and the Lippo Group; that's what it appears to be?

Mr. HUANG. That's right.

Mr. LATOURETTE. Do you have any independent knowledge that any of the items mentioned there in that document 513 actually came to pass or are coming to pass? For instance, the first item on the list is a venture with Wal-Mart in Shanghai. Did you ever discuss that with Charlie Trie.

Mr. HUANG. I did not—

[Discussion off the record.]

Mr. HUANG. Congressman, I know about—around that period of time I know about some of the matters like Wal-Mart situation. For instance Wal-Mart had the joint venture with the Lippo in Jakarta, in Lippo Village.

Mr. LATOURETTE. Are you aware that Charlie Trie has anything to do with that?

Mr. HUANG. For that Jakarta joint venture between Lippo and Wal-Mart?

Mr. LATOURETTE. Right.

Mr. HUANG. He might have know about it; he had nothing to do with it as far as I know.

Mr. LATOURETTE. Do you know anything—let me go back to my original broad question. Do you know anything about a business relationship between Charlie Trie, whether it's the items on this memo that we're talking about, and the Lippo group?

Mr. HUANG. The only information I had, I believe Mr. Riady had a conversation with me, maybe around the period of time indicating Charlie Trie visited Mr. James Riady in Jakarta. Mr. Charlie Trie apparently is looking for business opportunity as well. So it leads me to believe that's probably after that, that kind of meeting.

Mr. LATOURETTE. Let me specifically run through the items on the memo, just so we're clear. I have understood your answer to the broad question. But I have asked you about Wal-Mart. The second item is modernizing a hospital in Shanghai. Have you ever had a discussion concerning this project with either Charlie Trie or James Riady or anyone else at Lippo?

Mr. HUANG. No, sir.

Mr. LATOURETTE. The third project is a school in Shanghai. Have you ever had a discussion, again, Trie, Riady, or anyone else at Lippo?

Mr. HUANG. Before you proceed on this, I don't know if it will be helpful or not. It was understood Charlie Trie was going over to Asia quite a bit, particularly in China. That was known. Apparently he had established some contacts over there. OK. So in the broader sense, things he knew, China, just in case he want to have some help, or Charlie Trie might be a help, and probably that would be subjects of discussion. So what I was trying to answer is that on specific items, I did not know about it, what you have read. But on the broader basis, maybe he might be helpful about Chinese ventures in the future. That I have heard.

Mr. LATOURETTE. Well, again going back to when we were talking in the previous 10 minutes about the night of September 26, 1996, after the Sheraton Carlton event, apparently Mr. Trie and Mr. Riady knew each other well enough that Mr. Trie was comfortable having Mr. Riady be a guest in his home on that particular evening. Is that right?

Mr. HUANG. At that point, yeah.

Mr. LATOURETTE. And at that point—and I think that this memo talks about a trip to Jakarta on October 9th. I guess I'm thinking it's October 9, 1996?

Mr. HUANG. 1996, yes.

Mr. LATOURETTE. Which is right after, within 10, 12 days of this event at the Sheraton Carlton; is that a fair observation?

Mr. HUANG. That's right.

Mr. LATOURETTE. The fifth one then, and again I'm not trying to trip you up, I understood you said you don't have any knowledge of the specifics. But the fifth one specifically refers to L.A. bank stocks. And it says that it may be a part of the L.A. bank stock can be sold to Wang Jun. Wang Jun, do you know who he is?

Mr. HUANG. I know of this person but I never met with him in person.

Mr. LATOURETTE. What does he do for a living, do you know?

Mr. HUANG. I'm sorry; what was he doing?

Mr. LATOURETTE. Do you know what he does for a living?

Mr. HUANG. I think he was a chairman of CITIC, or China International Trust and Investment Corp. at that time.

Mr. LATOURETTE. Do you know if he has any business dealings that have to do with the selling of arms, firearms? Is he in the gun business?

Mr. HUANG. At that time I did not know.

Mr. LATOURETTE. Do you know that today?

Mr. HUANG. Because the news accounts indicated that, yes.

Mr. LATOURETTE. Do you believe the news accounts? Do you think he is an arms dealer or you just think like that business that Mr. Waxman was talking about Mr. Solomon, that they made that up about him? Do you have reason to believe that he is an arms dealer?

Mr. HUANG. Again, I don't know. I never verified that, yeah.

Mr. LATOURETTE. OK. Do you know, as you look at that paragraph, what the paragraph refers to, what bank it's referring to?

Mr. HUANG. The bank is Lippo Bank of California he was referring to.

Mr. LATOURETTE. Located in Los Angeles?

Mr. HUANG. Head office at that time was in Los Angeles, yes.

Mr. LATOURETTE. Did you ever have a discussion concerning this paragraph, the L.A. bank stock and Wang Jun, with either Charlie Trie, James Riady or anyone else at Lippo?

Mr. HUANG. No, sir.

Mr. LATOURETTE. OK. To your knowledge did Charlie Trie ever visit with James Riady or other member of the Riady family in Jakarta?

Mr. HUANG. As I indicated to you earlier, they had a meeting when Mr. Trie visited Indonesia.

Mr. LATOURETTE. And do you believe that to have been on October 9, 1996?

Mr. HUANG. I don't know exactly, but probably around that period of time probably.

Mr. LATOURETTE. Is it fair that it was in 1996, is that your recollection?

Mr. HUANG. Yes. Yes.

Mr. LATOURETTE. Did you—again, you said that you've never seen this document before now, so I assume that the items contained in this document never were the subject of conversations between you, your lawyers and the Justice Department.

[Discussion off the record.]

Mr. HUANG. Not in the specific sense as—

Mr. LATOURETTE. Go ahead.

Mr. HUANG. Not in the specific sense as you indicated on this memo. But I believe the Justice Department would like to know at the time of the relationship between the Tries and Riadys.

Mr. LATOURETTE. And then the last question I have is, as the yellow light brightens our hallway, phone records indicate that between September 23, 1996 and October 11, 1996, Charlie Trie placed calls to James Riady eight times. Are you familiar with the content of any of those telephone calls? And specifically, since I believe that during some of this time you were actually staying at Mr. Trie's home, were you present for any of those telephone calls?

Mr. HUANG. No, sir. I was not even aware he was making a call to Indonesia at that time.

Mr. BURTON. Would the gentleman yield real briefly?

Mr. LATOURETTE. Be happy to.

Mr. BURTON. Did the Department of Justice, when you were being interviewed by them, did they ever ask you about this document?

Mr. HUANG. Not specifically about this document. This is a translation of that.

Mr. BURTON. What do you mean not specifically about this document. Did they ask you about the contents of the document?

Mr. HUANG. No. They were interested in knowing about the relationship between Riady and Trie, Mr. Riady and Mr. Trie, or Lippo and Mr. Trie. But—

Mr. BURTON. Did they ask about Wang Jun at all?

[Discussion off the record.]

Mr. HUANG. I think so. What I knew in the whole thing is, you know, what was his role, as Congressman was raising a similar questions today.

Mr. BURTON. But you didn't have any close dealings with Wang Jun?

Mr. HUANG. Definitely. I never met with him.

Mr. BURTON. And you didn't know anything more than what you said about the relationship between Riadys and Charlie Trie.

Mr. HUANG. That is correct.

Mr. BURTON. Thank you. Mr. Shays.

Mr. SHAYS. Thank you, Mr. Chairman. Mr. Huang, I try to remember that I have an advantage that you don't. I can ask questions. You're put in a difficult situation, and I sometimes look back when I have asked a question, regretted the question, because I think I have misused the power I have. But I want to ask you some very blunt questions and I also am going to ask you some questions about salary, which I want you to know I would have asked or wanted asked by the committee behind closed doors, but we weren't given that opportunity. So I'm going to ask you some questions that I would have preferred not to have to ask you in public, because they may be important or they may not. I am just in some cases going to be checking.

But first, and I don't mean to keep bringing it up but it's the point of this question, you pleaded guilty to conspiracy to defraud the U.S. Government for \$150,000; then you said there was about \$800,000 that you were aware of that was basically from the Lippo Group, from the Riadys or their related companies, by employees that ultimately you suspect was paid by the Riadys. I want to know if this was your scheme or their scheme.

Mr. HUANG. Mr. Riady—well, let me track back. Mr. Riady has made the commitment to raise the million dollars. That commitment is made.

Mr. SHAYS. He told this to the President, that he would get \$1 million to the—

Mr. HUANG. To help raise or whatever, to give, whatever. The end result is the same anyway.

Mr. SHAYS. You need to get \$1 million.

Mr. HUANG. Right. And then the—I was in the United States, I was the point person to put everything into execution and work with him and get everything facilitated.

Mr. SHAYS. And you knew this was illegal?

Mr. HUANG. Yes.

Mr. SHAYS. OK. But was it your idea to him that he should do this, or was this his idea to you or was it a team effort?

Mr. HUANG. The thought process is coming on a joint basis, but I implement the whole thing.

Mr. SHAYS. So both of you were involved in this conspiracy to defraud the government and to ignore campaign law. Now, frankly you probably could have done it by a soft money contribution, because who knows whether that's illegal since it's not called campaign money. But at any rate, you went this route. It was clearly illegal. And I would have said if you did the soft money, it was wrong but it may not have been illegal.

And what I want to know is why would I have confidence that you were qualified now to work for Commerce, given that you were involved in a very serious scheme of close to \$1 million?

[Discussion off the record.]

Mr. HUANG. As I reported to Congressman Waxman's question yesterday, you know I would have hope nobody would have caught up, for longest time had nobody caught up on this matter. So nobody knew about this matter. If anybody knew about it in the processing in my appointment, probably I would not be qualified.

Mr. SHAYS. But the challenge—thank you. The challenge, though, the question I'm also asking, is why should I have any confidence that when you basically raised \$2 to \$5 million, that you weren't involved in the same stuff? Why did you all of a sudden decide to be honest when you worked for the DNC?

[Discussion off the record.]

Mr. HUANG. Congressman, I knew I did wrong during that 1992 and 1994 period of time. I tried very best not to do the same thing again. When this campaign finance matter erupt in 1996, I think the Justice Department has made an extensive investigation, and I have been trying very hard to cooperate with them completely on that.

Mr. SHAYS. The question mark I have for you is you made \$60,000, well less than you were qualified in the DNC, and you had a very unique arrangement. You had a bonus arrangement. And the bonus arrangement was based on what?

Mr. HUANG. Based on the—hopefully based on the performance, how much I can raise. I was leaving that to the DNC meeting, the chairman of the Finance Committee, to make a decision later on.

Mr. SHAYS. Could I ask unanimous consent, Mr. Waxman, that I have 10 more minutes?

Mr. WAXMAN. Do 5 and let's see what happens after that.

Mr. SHAYS. I'll need 10, so I'll come back afterwards.

Mr. BURTON. Mr. Waxman, did you have some questions?

Mr. WAXMAN. Yeah, let me take a round of questions.

Mr. BURTON. The gentleman is recognized.

Mr. WAXMAN. Mr. Huang, I want to ask you about your cooperation with the Department of Justice. I think this follows after what Mr. Shays was questioning you about. Prior to pleading guilty to campaign finance violation, you had been cooperating with the Justice Department's Campaign Finance Task Force; isn't that correct?

Mr. HUANG. That is correct.

Mr. WAXMAN. And according to the Justice Department, the Department contacted your attorney in August 1998 about a possible preindictment plea agreement; is that correct?

Mr. HUANG. That is correct.

Mr. WAXMAN. And were you willing to talk to them?

Mr. HUANG. Yes.

Mr. WAXMAN. In fact, according to the brief filed with the sentencing court by the prosecutors, "From the outset of these discussions, Defendant Huang indicated a desire to cooperate with the government's investigation." They went on to state, that, "Defendant Huang never adopted a confrontational posture with respect to the negotiations."

I understand that you met with the prosecutors and investigators approximately 20 times between January and April of this year. Is that right?

Mr. HUANG. At least. Probably even started earlier than that, sir.

Mr. WAXMAN. Do you believe that you provided useful information to the Department of Justice?

Mr. HUANG. Yes.

Mr. WAXMAN. According to the prosecutor's brief submitted to the sentencing court, the prosecutor said,

Defendant Huang was deemed to be credible throughout the proffer sessions. His cooperation was substantial in that it answered many questions which would otherwise remain mysteries and provided incriminating evidence pertinent to numerous ongoing investigations. Moreover, defendant Huang admitted to wrongful conduct beyond that which the government would otherwise have been able to prove.

Mr. Huang do you feel badly about your involvement in making illegal conduit contributions?

Mr. HUANG. Yes, very much sir.

Mr. WAXMAN. The Department of Justice had the same opinion. According to the prosecutors, Mr. Huang, "always exhibited bona fide remorse for his actions."

I would like to read for the record what the Justice Department said about your character.

Defendant Huang appears to have lived an upright life. Moreover, his reputation in the community and observed behavior have demonstrated to the government that he is generally a self-effacing and kind individual. During the course of the investigation, the government has interviewed numerous credible witnesses who, without exception, speak to defendant Huang's integrity.

These are not my words because I wouldn't know whether to say it or not, but these are the prosecutors that you talked to for over 20 separate times. Today is Thursday. You were in this hearing all day yesterday. I think we started at 1 o'clock. We went until close to 6. We started at 10, it's almost 3. So you've been here, you alone as the witness for this hearing. And the day before you came here, you testified in California, what was the—

Mr. HUANG. The grand jury, yes. In Los Angeles.

Mr. WAXMAN. How long did that grand jury testimony go?

Mr. HUANG. That started something like 10 o'clock through 2:30, and I'm going again next week I believe.

Mr. WAXMAN. So you go next week again to the grand jury.

Mr. HUANG. Right.

Mr. WAXMAN. You flew a red-eye flight to be here with us, not last night but the night before, to be here with us yesterday.

Mr. HUANG. Not quite. I arrived at 1 o'clock, as I told chairman and also the committee, not quite exactly the red eye, but I did arrive like 1 o'clock a.m.

Mr. WAXMAN. I see. I was feeling sorry for you because I've taken that red eye. I know how grueling it can be. I know that flight that gets here at 1 o'clock is also grueling but not quite as grueling.

Mr. HUANG. Congressman, I saw you in the flight before. I used to commute quite a bit before, myself, because my home was in Los Angeles. I apologize I didn't come over to speak to you at that time.

Mr. SOUDER. Would the gentleman yield? What conversations did you have with Mr. Huang on your airplane flights?



Mr. WAXMAN. I don't recall that I have ever met Mr. Huang before today. I might have met him at some party or other. Maybe going in or out of a cocktail party he might have passed on some word about somebody's reputation, but of course I wouldn't have repeated it.

I just want to put this on the record because, Mr. Shays, you're asking why you should believe him. I don't know if you want to believe him or not. The only way you can see whether a witness is telling the truth is to get all the facts, ask him the questions, look at him, look at his demeanor and then rely on other people. And this is what the Justice Department has said about him. He certainly did a wrong thing. And it was a seriously wrong thing that he did. It was a felony. It amounted to a felony violation. But there are times when even though somebody has done something wrong that they're not—everything they do can't be assumed to be duplicitous or wrong-headed.

Thank you. I yield back the balance of my time.

Mr. BURTON. Let me just take a couple minutes, then I'll yield the balance of my time to you.

At the beginning of our meeting today, I read some information from the 302's of the President and the Vice President. And the Justice Department did not ask any questions of the President or the Vice President about John Huang, Charlie Trie, Maria Hsia, Pauline Kanchanalak or anybody involved in the finance scandal. The Justice Department did fine Mr. Huang. Charlie Trie was not fined by the Justice Department, but the judge in the case was so upset, or upset enough, because the Justice Department was just giving Charlie Trie a slap on the wrist, that he himself imposed a \$5,000 fine on Mr. Trie.

Now, the reason I bring that up is you're using the statements from the Justice Department as a reason for us to show credence to the witness and possibly to others. The Justice Department has been totally uncooperative with us for the last 3 years. They've kept documents from us. We had to subpoena them. We weren't going to get the 302s from the President and the Vice President until I threatened to subpoena—in fact I did subpoena the Assistant U.S. Attorney from the Justice Department, and he was going to have to come over here. When they found out he was going to have to come over here and tell us why he wouldn't give us the 302s, they finally coughed those things up.

So, I just want to point out that the Justice Department has been anything but upfront and cooperative with our investigation for the past 3 years. And for that reason—and regarding Mr. Trie and Mr. Huang, even the judge in the Trie case was concerned about the way they handled that. So I don't think just because people in the Justice Department make some positive comments about any person, not in particular Mr. Huang, that we should take that as gospel.

And with that, I'll yield to my colleague.

Mr. WAXMAN. Would you yield to me, Mr. Chairman?

Mr. BURTON. I know what you're going to do. You're going to respond to what I said.

Mr. WAXMAN. What's wrong with giving me a chance to respond?

Mr. BURTON. Well, you'll have—all right. Respond.

Mr. WAXMAN. I just want to point out that I know that no one can say anything to you in the defense of the Justice Department.

Mr. BURTON. Not much.

Mr. WAXMAN. But I will say this: that the Justice Department was acting at the request of the FBI, because these 302s were the FBI's interrogations of the different witnesses. The FBI asked the Justice Department not to make certain things public. And then again I talked yesterday about the phases, and phase 5 is whether the White House, Justice Department, or FBI capitulates and we usually receive the information.

Well, we did receive the information. In fact, you described yesterday how our staffs had to go and look at the President and Vice President's 302s because they wouldn't release it. Well, now that they've released it, we have it, we've agreed to your request that we make it public, and the people can see what the interview consisted of, by the FBI, not—

Mr. BURTON. I don't believe the FBI was the ones that was asking those questions, at least in that one interview. They were just people from the Justice Department.

Mr. WAXMAN. That ought to be on the record, so we'll see.

Mr. BURTON. It's in the 302s.

Mr. WAXMAN. We'll see what the 302s say. The only other thing I point out is whether it's FBI or anyone else asking questions of the President of the United States, they had two specific issues that they were asking him about. Unlike this committee, I don't think they thought they should go on a long fishing expedition and ask the President of the United States every possible thing that they might ask him about. There has been no evidence that the President of the United States ever knew that any of these contributions were illegal, that they were foreign sources—

Mr. BURTON. Let me reclaim my time.

Mr. WAXMAN [continuing]. And therefore pursue those questions—

Mr. BURTON. Let me reclaim my time and just say this: You're not going to find out what the President knew or when he knew it unless you ask the questions. They asked absolutely no questions about John Huang, Charlie Trie, Pauline Kanchanalak, any of those people when they went over there. And the people that went over there, some of them felt like they were not supposed to ask those questions because they might have a problem.

Mr. SHAYS.

Mr. SHAYS. Could I renew my request for unanimous consent for 10 minutes?

Mr. BURTON. Without objection.

Mr. SHAYS. Thank you. My question was, given that you had done these, I had asked why should I have faith that you wouldn't continue them. Because you hadn't yet been caught. You gave me an answer that you regretted it, and you said you didn't want to do it again. But I guess the next question is why should I have any sense of confidence that the Riadys and their organizations would want to function in a way that would be honest? What was—what made them want to change? Should I assume that they have changed or that they're continuing to be manipulating the system

and defrauding and so on? Why should I have any confidence that they are like you, have seen the light?

[Discussion off the record.]

Mr. HUANG. Congressman, I agree you'll be concerned based on the past records, but at that period of time when I when with the DNC, I didn't have any reason to believe that they were going to do those things.

Mr. SHAYS. Now, it's your testimony that when you were at the DNC you did not have—make any effort to raise money from the Riadys; is that correct?

Mr. HUANG. That is correct.

Mr. SHAYS. Did you make an effort to raise money from people who worked with the Riadys, had business deals with the Riadys?

Mr. HUANG. The reason I pause, I have been trying to think, you know, to the best of my knowledge I did not.

Mr. SHAYS. None of their business partners you didn't raise any money from?

[Discussion off the record.]

Mr. HUANG. Congressman, the reason I paused a little bit, because there are instances that could draw some dot-dot line there. Wiriadinata, the contributions—

Mr. SHAYS. You were what? I'm sorry.

Mr. HUANG. Wiriadinata's contribution.

Mr. SHAYS. And what about that?

Mr. HUANG. Because the Wiriadinatas, Mrs. Wiriadinata's father, Hashim Ning was a partner with the Lippo.

Mr. SHAYS. And your reason for not raising money for the Riadys was that they no longer had green cards? And no longer worked—why wouldn't—

Mr. HUANG. Mr. Riady had already at that point had already—

Mr. SHAYS. I mean, there is no logic why you wouldn't have asked him for contributions.

Mr. HUANG. He gave up the green card already. He did not have the status to give any more money.

Mr. SHAYS. Because he no longer had a green card, that was the reason why you didn't seek to raise money from him. But he still had business associates in the United States. Why wouldn't you raise money from them?

Mr. HUANG. Well, the only person—that's what I'm trying to say. The only person he's trying to help me is the—on the Wiriadinata, who he know, you know, that was only links we can control right now.

Mr. SHAYS. How much money was that?

Mr. HUANG. As I reported to you, the couple made about \$450,000.

Mr. SHAYS. And I should have confidence that that was their money?

Mr. HUANG. I have no reason to believe it not. They come from a very substantial family.

Mr. SHAYS. Now, should I feel comfortable that in 1997 and 1998 you received \$18,000 from the Riadys and 1997 and 1998 you received \$20,000. Why should I feel comfortable about that?

Mr. HUANG. Despite the fact all these things happened in the Riady family—I worked for Riady family for a period of time. There

was still some friendship there. And you know, I was definitely—functionally I was not employable. I'm pretty sure as a friend, or any friend of any person probably feel concerned about the financial situation, I guess that at the time he was trying to help me out on that.

Mr. SHAYS. And I understand they were trying to help you out, Mr. Huang. And this is a difficult kind of question to raise. But it's not unlike trying to help Mr. Hubbell out. You are a key witness and now we have to determine whether your vulnerability financially doesn't put you at risk.

[Discussion off the record.]

Mr. HUANG. Mr. Shays, in the event what you're suggesting is going to play any role, I probably would not implicate the Riady family. As I reported to you in whatever they've done in the past, you know, that was involving, you know, \$800 some thousand in the past. And I was, you know, cooperating fully with the Justice Department.

Mr. SHAYS. You see, the challenge that we have, and it is really part of the public record, and that is that the Riadys have deals in China.

Mr. HUANG. Um-hmm.

Mr. SHAYS. And it is inevitable, frankly, when you have dealings with the Chinese, that you are going to be dealing with the military and their intelligence community. That's a reality. And for me to make a claim like the Senate report does, that they had these contacts, is really almost a nonstatement. You're not going to have that kind of dealing unless you have that kind of communication with the businesses that are run by the military and the businesses that are run by the Intelligence Committee, which gets us into this next question. And that is why would you—what did you do for the Commerce Department? What was your responsibility there?

Mr. HUANG. The title is the Deputy Assistant Secretary for International Economic Policy. Actually my role in the end was—when I joined in, was assisting Assistant Secretary Chuck Meissner. The primary role in my function is to—mostly will be on the organization side, did not have any territorial functions. As the IEP, the international economic policy was—say something was in charge of Japan and somebody in charge of the Asia Pacific, some people in charge of the Middle East or Europe, I did not have those kind of role.

Mr. SHAYS. Then why would you have been—why did you need top security clearance?

Mr. HUANG. The best I can answer that is Mr. Meissner and I went in Commerce late. In fact, Mr. Meissner went in even earlier than I am. That historically functions and duty were taken away from him. I'm pretty sure he was trying to make every effort to reclaim his responsibility back.

Mr. SHAYS. So you had top security clearance and you were provided information on a weekly basis, on a daily basis? And what kind of information would you have generally been provided? Not the specifics.

Mr. HUANG. The most of the information given to me, it's not on the, as you say, the daily basis. There's some material coming in.

There will be security briefing by the—I believe the CIA's person stationed in the Commerce Department on the more regular basis.

Mr. SHAYS. In a lot of cases this was raw data, correct; this was not—this was pretty raw data that you were given, very sensitive data, it also gives you sources of where this information came from.

Mr. HUANG. Mr. Shays, I will be very honest with you, I don't know how to define what is raw data and not raw data. I never work in the government before.

Mr. SHAYS. But you were provided not only information as to economic secrets, but also potential sources for this information; is that not correct?

Mr. HUANG. I think you're correct on that, yeah.

Mr. SHAYS. And I'm still not clear why you needed that information.

Mr. HUANG. That was given to me by Mr. Meissner.

Mr. SHAYS. But why?

Mr. HUANG. I can't answer that for Mr. Meissner on that.

Mr. SHAYS. Thank you.

Mr. BURTON. Would the gentleman yield real quick? As I understand it, it didn't take you long to get your security clearance. In other words, I was told the process was speeded up. How long from the time you went to the Department of Commerce until you got your security clearance?

Mr. HUANG. I did not know for sure, Mr. Chairman, at the time, but the news accounts indicating that I even got that in January that year, or the end of January or early February that year.

Mr. BURTON. When did you go to work for them?

Mr. HUANG. Before I went to work for Commerce Department. I did not even request for—

Mr. BURTON. No. No. Before you went to work for the Commerce Department, you had a security clearance.

Mr. HUANG. According to the news account. I did not know.

Mr. BURTON. You don't know when?

Mr. HUANG. I do not know for sure, yeah.

Mr. BURTON. I just want you to know that for us to get security clearance for our staff, sometimes it takes 3, 4, 5, 6 months, and they do a very thorough FBI background check. To your knowledge, did they do any kind of background check or FBI check on you?

Mr. HUANG. Again, I have to say I never work in the government before. They did ask me to fill out all kind of form. I assume they will check all my data. It's very thick forms I had to fill out.

Mr. BURTON. But to your knowledge, you had your security clearance before you even went over to Commerce?

Mr. HUANG. I did not know that part.

Mr. BURTON. But from what you heard, and we'll check on that, you had your security clearance when you went to Commerce.

Mr. HUANG. No I did not. I have some clearance on that because somebody had to check my background. I thought that was all about.

Mr. BURTON. Did anybody ever interview you at the FBI or anybody else about your background or your connections or whether you beat your wife or anything?

Mr. HUANG. I don't beat my wife, by the way.

Mr. BURTON. I know you don't beat your wife. But what I'm saying is did anybody ever interview you about anything regarding security interviews with the FBI?

Mr. HUANG. No, not from the FBI, no.

Mr. BURTON. And you got a security clearance. That's something we're going to have to look into.

Mr. Souder.

Mr. SOUDER. I have a new category of questions that I would like to discuss. And I'm a member of the Natural Resources Committee, relatively new member. I would like to ask you a few questions about the Riadys and their coal interests.

Mr. HUANG. Coal interests, OK.

Mr. SOUDER. Could you explain a little bit of what your understanding is of what the Riadys own in Indonesia related to the coal industry?

Mr. HUANG. That was long, long before. I didn't even know what, whether he really had any substantial interest in coal. I think they have some coal mines way early back into late seventies or early sixties. I know for fact probably they don't own any coal mine at the time when this issue was—you know, occurred.

Mr. SOUDER. Do you know anything about the P.T. Kitadin Mining Co?

Mr. HUANG. Yes, there was a company under Lippo Group in early stage. That was—I think that might be related to the coal mine, coal mining interest that they own.

Mr. SOUDER. You say it was at the early stages of Lippo. And to your knowledge, at wasn't functioning during this period, or that was—

Mr. HUANG. My best guess is that during that period we're talking about this event in 1996, I don't—because in the group literature is never mentioned about the company's name any further.

Mr. SOUDER. Do you know where its mines were located or anything about the value of their deposits?

Mr. HUANG. I don't know about those, no.

Mr. SOUDER. Do you know anything about the Lippo Group whether they owned the P.T. Adaro Mining Co?

Mr. HUANG. That I don't know.

Mr. SOUDER. In your interview with the Justice Department or the FBI, you stated that Mr. Riady's coal interests were minimal and that Indonesia had significant infrastructure problems that prohibited the development of the country's coal resources.

Mr. HUANG. Yes, I did say that. Yeah. I will explain to you further why I thought that. Because Mr. Riady, Sr., in the early stages he mentioned that the coal mining they did could not even come out to the big ship. So the ship would have to dock in the deep water ocean area. They would have to have some kind of barge, a small boat, and load it back and forth. That's what I meant that the facility was not that well.

Mr. SOUDER. Are there other companies in Indonesia that are a lot bigger than the Riadys' coal holdings, than P.T. Kitadin or P.T. Adaro?

Mr. HUANG. I don't know about that. I don't know about that.

Mr. SOUDER. The reason is, were you aware that Indonesia is the fourth largest exporter of coal in the world?

Mr. HUANG. I'm aware they're large. I don't know their ranking though, yeah.

Mr. SOUDER. And the problem that we're trying to work through here is to try to reconcile—yes, they have infrastructure problems, which of course can be fixed over time, but already they're the fourth largest coal exporter in the world; in fact, of low sulfur coal. That's its most environmentally, what, appropriate, sensitive. They're the second largest holder in the world of this low sulfur coal. Were you aware of that?

Mr. HUANG. I was not aware of that.

Mr. SOUDER. Your testimony is that you do not know this. But P.T. Kitadin and P.T. Adaro were two companies that owned and we are trying to figure out how much of that they own because it is the second largest resources in the world. And the political problem here and what there has been a lot of debate about is that the largest resources in the world in Utah were pulled off during this time period.

I would like to, at least, put in the record some of our concern and then ask followup. And there is not really any short way to do it. I would just like to put this in the record. And that is, September 18, 1996, the President unilaterally established a 1.7 million acre Grand Staircase Escalante National Monument in southern Utah.

Now, we have battled with whether or not this is an appropriate use of the national monument. The area is a beautiful area. And you could argue either way whether this should be part of our national monument park wilderness system. And quite frankly, this President has shown a willingness to take almost any park or area and turn it into a wilderness area. And furthermore, they had a great picture that ran in the front page in color in my home newspaper of Vice President Gore doing a signing with the Grand Canyon in the background, so they got a good political hit.

But it appears there was more to it than that. Because a 1997 congressional investigation learned that, for example, Kathleen McGinty, in correspondence, the chair of the Council on Environmental Quality, stated, "I am increasingly of the view that we should just drop these Utah ideas. These lands are not really in danger because they are under the Federal Government control. They were not in danger. So why did they need to be a national monument."

Then further investigation revealed that it was to protect the land from coal mining. In fact, at the signing ceremony, the President said it was to protect this from Dutch coal companies. The mining was conducted by a Dutch coal company, Andalex, and was strictly of the areas of vast reserve of clean-burning, low sulfur coal, some of the most environmentally sensitive.

Then, furthermore, this is what ties in because he did not have a traditional national monument justification. Even his own administration in correspondence said they did not do it. Then he actually went at the signing ceremony and said this is because of the coal and what in effect he did was pull the largest resource of this coal mining off the market, which could have been for a number of reasons, which I grant, but happened to then make the Indo-

nesian holdings the largest holdings in the world of this low sulfur coal.

This happens to coincide is, after \$2.5 million had gone in from related organizations into the campaign from 1992 to 1996, \$450,000 was given to Clinton immediately after the creation of the monument. And furthermore, on top of that, we had the money that we were talking about earlier that went to Webb Hubbell. So it is at least something that many people wonder about because it was such an unusual, extraordinary, and not really defensible position and in the normal course of things of why he did it. Although, it could have been for campaign reasons. I grant it, it could be others. But it looks very suspicious.

Now, what I would like to know is that, at any time with your work with the Lippo Group, did you hear this type of thing discussed? Was this part of the multiplicity of interests? Earlier you testified that Mr. Riady had a multiplicity of interests in getting involved in campaigns and trying to get influence with the government. Was coal mining one of those interests?

Mr. HUANG. No, that subject never came up, sir.

Mr. WAXMAN. Will the gentleman yield to me for 10 seconds?

Mr. SOUDER. Yes, I yield to you.

Mr. WAXMAN. I just want to report to you that on July 24, 1997, according to the Washington Times, certainly a conservative newspaper, it says, "Congress checks Lippo link to clean coal." And they said, after receiving hundreds of pages of administration documents turned over to congressional investigators, the Washington Times said they saw no Lippo connection.

Thank you for yielding to me. I just wanted to put that on the record.

Mr. HUANG. I'm sorry.

Mr. SOUDER. Did you have any further comments on that?

Mr. HUANG. No, coal issue never came up.

Mr. SOUDER. Did you have any discussions at any time about the Escalante National Monument?

Mr. HUANG. No.

Mr. SOUDER. Were you familiar that that was occurring?

Mr. HUANG. No, I don't.

Mr. SOUDER. When you were a representative in Asia for, as I understand the historic record, the Worthen Bank that became part of the Lippo organizations—

Mr. HUANG. Lippo had some investment interests in the Worthen Bank jointly with the Stephens, Inc.

Mr. SOUDER. And that Lippo had interests with Stephens. Let me not get diverted in Stephens for a second. But you represent their Asian interests.

Did that include Indonesia?

Mr. HUANG. No. I represent for the Worthen Bank as a Far East representative when I was in Hong Kong.

Mr. SOUDER. Did that include Indonesia?

Mr. HUANG. No.

Mr. SOUDER. Far East. When you say "Far East" in Hong Kong.

Mr. HUANG. I was the representative in the Worthen Bank for Far East area.



Mr. SOUDER. And by Far East, in definition, it would have included Indonesia?

Mr. HUANG. That's right. Indonesia, Hong Kong, China, whatever.

Mr. SOUDER. And in those Far Eastern interests, at any time was that related to coal?

Mr. HUANG. No.

Mr. SOUDER. So coal never came up as an interest to any of the people?

Mr. HUANG. No, sir.

Mr. SOUDER. Did you know or did you ever hear that Mr. Hubbell, who worked at the Rose law firm at that time, and you said he represented some of Lippo interests, whether he ever had anything to do with the Lippo interests in coal? Because as Mr. Waxman pointed out and you said earlier, it does not appear there were active coal mining interests at the time of the Escalante decision but that Lippo had interests that were relevantly, we do not know whether they were dormant, in other words, they could not get access to their land and they were just a holding company at this point, or whether they had sold them off it would be interesting to know.

But what we do know is that in this earlier period when you worked with Worthen Bank and when Mr. Hubbell did, that there were interests in coal.

Do you know whether Mr. Hubbell had anything to do with those interests?

Mr. HUANG. I do not know.

Mr. SOUDER. So this is something that I still find disturbing, but I appreciated your answering those questions because many Americans were trying and still are trying to figure out how all of a sudden we wind up with this huge national monument, much of which is clearly environmentally precious area that would be protected, but a lot of it was pretty marginal and when, in fact, we had major United States resources pulled off the market and the primary beneficiary is Indonesia. And we would still like to figure out how that happened. Whether or not it was Mr. Riady, it may have been other interests, as well. So thank you for your responses.

Mr. HUANG. Thank you, Mr. Souder.

Mr. BURTON. Mr. LaTourette.

Mr. LATOURETTE. Thank you, Mr. Chairman.

Mr. Huang, I have some questions about Pauline Kanchanalak. Before I ask those questions, I want to report to my friend, Mr. Waxman, that during one of the breaks I called my office about Mr. Solomon's 302s and when I told them staff reception Rayburn, mid-thirties, dark hair, they said that if he was also wearing a Navy blue suit they think they know who he is.

I have a couple of observations that I would make about Pauline Kanchanalak. She was at, as we already established, at the head table at the event on February 19 that we have talked a lot about. I want to focus on another date, June 18, 1996, a coffee, one of the infamous coffees at the White House. And Pauline Kanchanalak was in fact involved with the coffee on June 18, 1996, at the White House, was she not?

Mr. HUANG. That's correct, sir.

Mr. LATOURETTE. And did you arrange and work with her on June 18th in preparation for that coffee fundraising event?

Mr. HUANG. I did work with her, yes.

Mr. LATOURETTE. Exhibit 441, if you could flip in your programs to 441, is a briefing paper for the President of the United States prepared, by I suppose, the Democratic National Committee. It is dated June 6, 1996. I would ask if you helped prepare this briefing paper as part of your role at the Democratic National Committee?

[Exhibit 441 follows:]

**DEMOCRATIC NATIONAL  
COMMITTEE BUDGET/  
FUNDRAISING  
PRESENTATION TO THE  
PRESIDENT ON 6 JUNE  
1996**



CGRO-1771  
Req. 2/3/97



Mr. HUANG. Exhibit 441, sir?

Mr. LATOURETTE. Exhibit 441, right. I think I have the number right.

Mr. HUANG. Yes, I'm looking at it right now.

Mr. LATOURETTE. That's fine. Take your time. Did you help prepare that document?

Mr. HUANG. No.

Mr. LATOURETTE. Do you know who did prepare it?

Mr. HUANG. Excuse me, Congressman. Are you talking about exhibit 441, the following page of 441, the chart, right?

Mr. LATOURETTE. The chart.

Mr. HUANG. I did not prepare 441.

Mr. LATOURETTE. The document 441, regardless of who prepared it, projects that the coffee to be held on June 18, 1996, would bring in an estimated \$400,000. Do you see that?

Mr. HUANG. That's correct.

Mr. LATOURETTE. Do you know how that projected figure was determined?

Mr. HUANG. This is not the first coffee event that the DNC had. DNC had quite a few—I shouldn't say many—quite a few coffees previously. Essentially, through those events, they were trying to inspire some people to come in and have a chance to have a meeting with the Chief Executive of the country or Vice President and hopefully we can inspire these people to later on make contribution. But generally for those kind of events they would target—the target, hopefully, after these coffees they can raise approximately \$500,000.

Mr. LATOURETTE. But in particular, when they were talking about this, and I understand the purpose behind the coffees, but somebody said, you know, like any fundraising event they say, we hope to raise \$1,000 or \$5,000. Somebody thought that you could raise \$400,000 at the June 18th coffee or the \$400,000 could be realized for the campaign as a result of the contacts made at the coffee. I am asking you how that figure was determined. Do you know?

Mr. HUANG. Yes, I do.

Mr. LATOURETTE. Why don't you tell us.

Mr. HUANG. This was Ms. Kanchanalak, she would like to have a coffee. She said she would like to, you know, raise this amount of money.

Mr. LATOURETTE. And then so that figure came from Pauline Kanchanalak?

Mr. HUANG. It is her idea she wanted to have coffee and somehow she knew about roughly doing coffees how much she was willing to raise that kind of money.

Mr. LATOURETTE. As we already established, as a result of her attendance at the event in February, you had a misimpression as to her immigration status or citizen status at this period of time, right?

Mr. HUANG. In fact, the impression was way earlier back in 1992 when first time I met with her.

Mr. LATOURETTE. Today, as we sit here in Washington, you know that in 1996 she was not a citizen of the United States?

Mr. HUANG. That's correct.

Mr. LATOURETTE. Nor a green card recipient?

Mr. HUANG. That is correct.

Mr. LATOURETTE. Now, Richard Sullivan already testified and he testified that originally at this coffee there were only eight invitees or eight people to be in attendance at this coffee on June 18th: President Clinton; yourself; Donald Fowler, who is the chairman of the Democratic National Committee; Marvin Rosen, who was the finance chairman; Pauline Kanchanalak; and then three additional individuals, Khun Dhanin, Khun Sumet, and Khun Sarasin I believe.

Does that fit with your recollection? Is that true?

Mr. HUANG. That is correct.

Mr. LATOURETTE. That is a pretty small group. That was the original group that was to be present?

Mr. HUANG. That was not original group to be present.

Mr. LATOURETTE. That was?

Mr. HUANG. Was not.

Mr. LATOURETTE. Who else was going to come?

Mr. HUANG. Apparently when we planned this kind of event you supposedly have a target, potential guest list being presented. So originally I think few weeks, maybe a couple weeks earlier, maybe even 3 weeks earlier there was a list. I request Pauline to come up. I believe she faxed to me. That list of the names is different from the final names on the list who actually attended that coffee event.

Mr. LATOURETTE. Right, more people eventually attended than I just read to you. But my question was, Mr. Sullivan testified that, and we are going to get into why more people eventually showed up, but it was his recollection that this was the group that was originally going to be there and then some people had some questions and concerns about it when they said, yikes, other than DNC officials, there is not a U.S. citizen in the batch. And so I am asking you if that is true or not. Is Mr. Sullivan's recollection correct based upon your own?

Mr. HUANG. He did not really express that to me. I am going to go back to why I am saying original list is important. Original list was involving quite a lot of American businessmen. Ms. Kanchanalak was also involved in United States-Thai and business counsel so we had a lot of members coming from American side. Apparently she had the intention to invite some of those members on American side to attend. The lists were coming down, some of the guests you just mentioned, the names are very long, I could not even pronounce them right at this time.

Mr. LATOURETTE. Again, going to Mr. Sullivan, and for the record, who is Richard Sullivan?

Mr. HUANG. He was the director of finance at DNC.

Mr. LATOURETTE. According to Mr. Sullivan's deposition that he delivered over to the Senate, he stated that he grew concerned that the Kanchanalak coffee, and apparently was it ever known as the Kanchanalak coffee this June 18th event? Did people start calling it the Kanchanalak coffee as opposed to the coffee at the White House?

Mr. HUANG. This is the first time I heard that it called Kanchanalak coffee.

Mr. LATOURETTE. OK. Well, he indicated in his deposition that he was concerned, he grew concerned that Kanchanalak intended to invite only her foreign clients to the June 18 coffee.

Did anyone mention that concern to you?

Mr. HUANG. I don't recall that, no.

Mr. LATOURETTE. He also indicated to you that he expressed concern to you, this is Mr. Sullivan talking again, about Kanchanalak using the coffee for an improper purpose by inviting only foreign businessmen.

Do you recall Mr. Sullivan telling you that?

Mr. HUANG. I do not recall that, no.

Mr. LATOURETTE. Is it true, based upon your remembrance of this particular fundraising event, that Kanchanalak was in fact using the coffee for an improper purpose?

Mr. HUANG. At the time, no.

Mr. LATOURETTE. Do you believe so today based upon what you know? Or what are you telling, at the time you did not think so but maybe you do now?

Mr. HUANG. At the time I did not think so.

Mr. LATOURETTE. How do you feel about it today?

Mr. HUANG. The reason, she was not eligible to give, so that's not proper already.

Mr. LATOURETTE. Mr. Sullivan testified also and I want to read you part of his deposition,

When John came up with a preliminary list of who she was going to bring, it included—the list was her and the three—the three people from Thailand. I said, John that's not—I recall saying, John, that's not what we're looking for. I don't want to get—I said, I would prefer, you know—I was thinking she was bringing in some people, fellow people, that she would be working with in fundraising, some people that might be potential donors, American citizens. We wanted potential donors and to tell her to at least to get some more American citizens, more potential donors, more people who are of greater use to us down the road.

Did he say that to you?

Mr. HUANG. If he did say that, I could not recall that, sir.

Mr. LATOURETTE. Mr. Sullivan indicated that not only did he say that to you but you said that the coffee was very, very important to Pauline Kanchanalak and that you and Kanchanalak were adamant about having the coffee and insisted that the CP group businesspersons be permitted to attend.

Is this true?

Mr. HUANG. Part of the statement what you are saying, the point you raised is like this, it is important to Pauline. Pauline did indicate to me this is going to be very important to her. But culturewise, I would not really, you know, go in the confrontational basis to anybody on that. Especially Pauline, you know, has records at that time to, you know, what was giving a lot of money in the past before.

Mr. LATOURETTE. Then that goes to the next point. Again Mr. Sullivan's deposition indicated that it is the only time that he can recall that you expressed some emotion about a particular event. And according to him you said something about the effect of,

You know, you know, Richard, Pauline has been a big contributor, a big supporter, and it goes back to Vick Rasier and Ron Brown and she is very high maintenance. She has been good to us and she is making—she is going to be good to us and help us in the fall. This is important to her and I feel strongly about it.

Does that pretty much fit with what you were just saying?

Mr. HUANG. May not be the exact language, but the meaning probably is that I did indicate the importance of Pauline.

Now, what I would like to supplement to the committee is, Pauline has been quoted by the DNC, other members of the finance committee, to come up with money, without much success. Pauline to me personally said, these people always want to give money and I don't get any benefit on that. So, therefore, that's how I was approached, she said, John, I want to work with you on that basis. This is how that happened.

That's why I was sort of advocating certain points on her behalf.

Mr. SHAYS [presiding]. The gentleman's time has expired.

Ms. Norton, it is nice to have you here. And you have 5 minutes and probably more if you would ask for it.

Ms. NORTON. Thank you very much, Mr. Chairman.

Mr. Huang, in the press—there have been indications made in the press about whether you had any agreement with people to violate or circumvent campaign rules and regulations. I am not sure I have seen that in any previous statements, so let me ask you straightforwardly.

Did you, in fact, have any conversation or meeting with Mr. Riady where the two of you discussed violating or circumventing campaign rules and regulations?

Mr. HUANG. Congresswoman, just a second, please.

Congresswoman, there was no specific discussion in that kind of language to say we're going to violate the rules or not.

Ms. NORTON. Or circumvent the rules?

Mr. HUANG. Or circumvent the rules.

Mr. SHAYS. Would the gentlelady yield just for the benefit of the gentleman, not to interrupt you.

But given your testimony so far, I just wondered if you want to reconsider your answer. Do you want time to just talk to your counsel on this issue? I just think it might give the wrong impression.

Ms. NORTON. If I could clarify my own question. Because much of what we believe we know about this matter comes from the press, and I am specifically concerned about whether you had any agreement with people to violate or circumvent campaign rules or regulations, as the press has implied.

I have looked at Mr. Huang's prior statements and I have not found that, and I want to know whether I have missed it or whether there was indeed any conversation or any meeting where there was a discussion of circumventing campaign rules and regulations.

You have been admonished to be careful. I am looking to see whether there was any such agreement between the two of you.

Mr. HUANG. Congresswoman—

Ms. NORTON. Let me make sure you understand. I am aware of what you have pleaded to. I am aware of your actions. We are trying to ascertain the extent to which Mr. Riady was involved in an agreement to circumvent campaign rules and regulations.

Mr. HUANG. To answer your question, Congresswoman, I plead guilty to agreeing to violating the rules. And also, I can do it, you know, it is about \$800 some thousand, maybe around that figure.



But there was never explicit use of the terms of what you have mentioned.

Ms. NORTON. If one looks at the Senate testimony from July 1997, a former Lippo Bank official testified that the Lippo Bank did not receive any benefits either financially or in the form of regulatory assistance.

Now, when you made political contributions, did you do so with the intention that the Lippo Bank or any other Lippo entity would receive favors or benefits as a result?

Mr. HUANG. Congresswoman, the contribution would benefit Lippo Group in general. Since Lippo Bank California is one of the units of the Lippo Group, certainly Lippo Bank get some sort of benefit. But I don't know. I can't specifically mention anything at this point, you know, what the bank was benefited right now.

Ms. NORTON. Thank you, Mr. Chairman.

Mr. BURTON [presiding]. Let me just take a couple minutes here for some questions.

You told us that you identified an additional \$700,000 or \$800,000 in illegal contributions to the Justice Department between 1992 and 1994; is that correct? I think you said it was in addition to the \$156,000 that you pled to, \$700,000 to \$800,00. Is that correct?

Mr. HUANG. That is correct, sir.

Mr. BURTON. Do you include in that total the \$450,000 that James and Aileen Riady gave to State parties in 1992?

Mr. HUANG. That is not.

Mr. BURTON. So in addition to \$700,000 to \$800,000, there is another \$450,000 that they gave to State parties?

Mr. HUANG. That's correct, yes.

Mr. BURTON. Those were illegal contributions, as well?

Mr. HUANG. At the time, Mr. Chairman, Mr. James Riady had the legal status in the United States as a PR, a green card, and so does Aileen Riady at that time.

Mr. BURTON. It is my information that Mr. Riady had not been a permanent resident of the United States for a couple of years in 1992, he had abandoned his residence, he was outside the country for at least 2 years or about 2 years.

Mr. HUANG. The only thing I can report, Mr. Chairman, is the knowledge I know is that Mr. Riady in 1992 he had a green card with him.

Mr. BURTON. Was he living in the United States?

Mr. HUANG. He had a residence.

Mr. BURTON. Was he living in the United States? According to the information we have, he had been living in Indonesia for about 2 years and had abandoned his residence by 1992 and was not living in the United States.

You were working for him. You must have known where he lived. He was not living in the United States.

Mr. HUANG. He was traveling back and forth. When he was in the United States, he would use his residence, though. That's the only thing I can answer to you.

Mr. BURTON. Where was his family?

Mr. HUANG. His family was traveling with him.

Mr. BURTON. So everybody lived on an airplane.

Mr. HUANG. No.

Mr. BURTON. Where did he spend most of his time?

Mr. HUANG. At that period of time he spent more time in Indonesia.

Mr. BURTON. So he was living in Indonesia, but when he came here, he was staying at a residence here?

Mr. HUANG. That is correct. But he also had a green card with him.

Mr. BURTON. I think we are splitting hairs here. The fact is that he was not a permanent resident of the United States.

Did the Justice Department tell you that they considered this \$450,000 in contributions he made to the State parties illegal?

Mr. HUANG. Mr. Chairman, to answer your question, they did ask about it, you know, and we also explained to them. I didn't believe they expressed an opinion on that.

Mr. BURTON. They did not express an opinion about whether or not it was illegal or not for him to give them money?

Mr. HUANG. That's right.

Mr. BURTON. Earlier you said that James Riady could not make contributions when you were at the DNC because he had abandoned his permanent residence, is that right, here in the United States?

Mr. HUANG. I did not ask him. He did not have any legal status, so there is no point.

Mr. BURTON. Did he still have that place he visited and stayed at when he came to the United States?

Mr. HUANG. I think the residence was still maintained, yes.

Mr. BURTON. So he still had the residence just like he did back in 1990 and 1991 and so forth when he flew back and forth. But now, once you are at the DNC, you are saying he did not have legal status?

Mr. HUANG. He did not have the green card.

Mr. BURTON. He gave his green card back?

Mr. HUANG. I believe so.

Mr. BURTON. I see. So that is the difference, he gave his green card back. But the fact is he has lived as a permanent resident since about 1990 in Indonesia, he just traveled back and forth.

Mr. HUANG. That's correct.

Mr. BURTON. So the \$450,000 that he gave to State parties was given when he had a green card but he was living in Indonesia?

Mr. HUANG. Most of the time, yes.

Mr. BURTON. I want to go into a number of questions, but I think what I will do now is yield to Mr. Shays because I want to get into the Hsi Lai Temple and the contributions that took place and that is going to be quite lengthy. And so I will go to Mr. Shays now.

Mr. SHAYS. Mr. Huang, I just want to clarify something I did not think we needed to go over but I want to be somewhat specific. I mean, the sense I had with you, without going into every bloody detail, was that you had decided to find a way to have Mr. Riady carry out on his million dollar contribution effort to the President. So now I want to ask you some specific questions. Because my view to the questions I asked was I asked was this a team effort and you said yes.

Did you inform James Riady of every contribution made on behalf of the Lippo Group?

Mr. HUANG. During 1992—

Mr. SHAYS. 1993 and 1994, yeah.

Mr. HUANG. I'm trying to answer. 1994, for instance, there is a Lippo executive who made a contribution, or I solicited from them to give a check to me. I did have on occasion to mention to him, say each and every individual.

Mr. SHAYS. How did you do this?

Mr. HUANG. Through phone.

Mr. SHAYS. Did you provide Mr. Riady with precise information on each contributor?

Mr. HUANG. Yes, I did.

Mr. SHAYS. Did you tell the Justice Department that James Riady had enough time to write down all of the information on each contribution?

Mr. HUANG. Yes, I did.

Mr. SHAYS. Did Mr. Riady record all the information you gave him?

Mr. HUANG. As far as I understand. But he was on the other side of the phone and I did not see him.

Mr. SHAYS. Does this apply to all Lippo-related contributions in 1992, 1993, and 1994?

Mr. HUANG. Basically, you're correct on that, sir.

Mr. SHAYS. So the bottom line is both of you were working together to find a way to have them carry out this pledge and you worked hand-in-hand in this effort. That is true, isn't it?

Mr. HUANG. Yes. He was aware of what I was doing, yes.

Mr. SHAYS. And he had to implement what you were doing and he had to make sure those individuals were reimbursed; isn't that correct?

Mr. HUANG. To affirmatively answer to some of the people, I know they were reimbursed. But some of the people I did not know, but I assumed they were.

Mr. SHAYS. You assumed they were and that was the basis. I thank you.

Mr. Chairman, I yield back.

Mr. BURTON. Let me ask a couple of questions here, unless are you ready for more questioning, Mr. Souder?

Mr. SOUDER. Yes. But you can go ahead.

Mr. WAXMAN. Mr. Chairman, you indicated you had questions that were going to be somewhat lengthy on the Hsi Lai Temple.

Mr. BURTON. Yes. I think I'll defer on those until tomorrow.

Mr. WAXMAN. I was going to suggest that if you could ask those questions now, we can get those questions on the record. Mr. Huang has been here, I think it has been 11 hours, maybe 12 by the time you are finished with those questions; and I think he answered almost everything that anybody could think to ask him. But I am sure there are other questions. Maybe we could then submit questions in writing and have him respond for the record. He did say he is testifying next week again in Los Angeles on this matter.

Mr. BURTON. No.

Mr. WAXMAN. But it seems to me that—

Mr. BURTON. We have waited 3 years for Mr. Huang and we are going to complete the questioning tomorrow or Saturday. We are going to try to get it all done. We need these questions answered as thoroughly as possible for the record. And then after we get these answers for the record, we are going to go over them with a fine-tooth comb and check them against other things. So we do not want to do it in writing. We want to do it in a very thorough and meticulous way. So we are going to proceed.

Let me take 5 minutes now, unless there is objection.

Mr. Huang, we were talking about your severance package some time ago. Did that cover all your political contributions for you and your wife in 1994? I believe you said yes.

Mr. HUANG. I did say yes.

Mr. BURTON. How much did it cost you to maintain your two homes in California?

Mr. HUANG. It varies because I had variable mortgage rates.

Mr. BURTON. I know. But give me a rough idea each year how much you had to pay to maintain those homes in California.

Mr. HUANG. Anywhere from, monthly, probably between \$8,000 and \$10,000.

Mr. BURTON. Well, the records we have say you said it cost \$137,000 per year to maintain the homes. Is that about right?

Mr. HUANG. Including other maintenance and expenses, probably that's correct, yes.

Mr. BURTON. Your salary was \$127,000 a year. How did you do that?

Mr. HUANG. To answer the question, you have to give me a little time to give you some background on this. If you allow me to do that.

Mr. BURTON. Yes, go ahead.

Mr. HUANG. The two houses actually I had the chance to own in the concurrent time did not start until the latter part of 1989 and forwards until last year. To understand that, we have to go back to how I got involved in those two houses in the first place.

As I reported to the committee, I was working in Hong Kong between 1983, and actually my family stayed all the way through 1987, although in 1986 I was working in the United States. Being No. 1, being in the United States for all these years, I really appreciate the country offering me the opportunities. I got married and worked and also had to save some money and also invest some money in the stock market, have a little savings there before I went to Hong Kong.

Now, the law allow, if I understand correctly, when people working overseas the income up to, say, \$70,000 or \$75,000 would be totally tax exempt. So I enjoyed that kind of benefit. Working during that period of time, virtually the rent for the apartment in Hong Kong was paid for by the corporate entity and the school expenses for the children also being paid by the corporate entity. And also there is a car involved. And even that, my wife and I did not really chose to hire maid, we were working for ourselves.

So, basically, in that period of time, most of the income was captured as a saving basis, did not really go to a lot of expenses, like most of the time like when we living in the United States, you know, pay a lot of things.

Mr. BURTON. So how much did you save?

Mr. HUANG. Between \$70,000 and \$75,000. Very easily that amount was paid during that period of time probably go over \$200 some thousand. Now, in 1987 when I brought my family back here, that was the tail end in California of the real estate boom. We have a Congressman here from California who can probably testify to that as well. I took the opportunity to take some risks at that time.

For instance, the first home we got was in Cerritos in 1987. I believe I put in something like \$70,000 or maybe even \$90,000 as a down, and I borrowed the money for the remaining of the house of \$393,000 plus some closing cost expenses. That's small relatively.

And in the meantime we found out in the Cerritos area where we lived, although very nice, but I was working basically in Chinatown, downtown in Los Angeles, and the commuting time was quite horrendous. So we were looking for someplace a little bit closer to where I was working at that time. So we had to have a place to live. So we liked Cerritos, the environment was good, so we bought a home.

At the same time, my wife and I was using the remaining of the savings or at least a part of the savings to find out that in the Glendale location there was a new development over there. We were talking to the sales agent at one time, and next thing we know the price had gone up \$20,000 or \$30,000. So we got a message on that. So we took a very big gamble and say we probably like to live in the Glendale area because from there to downtown is only about 15 minutes driving and the area is very near, it is a mountain area. So we used the money to put a contract to construct two homes in the concurrent time.

One was the city view, the much better. The other one was with a mountain view. Because we did not know which one in the end we were going to live in. So by the time the house was finished, we decided we would put our Cerritos home, which I bought at about \$393,000, on the market and I sold for over \$555,000 in less than 1 year time.

And in the meantime, the two contracts I did put in those two houses being constructed in Glendale, the contract price, one was \$595,000 and the other one was \$599,000. And finally we decide to sell one of the house and we decide to live in one. And we put that house on the market. I believe we sold in a few months for about \$840 some thousand.

So through this combination of things, there would be money stashed away for us and I was very fortunate at the time on that.

Mr. BURTON. So when you went to the Department of Commerce and you were making around, what, \$60,000 or \$70,000, how much were you making at the Department of Commerce?

Mr. HUANG. In the Commerce Department I was making close to \$110,000, \$120,000.

Mr. BURTON. \$120,000.

Mr. HUANG. Right.

Mr. Chairman, I did not really finish what I was trying to say.

Mr. BURTON. I think we have the general idea. But go ahead if you would like to finish.

Mr. HUANG. Yeah. And I also call the sort of the human nature, I thought this was going to continue moving forward. I sold one

house already. I had more money. They were selling the last lot in the development area. So my wife said, Why don't we get that one? Hopefully, by the time we are finished with that one, we can decide. That one has larger, city view. Also smaller one is city view was \$800 some thousand already. So I want to get into that one. I will hope when I finish we can sell one of them and get more profit on that basis.

Then we got caught and the boom ended. With all the intention of only own one house, but at that time we ended up with two houses. Now you go into the weakness of human nature. You say, well next year it is going to be better. Next year it is going to be better. But next year never came for a period of time.

Yet I was traveling, doing all different things. When I got the final home when I was working in New York, was traveling back and forth, I never had time to take care of that. In the meantime, you always hope the best, next year is going to come better.

So, basically, from that time, all the money I was making I decide to get it back because you have to carry those two houses. As you mentioned, it is not really cheap to maintain those two houses.

Mr. BURTON. So when you went to the DNC, you were making, what, about \$60,000 a year?

Mr. HUANG. That's correct.

Mr. BURTON. You went from \$110,000 down to \$60,000. And you have been maintaining two homes at about \$137,000 a year. Now you're living off the money you made from those previously; is that what you're saying?

Mr. HUANG. This is not true. Part of the moneys are being used, maybe still have residual moneys. But the key point is the help came in from the severance pay, remember, in 1994 I got from the Lippo Group?

Mr. BURTON. Yes.

Mr. HUANG. That was about another \$240,000 or \$250,000 coming in. That gave me the breathing room for the following few years. So that carried on for a few more years until 1996. Because I think the campaign at the DNC is only for a short period of time. Afterwards I either going to find another job or go back to the government or whatever it is. Then my financial condition will be restored on the normal basis and I can carry on on a normal basis.

But this thing erupt, so I was functionally unemployable during the past few years. The crunch time really came in 1998. And I have to be very truthful to you, I virtually had to borrow money from people. And then when you really made a determination, luckily the real estate market start gradually turning around a little bit.

So in 1998, exactly about a year and month ago, we sold the house and did not lose money. We were able to get all of our equity back. And also I sold another investment which my wife and I were carrying when we were living in D.C. area back in the seventies, sold one of the rental homes as well. We were using those kind of money to pay off the debts and pay off my living expenses, legal expenses. That's how it become.

Mr. BURTON. All of the bonuses that you received, the \$20,000 this year or the money—you got \$20,000 from the Riadys, I guess this year in 1999, and \$18,000 last year; is that correct?

Mr. HUANG. That is not a bonus. That is a gift.

Mr. BURTON. Did you get any other gifts or bonuses like that?

Mr. HUANG. During this couple years, sir?

Mr. BURTON. Well, in the last several years.

Mr. HUANG. I didn't recall anyone else giving money.

Mr. BURTON. On the bonuses you received from the Lippo Group, the Riadys, you said sometimes you got money in cash from some people, the \$18,000, \$20,000, did you report all of that on your income taxes?

Mr. HUANG. No, that was a gift. It was not a bonus, sir. In other words, the gifts to—in other words, as far as I learn, you know, I am entitled to receive gifts of less than \$10,000 without even reporting anything.

Mr. BURTON. And you do not pay taxes on that?

Mr. HUANG. That is correct.

Mr. BURTON. Did you borrow any money from Mr. Riady?

Mr. HUANG. No, I did not borrow from him.

Mr. BURTON. Those gifts were \$20,000, you said, and \$18,000?

Mr. HUANG. In different years.

Mr. BURTON. In different years. And you said if it is under \$10,000 you don't have to report it?

Mr. HUANG. For two persons, one for my wife, for each person. Actually, the money went to my wife did not come to me, but I am reporting it because I consider my wife is part of me, and so I just mention to you, sir.

Mr. BURTON. Mr. Souder.

Mr. SOUDER. As is always true, when people abuse power higher up and people along the road wind up abusing power, too, there is really sad family tragedies.

I think one of the things that touched me most in all these hearings, I was talking 1 day to Johnny Chung in between some meetings and he told how he would go down to the pier in San Diego and always loved to fish there with his son, but after this broke, he could not go there because the media was there; and one of the things that he missed most was being able to fish with his son.

He also said that all the people that used to welcome him over at the White House and Mrs. Clinton's office and other places, he said, they don't consider me a friend anymore.

Those are tough times. It happened in Watergate, too, when there were tons of people who lost everything they had, some of whom were marginal players, some of whom were bigger players, and some of whom really deserved what happened to them.

I do not know for sure where all you fall, but I am sorry for your personal struggles.

Mr. HUANG. Well, I thank you for bringing up, Mr. Souder. In fact, my lawyer didn't even know when this so-called treason thing came up. And my son received a call. Somebody called and said something, that apparently treason is death by hanging, you know, just openly spoke through the phone. And my son told me very nervously on that basis.

Certain thing it did happen. If I'm allowed to make a few points here, more personal things, I never proclaimed that life is going to be fair and people are going to be fair, all life is going to be smooth.

If I did not come to work in the government and did not come to work for DNC, probably I working for other profession. I will meet other challenges, as well. The key when we face the challenges, we have to honestly to the best of ourselves to face the challenge and then get it over with. That would be one event in your life. Because the event is not going to last you for life because you have many more years to go in your life. Hopefully you can get it over with as quickly as possible.

This is the thing, that's the attitude I'm taking. Certainly I was sorry. I made a mistake. I create a lot of notoriety. I caused a lot of pain for a lot of people. But I did it, so I'm trying to correct it as much as I can on that basis.

Mr. SOUDER. One of the things that I hope you understand, too, is that it is not always comfortable being in our position in trying to get to this. But there are a number of issues that we are at the edges of here. The most probably significant thing to the United States of America is the fact that, for whatever reason, incompetence, virtual slobbering over increased trade to China, and possible decisions that were made inside this administration that may have been influenced by money, have potentially lost every nuclear secret we have in this country; and my son and my children could die because of that.

So in addition to whatever problems you have and the individuals that get involved in these investigations, in fact, somewhere along the line all of our families have been put at risk.

Furthermore, when decisions are unilaterally made by an administration regarding coal policy, and they take other people's assets who invested much money in these companies and hoped to do that; in addition there are many people involved who were following laws on political campaigns and they try to run campaigns and that leads to employment for different people and they may have lost their jobs.

There are lots of different stories. But I think, I myself am a Christian, and I think anybody whose heart does not go out to you as an individual is insensitive. But there are, I think, larger questions that we need to pursue.

Mr. HUANG. Right. I fully agree with you, you know, Congressman. That's why I'm here and hopefully can make a satisfactory conclusion afterwards.

Mr. SOUDER. Well, thank you.

I now have another series of questions and they relate to what we referred to a couple of times as the Wiriadinata contributions. And I apologize if I mispronounce it. But I get called at least half the time Sooder rather than Souder. My name is not as complicated, but we all do that. I will do the best I can. If I make any errors, please forgive me.

Could you explain how you met them?

Mr. HUANG. I met the—let me call the first name, probably be easier because the last name is very long. Would you agree? Would that be OK with you?

I think the man's name is Arief and the wife's name is Soraya. So it is much shorter and easier.

The first time I met with the couple was in the summer of 1994, not too far after I joined the Commerce Department.



Soraya's father is Mr. Hasjim Ning, as you know very well already. Apparently he travel around the world very, very regularly. And he has got daughters here in Virginia in addition to Soraya. I have learned other daughters are coming from different mother from the other two sisters living in this neighborhood.

The summer Mr. Hasjim Ning suffered a heart attack. So he immediately went to the hospital. So out of that kind of concern, and I happened to be here in Washington, and so I was contacted indirectly or directly by Mr. Riady, indicating would I could extend some courtesy to visit to Mr. Hasjim Ning on that basis. Besides, I met Mr. Hasjim Ning during some kind of group kind of meeting back in Indonesia.

So in the hospital, that was the first time I met with the couple.

Mr. WAXMAN. Mr. Chairman, I would like to give the gentleman an additional 5 minutes to pursue his investigation.

Mr. BURTON. Without objection.

Mr. SOUDER. Could you look at exhibit No. 210? This is a letter from President Clinton to Dr. Ning. Did you request that letter?

[Exhibit 210 follows:]

10/11/96 FRI 19:50 FAX

002

June 19, 1995

Dr. Hasim Nig  
Alexandria, Virginia

Dear Hasim:

I was so sorry to learn of your health  
problems. You are in my thoughts and prayers  
during this difficult time.

Sincerely,

*A*  
**BILL CLINTON**

BC/MS/SK/ws (Corres. #2299301)  
P-102

DO NOT MAIL  
RETURN TO: Yusuf Khapra, 174 OEOB

*Handwritten mark*

F 0033816

EXHIBIT  
210

Mr. HUANG. I did not request that letter.

Mr. SOUDER. Did Mr. Riady request the letter? Do you know who requested the letter?

Mr. HUANG. I don't know whether that was Mr. Riady's suggestion, let me go straightforward—straight suggestion to Mr. Mark Middleton. Hopefully he might be able to get something like this to show some gesture to make him feel better on that.

Mr. SOUDER. So you were approached by Mr. Middleton.

On exhibit 211 there is a letter from Dr. Ning to President Clinton. This is dated September 5th.

Do you know how long Dr. Ning took in recovering?

[Exhibit 211 follows:]

10/11/06 FRI 19:30 FAX

200

**DR. H.M.N.M. HASJIM NING**

September 05, 1995

*To  
John*

The Honorable  
President Bill Clinton  
The White House  
Washington D.C.  
U S A

Dear Mr. President.

It is so thoughtful of you to think about me when I was recovering from the surgery in Washington D.C. three months ago. I thank you for your prayers and concern. I also thank you for sending Mr. Mark Middleton to visit me at that time.

I want you to know that my recovery is progressing rather well, to the extent that the doctor allowed me to travel all the way back to Jakarta, Indonesia last week.

I look forward to the opportunity to meeting you in person at a future opportunity and certainly wish you continued success with all your programmes.

May God bless you and your family.

Yours sincerely..



DR. HMNM HASJIM NING



||||| DNC 1227205

Mr. HUANG. I am not sure he really recovered. He was constantly a little bit better and then worse, that kind of situation. But he was here for quite a few months.

Mr. SOUDER. And in the letter it says it thanked the President for Mr. Middleton's visit.

Were you with Mr. Middleton when he visited the hospital?

Mr. HUANG. Yes, we did.

Mr. SOUDER. Anyone else with the two of you?

Mr. HUANG. No, just Middleton and himself and myself.

Mr. SOUDER. Do you know whether the President requested Mr. Middleton to go?

Mr. HUANG. I didn't believe that was the case; no, sir.

Mr. SOUDER. Did you or anyone else make an effort to have Vice President Gore visit the hospital?

Mr. HUANG. No.

Mr. SOUDER. In exhibit 212, it is a November 8, 1995 letter from President Clinton to Dr. Ning sent to Mark Middleton—do you know why it was sent to Mr. Middleton?

[Exhibit 212 follows:]

10/11/88 FRI 19:30 FAX

2004

November 8, 1995

Dr. H.M.W.M. Hasjim Ning  
Jakarta  
INDONESIA

Dear Hasjim:

I was pleased to get the encouraging news about your health. You have been in my thoughts, and Hillary joins me in sending best wishes for your continued recovery.

**BILL CLINTON** A

Sincerely,

BC/JPD/JB/JRS;/ckb (Corres. #2550797)  
(ll.ning.h)

SENT TO:  
✓ Mr. Mark Middleton  
Comarca Corporation  
Suite 560  
1455 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004

881118

EXHIBIT  
212

DNC 1227206

Mr. HUANG. I do not know. This is the first time I have seen this letter, though.

Mr. SOUDER. How often did you see Soraya and Arief in between the time Dr. Ning fell ill and the November 2nd fundraising event? Did you see them very often?

Mr. HUANG. No, I did not. But we met a few times, yes. And occasionally, Congressman, as I mentioned to you, my home was in L.A., there is a large Indonesian community over there as well. Occasionally I brought in for them some Indonesian food. Because the family member was here, they flew in, I think wife of Mr. Ning was here.

Mr. SOUDER. Had you visited their home before?

Mr. HUANG. No, I did not.

Mr. SOUDER. Did you know what their careers were or what their jobs were?

Mr. HUANG. You are talking about Arief? I did not know for sure his exact job. But he received a master's degree from the University of Pennsylvania and he was planning to set up a business in California.

Mr. SOUDER. Did they seem very wealthy?

Mr. HUANG. Yes.

Mr. SOUDER. Or just kind of more middle class?

Mr. HUANG. No, for themselves it is not, you can't really judge from the outside. But I do know deep down in back of my head the family is very, very wealthy.

Mr. SOUDER. Because of Soraya's parents, or how would you know that?

Mr. HUANG. Soraya's parents, yes.

Mr. SOUDER. But you did not know whether they actually had that money, you just knew that she was potentially going to inherit that money?

Mr. HUANG. Sort of over your life you sort of develop some kind of judgment. Now the real judgment is correct or not correct, that's another story. But the impression, the family is very well off. The kids always have money.

Mr. SOUDER. By "very well off," do you mean like millionaires?

Mr. HUANG. Definitely in that range, yes.

Mr. SOUDER. But then they were living in a townhouse at the time. Do you know why they had been living in a townhouse if they were millionaires?

Mr. HUANG. I don't know. I don't know. You know, by where they are living and what kind of car they are driving, really sometimes it is not much barrier to the wealth of the person, though.

Mr. SOUDER. Because—this is important—because they put a lot of money into the campaign; and the question was, was that their money or not their money? And that is kind of where I am headed with some of my questions. So I am trying to establish what you knew and what you suspect.

Mr. HUANG. Sure.

Mr. SOUDER. Are you aware of the statements that they made in the Senate reports on campaign finance?

Mr. HUANG. I am not aware of that, no.

Mr. SOUDER. That they made it clear that you directed all of their political contributions, and that they—Arief acknowledged

that your solicitations began in 1995 when you were still a Commerce official. It goes on to state, "Arief acknowledged that your solicitations began in 1995, when you were still a Commerce official." It goes on to state, "Arief recounted that long-solicited November 9, 1995 contributions in connection with the Washington, DC, fundraising event." Do you believe those are accurate statements?

Mr. HUANG. That is correct, starting from that time.

Mr. SOUDER. Were you aware that they were given a large amount of money in early 1995 by Dr. Ning?

Mr. HUANG. By Dr. Ning?

Mr. SOUDER. Yes.

Mr. HUANG. I was not aware of Dr. Ning ever give money, no.

Mr. SOUDER. No, that the Wiriadinatas were given a large amount of money from Dr. Ning? You were not aware of that?

Mr. HUANG. I was not aware of that, no.

Mr. SOUDER. Mr. Chairman, may I have additional time to finish?

Mr. BURTON. Without objection. He wants 5 more minutes.

Mr. WAXMAN. OK.

Mr. BURTON. Without objection, so ordered.

Mr. SOUDER. On November 2, 1995, the day of Vice President Gore's fundraiser, they opened up a bank account, and Dr. Ning wired each of them \$250,000 that day for that bank account. Then they wrote their checks to the Democratic National Committee 6 days later, the day after the wire transfer came in.

So, in other words, he wired them each \$250,000, they opened up a bank account on November 7th. The transfer of \$250,000 each came in on November 7th. On November 8th, they wrote the fundraising check.

Were you aware that they needed to get the funds to contribute from Mr. Ning?

[Discussion off the record.]

Mr. HUANG. Congressman Souder, I have seen some of these records that you mentioned about, but in my mind, you know, I never had a thought that it was Dr. Ning's money, you know. I always felt that was their resources.

Mr. SOUDER. Because what they did wasn't legal.

Did you ever speak to Mr. Riady about their contributions? Did you ever have any discussions about what the Wiriadinatas were doing?

Mr. HUANG. Excuse me a second.

[Discussion off the record.]

Mr. HUANG. Congressman, first of all, I did nothing that was illegal for their contribution on that. They were coming to me the through the recommendation of Mr. Riady on that.

Mr. SOUDER. So after they gave the money, did you ever talk to him about the contributions? Did you ever discuss how they were helping and where the money—not necessarily where the money came from, but just about the contributions?

Mr. HUANG. I believe Mr. Riady knew about—knew that you know, they were making contributions, so I did not report it and say well, has made how many thousand-dollar contribution today, the next day is \$25,000. It was not under that kind of a situation.



Mr. SOUDER. I probably should have asked this earlier for the record. Could you explain the relationship between Dr. Ning and Mr. Riady?

Mr. HUANG. They were—now, first of all, Dr. Ning was supposed to be categorized with Ford of Indonesia, just like our Ford Motor Co. here, meaning he is in the automotive business. I think he is probably a billionaire in my recollection on that. They have a bank, but I believe they have joint interest in the Lippo Bank in Jakarta. That is to the extent I know for a fact. For other interests, they might have other joint interests which I don't know.

Mr. SOUDER. So at a minimum, they had a joint interest in the Lippo Bank in that Dr. Ning and Mr. Riady were interrelated in Lippo?

Mr. HUANG. That is correct.

Mr. SOUDER. The Wiriadinatas were not on the list for attend Vice President Gore's fundraiser, yet it appears they did attend. Do you recollect that?

Mr. HUANG. They did attend, yes.

Mr. SOUDER. Could you look at exhibit 207, which is a photograph taken at the event, and that is them in the photograph, correct?

[Exhibit 207 follows.]



EXHIBIT  
207

Mr. HUANG. Yes.

Mr. SOUDER. Did you introduce them to the Vice President?

Mr. HUANG. I did. I was standing right next to the Vice President.

Mr. SOUDER. And you said earlier you contacted them about this event? You made the contact to them?

Mr. HUANG. To Arief and Soraya, yes, I did.

Mr. SOUDER. To this event. And you solicited them. So it was through you that they found out about the event.

In exhibits 208 and 209, the solicitor of the \$15,000 checks is your wife, is that correct? Because you were at the Department of Commerce at this time.

[Exhibits 208 and 209 follow:]

BRIEF W.A.S.I.N.A.S.A

11/02/95

88-750 540  
27051

DNL

\$ 15,000.00

Put this in the bank only

First Union National Bank  
of Virginia  
Springfield, VA

[Redacted area]

Check Tracking Form  
(All information must be provided before entry)

Name/Contact: ARIST W. ASINASA

Company/Employer \_\_\_\_\_

Name/Company Address (circle one) \_\_\_\_\_

City/State/Zip \_\_\_\_\_

Telephone: AS400

Work: 705/246-7670

Home \_\_\_\_\_

FAX: 705/415-0013

Alternate \_\_\_\_\_

Program:

MTR \_\_\_\_\_

TMB \_\_\_\_\_

DC

NFC \_\_\_\_\_

WLF \_\_\_\_\_

SC \_\_\_\_\_

LC \_\_\_\_\_

OTH \_\_\_\_\_

bank w/ Kenneth Wynn address

Lippo Land Ltd.  
711 West College St.  
Los Angeles, CA 90012

Event: ADAM CURE EVENT Source Code: ADAC

DNC Contact: MARCO Fundraiser Code: 85

Collector: JANE NUANS

Form Code: P01 \_\_\_ D00 P03 \_\_\_ PART P07 \_\_\_ CRIP P09 \_\_\_ DR P05 \_\_\_ F001  
(do not complete) P02 \_\_\_ PAC P04 \_\_\_ TRANS P08 \_\_\_ DRN P04 \_\_\_ MAXPAC

EXHIBIT

208

Confidential Information

DNC 1276337

SCRAYA WIKIADINATA

11/18/15 44-740,340  
27231

DNC  
Fiftenth thousand only : 1500000

FIRST UNION  
First Union National Bank  
of Virginia  
Springfield, VA

*[Handwritten signature]*

~~\_\_\_\_\_~~

Check Tracking Form  
(All information must be provided before entry)

Name/Contact SCRAYA WIKIADINATA  
Company/Employer \_\_\_\_\_  
Home/Company Address (circle one) \_\_\_\_\_  
City/State/Zip \_\_\_\_\_

*book w/ Kenneth Wynn address*  
Lippo Land Ltd.  
711 West College St.  
Los Angeles, CA 90012

Telephonic:  
Work \_\_\_\_\_  
Home \_\_\_\_\_  
FAX \_\_\_\_\_  
Alternate \_\_\_\_\_

Program:  
MTR \_\_\_\_\_  
TND \_\_\_\_\_  
DC  \_\_\_\_\_  
MPC \_\_\_\_\_  
WLF \_\_\_\_\_  
BC \_\_\_\_\_  
LC \_\_\_\_\_  
OTH \_\_\_\_\_

Event: Asian Conference Source Code: APAC  
DNC Contact: Morgan Fundraiser Code: 985  
Solicitor: Jane Huang

Form Code (do not complete) P01 \_\_\_ 000 P03 \_\_\_ PART P01 \_\_\_ COMP P03 \_\_\_ 000 P03 \_\_\_ P002  
P02 \_\_\_ PAC P04 \_\_\_ TRANS P02 \_\_\_ GEN P04 \_\_\_ MAXPAC

EXHIBIT  
209

Confidential Information

DNC 1276338

Mr. HUANG. Yes. They listed—my wife's name is on there, yes.

Mr. SOUDER. Did she ever talk to them about attending that event?

Mr. SOUDER. No.

Mr. SOUDER. Were you aware that—why did she get listed then?

Mr. HUANG. I did not—I do not know, but this issue is being discussed so many times over the last few years with various investigations. I did not know at that time.

Mr. SOUDER. The DNC contact is Mercer, correct?

Mr. HUANG. Yes. This says Mercer, yes.

Mr. SOUDER. OK. That is all the questions I have on that particular fundraiser. I have questions on the coffee fundraiser that will take some time. So at this point I will yield back unless you want me to continue on this.

Mr. WAXMAN. Mr. Chairman.

Mr. OSE [presiding]. Yes, sir.

Mr. WAXMAN. If I might be recognized.

Mr. OSE. The Chair recognizes the ranking member.

Mr. WAXMAN. Thank you. I haven't asked too many questions today because this is an opportunity for people to go into all of the issues in the campaign finance investigation. Mr. Burton indicated that he has been waiting for 3 years to have you here and he wants to pursue all of these things, and I think it is appropriate to pursue it. So I haven't really asked a lot of questions, and I thought that Mr. Souder's questions were very pertinent to the investigation.

But just sitting here, I just want to make an observation that is on my mind. Mr. Souder said, I don't want to be critical of him, but he said he is frustrated because the Chinese seem to have all of our nuclear secrets. There is just no information at all that links you in any way to the Chinese having nuclear secrets, and I asked you about those questions yesterday. You have said you have nothing to do with any of that. I know of no evidence that indicates that. We are looking at campaign finance violations that involve conduit contributions. A very serious matter, but I hate to say it, not a very unusual kind of practice among Democrats and Republicans. I wish we could put a stop to it and prosecute people who have violated the law as you have now had to own up to your violation of the law. That bothered me.

The second thing that sort of bothered me and I just want to say it is that I don't think it is the business of anybody to go into your real estate transactions and your personal life. I just don't see the relevance of that to anything. You have been here now almost close to 12 hours of questioning, and Mr. Burton says he still wants to continue on, and I gather we are scheduled tomorrow to ask more questions and you are going to testify next week in Los Angeles. I am not going to take my full time here; I just want to make these comments and express my feeling that I am troubled, I am just troubled to have to hear about things that I just don't think have anything to do with anything, whether it be your personal financial matters, those are personal. That is why they are called personal financial matters. If there is anything else that anybody has to say about matters that really genuinely concern the committee, then we ought to pursue those, and I think Members have generally

done that and you have responded well to those questions. But I am just troubled and wanted to share my feelings about it.

Mr. SHAYS. Will the gentleman yield?

Mr. WAXMAN. Sure.

Mr. SHAYS. I know you say it sincerely, but I just want to say to you that the reason why we are asking questions publicly is that you felt that it should be done publicly rather than by the committee in private, and then we would focus only on those areas that seemed the most pertinent. And the reason to check on houses or anything else is to understand the financial circumstances that makes this witness a credible witness or not. Is he vulnerable to gifts? Is he vulnerable to people who then make his testimony more questionable, and that is the purpose of it.

But in your letter you said, as you know in the past, many Members of our committee have expressed concerns about the practice of extensive questioning of witnesses in closed sessions. This is a letter you wrote to Mr. Burton. I share that concern and continue to believe that the committee and the American people will best be served by having Mr. Huang appear at a public hearing with no restrictions to the amount of questions he would face. Yet, you keep bringing up the number of hours we have been here. We are going to be here tomorrow. The bottom line is, we are going to fulfill the request of your letter. We might have had this hearing done in a day, if we could have had the committee be able to do some of the ground work first. So, we are here.

Mr. WAXMAN. Let me just comment, because this is on my time.

I wouldn't want this session to be behind closed doors in a deposition. I don't want Mr. Huang subjected to all of the hours that he has had to put himself through here to answer questions without the public having a chance to see the kinds of questions that are asked, and that is why I objected to the abuse that I thought has taken place by this committee in these closed-door depositions.

So we have him here, people can ask him questions, let the public, if they want to watch all of this, it is on C-SPAN, it is on the Internet, it is all public, and if I don't see the relevancy of Mr. Huang's real estate transactions, but if people do, they have a right to ask exactly those points. I just think that from my observation of having sat here all day and yesterday as well, and I will be here as long as we go with this event tomorrow, people have to ask—stick to what is really at issue. And I think most of the Members have, and I appreciate that. That is why I have not interrupted people and given unanimous consents for additional time for Members to pursue every possible lead that might be of some relevancy. But I just think that—I just think there is such a thing as government intruding in people's lives, and we are government. And we are sitting up here on the rafters of a committee room looking down at Mr. Huang. That is the way we structure the way Congress works. I think we have to be mindful of the fact that he is an individual whose personal life ought to be respected, unless it has some real, clear relevancy. Also, even if we are all concerned, as we are, about China having nuclear secrets, I don't think we ought to look at Mr. Huang and assume that he has something to do with it, just by looking at Mr. Huang.

Mr. SOUDER. Will the gentleman yield?

Mr. WAXMAN. I am going to yield back my time.  
I will yield to you, sure.

Mr. SOUDER. Before you referred to something that I said earlier, and I want to make it clear, I am uncomfortable first getting into some of the financial questions as well, although whenever you have these kinds of investigations, I mean there was certainly no reluctance, and I am not known as big defender of our former speaker, but I tell you, you talk about getting into finances and ripping somebody's personal record apart and then having it basically not be true, it has certainly happened. I am not saying the gentleman from California did, but partly, to get to truth, we had to see what kind of documents his firms were doing and got into his personal life and on the loans and so on, and that is part of what happens in an investigation, whether it is fair or not.

The second thing is that I have been very careful in what I have said today regarding Mr. Huang's involvement in China, because I don't think—we are in the process right now of trying to establish what he knew, what he heard at different meetings, and where it might have been, because it is clear that Chinese military money got to the United States. We don't know what that accomplished. And I just—I think it is important to point out, I am not—I don't believe we are at the point yet, and we may never get to the point, because it doesn't sound like he may have had the knowledge, but this is the fact. The Congress report, which was a unanimous report of Republicans and Democrats, has four pages with a picture of Mr. Huang referring to the Lippo Group in other things. It is a—I have not referred to it and others haven't, and quite frankly, we are not necessarily even rising to that level; we are trying to get to lower building blocks, but it is clear that it does have potential relevance to this, that according to this report, which was unanimous, there was classified information that was gone and that the concern is not so much what Mr. Huang necessarily did, but what others who he worked with, Charlie Trie, Mr. Riady and others who may, in fact, have been conduits with that.

So it isn't just some kind of a wild-eyed allegation that I made; I just said as a broad nature, this report, unanimous from both parties, raises that question.

Mr. WAXMAN. I have the highest regard for you, Mr. Souder, and I think the questions you have been asking are right on target. These are the kinds of questions that this kind of a hearing ought to go into in terms of the campaign finance issues, and I want to yield back my time to have Members continue their inquiry, although I think at some point we ought to let Mr. Huang have some time off and maybe, if we are coming back tomorrow—I would have hoped we would have finished today—we ought to end for the day at some point and in the not-too-distant timeframe so that we can give him a break. I think it is the humanitarian thing to do, and give ourselves a break too.

Mr. OSE. The Chair recognizes Mr. LaTourette.

Mr. SHAYS. Will the gentleman yield?

Mr. LATOURETTE. I will yield.

Mr. SHAYS. We planned to end at 5 at your request, so we are endings at 5, and I would just make a second point. I do have some gigantic disappointment that tomorrow, Mr. Huang, I am going to



have to ask you questions on security issues that I would rather have had to ask you privately, because I think some of it is unfair to have to ask you publicly. But this is the only way I am going to do it. And then I take some exception to then having my ranking member suggest that maybe this is inappropriate. This is campaign finance, and it is the question of security of our country. And you have been linked to it, and we should ask you questions about it, and you should answer questions about it, and we should give you every opportunity to respond to them. I suspect that maybe at the end of the day we will find our concerns were misplaced, and for you and our country, I hope that is the case. But we are going to get into that tomorrow. I am just going to say to you up front, I am sorry that we had to do it publicly, because I would have preferred to ask some of these questions privately because then I may have determined I didn't need to ask any of them.

Mr. WAXMAN. Will the gentleman yield to me?

Mr. SHAYS. No. I don't have the time. I yield back.

Mr. LATOURETTE. I am happy to yield.

Mr. WAXMAN. The fact is that Mr. Huang is answering these questions and he would have been posed these questions over the same length of time, because that is the intention of this committee, the majority of this committee, and if he is going to be subjected to that—it is my view, and we have a disagreement—let's let the American people see what kinds of questions he is going to be subjected to and let Members sit here.

You know, I showed up at some of those depositions. Most Members weren't there at those depositions. It was staff attorneys hour after hour after hour asking questions. And I pointed this out earlier, in those depositions, the Democrats weren't even allowed to ask any question whatsoever, our lawyers weren't allowed to ask any questions whatsoever because the Republican majority, which included Mr. Shays, voted to change the rules. They used to say there would be a half-hour on one side and then a half-hour on the other. They changed the rules to say that the Republicans could ask questions for 10 hours, and then if there is time left over, the Democrats could ask. So the rules of the depositions were unfair.

It strikes me that it is also unfair to subject people to almost a star chamber process where no one really knows what is being asked of them. Later, some time later depositions are released. But I think—I have been very impressed by your forthrightness and your demeanor, and no one would have been able to see that if it had been in a deposition. Most of the people who have been deposed by our committee lawyers never came before a committee for a public hearing, yet they went in one case 20 hours. Maybe you are going to match that, 20 hours of questioning.

Well, I want people who are watching this, and I don't know who would watch this long meeting, to think about having the Congress of the United States bring them in a room and make them answer questions about their real estate transactions, or their personal lives, or their drug use at different times in their lives, looking for something that might be related to an investigation on money that was given improperly. I don't want to minimize the business of abuse of the campaign laws, but I do think that at some point individual Americans can be abused. You are here with two lawyers,

you are paying for two lawyers. People who were very minor figures—you were a major figure in the conduit schemes involving the Democratic party, but I have seen people who had almost nothing to do with anything have to sit through 5 or 10 hours of questioning in a closed room, taking time off from work, paying for lawyers, and the public wouldn't even have the ability to know what was going on.

So maybe we have a disagreement, and obviously we do, but I think there is some value in letting the public see—whatever public may be watching this—this kind of proceeding.

Mr. LATOURETTE. I thank both Mr. Waxman and Mr. Shays for their observations on why we are here. Again, of the 161 people that were deposed, and as I said yesterday, it is my understanding none of them were part of the freeway in New Jersey or anything, they are all still with us.

So Mr. Huang, I would like to go back to asking questions—

Mr. WAXMAN. I ask unanimous consent that you be given the full time to ask questions, because you were so kind to both Mr. Shays and myself.

Mr. LATOURETTE. I thank you very much.

Mr. WAXMAN. Does the gentleman want 10 minutes?

Mr. LATOURETTE. Ten minutes would be a wonderful thing.

Mr. OSE [presiding]. Actually, Mr. Waxman, I think we only have 9 minutes. Is that agreeable?

Mr. LATOURETTE. You know what? I will take whatever you all want to give me.

Mr. OSE. The gentleman from Ohio is recognized for 9 minutes.

Mr. LATOURETTE. This is going to be great. Let's move back to some real estate that is within the public domain, and that's the White House. We were talking about a coffee that occurred there on June 18, 1996, and I asked you if it was referred to as the Kanchanalak coffee and you said you never heard it referred to as that. I was looking through some exhibits, and it was actually referred to as the John Huang coffee of June 18, 1996, in DNC documents, and so I guess I will call it the Huang coffee.

We were talking about Richard Sullivan from the DNC and the fact that he had at least indicated to the Senate and expressed some concerns that there weren't any U.S. citizens on the list coming to this original coffee. I read you some things that he said and asked you for reactions to things that he said you said. He indicated to, again, to the Senate that Pauline Kanchanalak reacted to his concerns that there weren't any U.S. citizens coming to this coffee by inviting two U.S. citizens to the coffee, Dr. Karl Jackson and Clarke Wallace.

Were you involved in the extending of an invitation to either of those gentlemen?

Mr. HUANG. No. That was totally as far as I know through Ms. Kanchanalak's initiation.

Mr. LATOURETTE. According to Mr. Wallace, he testified that a day or two before the coffee, you visited Ms. Kanchanalak at her office and after that meeting, Kanchanalak asked him, Clarke Wallace, to attend the coffee and told Wallace to inform Karl Jackson also of the U.S. TBC that he was invited to attend.

Were either of these individuals expected to make a contribution at the coffee, the June 18th coffee?

Mr. HUANG. In my mind, no.

Mr. LATOURETTE. As a matter of fact, Mr. Sullivan said he was concerned about the propriety, still concerned about the propriety of the Kanchanalak-Huang coffee, suspecting, correctly, as it turned out, that neither Karl Jackson nor Clarke Wallace would contribute to the DNC.

Mr. Sullivan further stated that he was so concerned about the appearance of this coffee that he invited three additional people to attend, a Beth Dozoretz, Robert Belfer and Renee Belfer. Were you aware of or part of this decision?

Mr. HUANG. No. In fact, when the other people show up, Ms. Kanchanalak said, what happened to them? Who invited them?

Mr. LATOURETTE. And that was Mr. Sullivan as it turns out who I guess wanted more people who could actually give money to the DNC there.

At the event itself, according to Karl Jackson and Clarke Wallace, the late invitees to the dance, they indicated that a couple of people spoke at the coffee. One of them was Mr. Fowler, chairman of the DNC, and they remember him saying something to the effect of: It is a pleasure to welcome all of you here to this coffee on behalf of the Democratic National Committee, and these coffees are important so that the President can maintain contact with people. Particularly this is important because it is particularly important in an election year, and this is an election year, arguably the most important since the one that brought Abraham Lincoln to this house.

It is interesting that Mr. Fowler would invoke the name of Abraham Lincoln and it might explain why they used his bedroom so many times during the course of the campaign season if they thought it was such an important coffee.

How long did the coffee last?

Mr. HUANG. I don't know for sure. Less than 1 hour. Probably around 40 minutes or so.

Mr. LATOURETTE. And aside from Mr. Fowler speaking, who else did some speaking that you recall to the assembled group?

Mr. HUANG. I don't recall. I don't know whether Mr. Rosen spoke or not. He was there. And the rest—

Mr. LATOURETTE. Did you speak?

Mr. HUANG. I did not. There was no place for me to speak in that kind of function.

Mr. LATOURETTE. OK. Again, going to Mr. Jackson and Mr. Wallace, they recall, and I will ask you about this either in my remaining time today or maybe we can pick it up tomorrow, but they recall that you did make some observations about how expensive elections were in front of the assembled group. Do you recall that at all?

[Discussion off the record.]

Mr. HUANG. I was aware of the testimony from Mr. Karl Jackson. I was not aware of it—you know, I disagree, I disagree with what he said.

Mr. LATOURETTE. OK. That is fine. I want to turn your attention to exhibit 442, and maybe this is where I can stop today if I can

cram this in. Exhibit 442 is 6 pages of notes taken from your diary that appeared to have been taken at the coffee on June 18th. The second page of the exhibit has the following notes: China needs U.S. high-tech auto telecommunications. U.S. should be there.

Are those, first of all, your notes from your diary, and if so, what were those notes made in reference to, sir?

[Exhibit 442 follows:]

6/8/96 Coffee  
① Gelston 9:00

② PRC ZPR 15 parts  
6 1/2 - out out

ZPR → Industry (Carver Book)

③ China →

agreat →

mass info

→ Comm → CP in China 17 years

→ market = China open

→ Market Plan under market } Development

China → opening up → Development

→ to agri (i.e. vet)

→ house / stomach of people

poultry → seeds

↳ tech from U.S.

JV 20 yrs → 2002 - Rokoff / chicken stock

Corn stock ↔ ( thank U.S. → opportunity )

It potential partnership w/ China

~~~~~

EXHIBIT  
442

COMM 0200



✓ through broad chicken 80% in China (stock for U.S.)

95% U.S. Portman (1/2) 70%

Summary

Technology - Developed Co U.S. Tech

China → Agri Control 70% → infrastructure

U.S. has the best potential to success

→ U.S. Tech → U.S.

} face +1 issue China } ✓  
} poor

→ Lawyer → negotiate

CEO → greatest success →

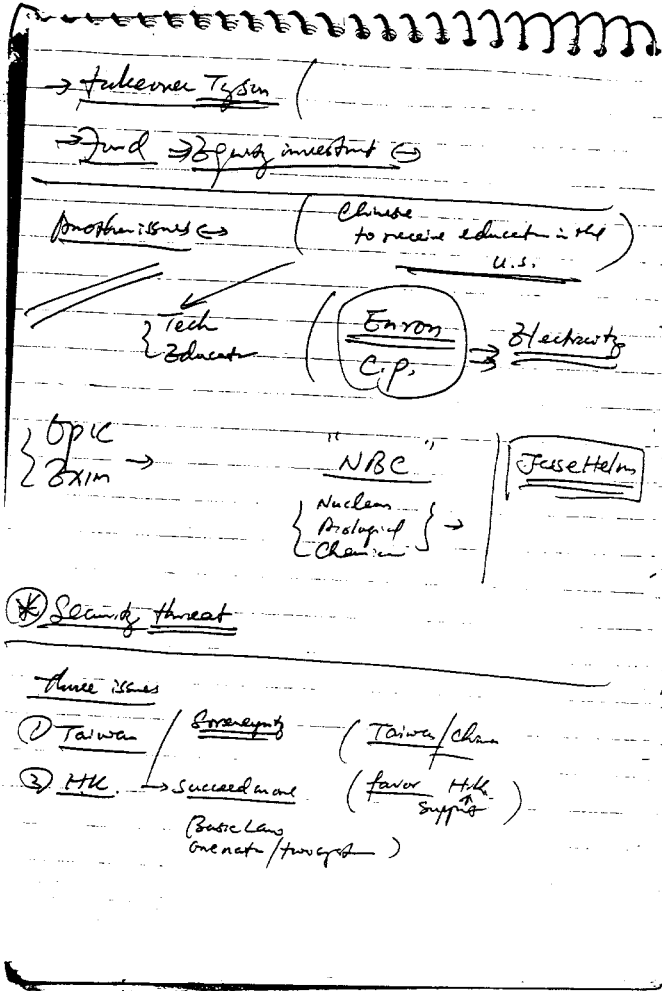
Taiwan ↔ 3com | China ( control feed in Taiwan )

↳ leading change / political change

↳ China is going the same way | Strong Gov't left to right

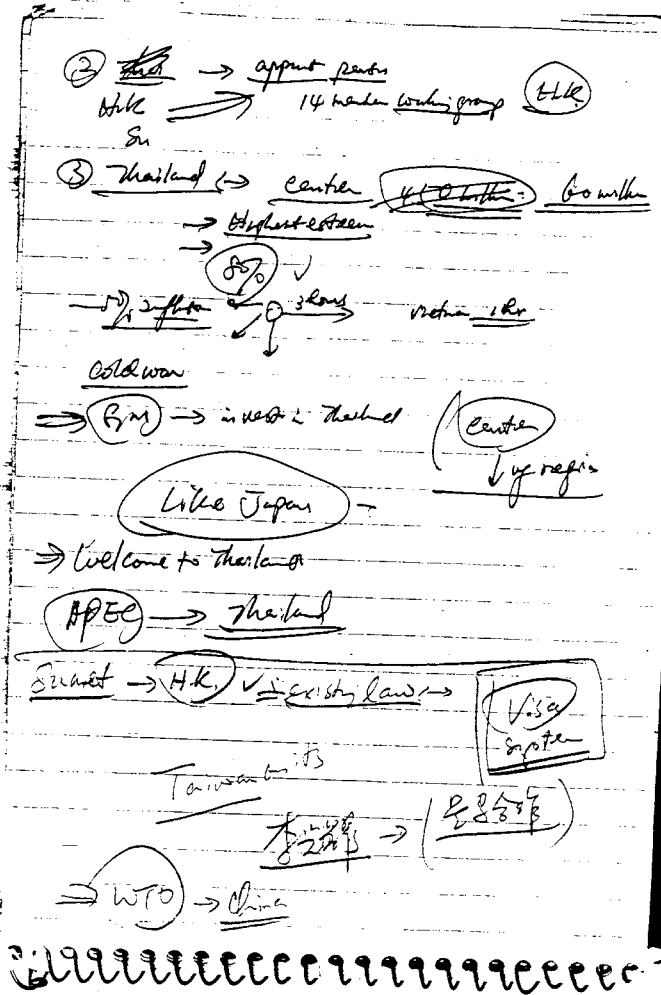
✓ Ford ✓ ( maintain function in all arenas )

CCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCCC



COMM 0203





✓ G20 China-Pol  
 ✓ not take Taiwan by force } HK → U.S.  
 } 1 China }  
 } 2 spots }  
 ✓ WTO China → Domestic develop  
 ✓ productive → Capacity expand  
 → protect us to order  
 - Concessions  
 for 15 years  
 U.S. → document to China →  
 Support  
 Thailand ↔

COMM 0205

Mr. HUANG. First of all, Congressman, these were my notes; it was my handwriting. Basically, notes—more or less jotted down notes of the guests that Ms. Kanchanalak was making some points, so I took down those notes.

Mr. LATOURETTE. So you believe that those notes were made simultaneous or contemporaneous with observations that Ms. Kanchanalak was making at the coffee?

Mr. HUANG. Not her. Her guests.

Mr. LATOURETTE. The foreign nationals that I indicated to you were—

Mr. HUANG. The head of the CP group.

Mr. LATOURETTE. Who were Taiwanese citizens. Excuse me, Thai citizens.

Mr. HUANG. Very long Thai names. Skip my mind. Very well-known person.

Mr. LATOURETTE. Khun Dhanin, Khun Sumet and Khun Sarasin. Those are the three individuals?

Mr. HUANG. Khun Dhanin made the points in—I don't know if it is in Thai or not, but it was translated by the other gentleman.

Mr. LATOURETTE. OK. The second page also contains a discussion of the poultry industry and there are a number of references to the Tyson companies. Were those notes also made in reference to something that Mr. Dhanin, remarks that he might have made at the coffee?

Mr. HUANG. Yes, sir.

Mr. LATOURETTE. The bottom of the third page and the fourth page contain several mentions of the relationship with Taiwan. There are statements referring to a leadership change and a political change in Taiwan. Were those also notes taken contemporaneous to observations that Mr. Dhanin might have been making?

Mr. HUANG. I believe so.

Mr. LATOURETTE. At the bottom of the page is marked COM 204 and 205. They are mentions of the World Trade Organization, which we have had a rather interesting meeting recently in Seattle; and China. Who brought that issue up, and if you can recall, what was said? Was that also Mr. Dhanin?

Mr. HUANG. I believe so.

Mr. LATOURETTE. And last, I guess for today's purposes, yet again, you are aware that the committee, the Congress, the Senate has had testimony from other individuals that you discussed the need for election funds at this coffee, and I would ask you as my last question of today, are you absolutely certain, sir, under oath, under penalty of perjury that you did not discuss the need for election funds to reelect the President of the United States at this coffee on June 18, 1996.

Mr. HUANG. During the coffee you are talking about?

Mr. LATOURETTE. I am talking about at the coffee in the White House.

Mr. HUANG. I did not.

Mr. LATOURETTE. I thank you, and I yield to the chairman.

Mr. BURTON. Did you discuss with anybody during, before, or after the coffee any of the people in attendance, during, before or after the coffee, campaign—

Mr. HUANG. I cannot recall on that, sir.

Mr. BURTON. Well, you were pretty definitive when you said no, you didn't do it at the coffee, but now you are saying you don't recall.

Mr. HUANG. The reason I—

[Discussion off the record.]

Mr. HUANG. I did not say in the coffee, period. Your question is before or after.

Mr. BURTON. Did you say it before or after the coffee? Did you ask for any money or indicate?

Mr. HUANG. I have to tell the truth. The only time—the reason I am hesitating a little bit, Mr. Chairman, was the chance during the beginning of the coffee—not beginning of the coffee, before we even went in the White House; remember, we all have to sign at the security gate, they have to check it out, how you are going to get in. There might be a very small moment there was a conversation talking about I might have mentioned the campaign, you know, touch upon campaign saying we spent a lot of money, it is a very costly campaign. That was the only, only thing you can link to, any inkling to touch upon this issue. That was the only time that it was mentioned. But definitely was not very bluntly stood up on the table and say we want everybody to give money and so on and so on. No.

Mr. LATOURETTE. Mr. Chairman, is the green light really still on? Because I just want to make one more observation.

Mr. BURTON. It is still on.

Mr. LATOURETTE. I just want to tell you, Mr. Huang, as you go from here tonight, that there is a very specific recollection that you indicated elections cost money, lots and lots of money, and I am sure that every person in this room will want to support the reelection of President Clinton. That comes from Karl Jackson, Clarke Wallace and also two other individuals, R. Roderick Porter and John Taylor.

So it is not—I think that either these four gentlemen are sadly, sadly mistaken in what occurred, but we do have a big conflict, and I think you need to know about it, between their recollection of that day and your testimony under oath before us today.

With that, if there is anything else you would like to add to it, fine. Otherwise, I am done and I am happy to be done.

Mr. HUANG. Congressman, when this account came out through news media, I have been aware of this. This is probably one of the like the other few events that I have been accused of to say really, deep down in my heart, I did not make any comment in that event, sir.

Mr. LATOURETTE. I thank you for your answer, and I thank you, Mr. Chairman.

Mr. BURTON. Thank you, Mr. Huang.

Mr. HUANG. Thank you, Mr. Chairman.

Mr. BURTON. I think we have exhausted this day. I will see everybody at 9 a.m. tomorrow morning. We stand in recess.

[Whereupon, at 5:05 p.m., the committee was adjourned, to reconvene at 9 a.m., Friday, December 17, 1999.]

## THE ROLE OF JOHN HUANG AND THE RIADY FAMILY IN POLITICAL FUNDRAISING

FRIDAY, DECEMBER 17, 1999

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON GOVERNMENT REFORM,  
*Washington, DC.*

The committee met, pursuant to notice, at 9:15 a.m., in room 2154, Rayburn House Office Building, Hon. Dan Burton (chairman of the committee) presiding.

Present: Representatives Burton, Shays, Souder, LaTourette, Waxman, Norton, and Cummings.

Staff present: Kevin Binger, staff director; James C. Wilson, chief counsel; David A. Kass, deputy counsel and parliamentarian; Mark Corallo, director of communications; Kristi Remington, senior counsel; James J. Schumann and M. Scott Billingsley, counsels; Kimberly A. Reed, investigative counsel; Nat Weinecke, professional staff member; Renee Becker, deputy press secretary; Robert Briggs, assistant clerk; Robin Butler, office manager; Michael Canty and Toni Lightle, staff assistants; Nicole Petrosino, legislative aide; Maria Tamburri, assistant to chief counsel; Corinne Zaccagnini, systems administrator; Phil Schiliro, minority staff director; Phil Barnett, minority chief counsel; Kenneth Ballen, minority chief investigative counsel; David Sadkin and Paul Weinberger, minority counsels; Ellen Rayner, minority chief clerk; Jean Gosa, minority staff assistant; and Andrew Su, minority research assistant.

Also present: Ty Cobb and Jack Keeney, counsel to Mr. Huang.

Mr. BURTON. A quorum being present, the Committee on Government Reform will come to order.

Mr. Huang, we want to once again remind you, you are still under oath.

We will now resume questioning with Mr. Souder.

Mr. SOUDER. I thank the chairman and welcome you again this morning.

Mr. HUANG. Thank you, Congressman.

Mr. SOUDER. Yesterday, in my last round of questioning, I was talking about the Wiriadinatas, Arief and Soraya, and we had discussed some the evening event that they attended and established that your testimony is that you didn't—you thought that they had a large degree of personal money based presumably on your knowledge that Soraya's father was Dr. Ning and Dr. Ning was a partner, is that correct, of Dr.—or Mr. Riady—

Mr. HUANG. Right.

Mr. SOUDER [continuing]. In Lippo, and possibly other ventures?

Mr. HUANG. That's right.

Mr. SOUDER. And that you were not aware that right before they attended the fundraiser that Dr. Ning had wired each of them \$250,000?

Mr. HUANG. That is correct.

Mr. SOUDER. And then they contributed \$15,000 each the day after they received the \$250,000 each, but you weren't aware of that?

Mr. HUANG. I was not really aware. I was aware of the \$15,000 contribution.

Mr. SOUDER. Not the \$250,000?

Mr. HUANG. That's right.

Mr. SOUDER. Now, that was on November 8th, that evening.

On December 15th, there was a coffee, and did you—were you involved in arranging their attendance at the coffee?

Mr. HUANG. Yes, I did.

Mr. SOUDER. What was the purpose of their going to the coffee? They had just been a month ago to a dinner.

Mr. HUANG. See, they were—they were going to help me anyway from the very outset. So that would be an event they could help me for that event.

Mr. SOUDER. Help you solicit other contributors?

Mr. HUANG. No, no. Further contributions.

Mr. SOUDER. In other words, they were going to give you multiple contributions?

Mr. HUANG. That's right.

Mr. SOUDER. Why wouldn't they have just done that at one time?

Mr. HUANG. Because that coffee event did not require for the—all the money, more than the—what's required.

Mr. SOUDER. And then the records indicate that on December 11th and December 13th, December 15th and December 18th they each gave \$25,000, for a total of \$200,000.

Mr. HUANG. Congressman, from the very outset I believe the couples were willing to help me for a large sum of money in aggregate. So subsequent with various events—so the different amounts of money coming in—but they were willing to help me for all the—much aggregate, higher amount for that.

Mr. SOUDER. But why would you have had a pattern—in other words, since they were giving on December 11th, December 13th, December 15th, December 18th, \$25,000, four different times, why just not give \$100,000? Was there a reason for that?

Mr. HUANG. I could not answer that.

Mr. SOUDER. And just for the record, that total is \$200,000, and they'd earlier given, as we had established, \$30,000, so that at this point the total is \$115,000 each. Now, did you have any discussion with them about why they were willing to put this much money in? This is pretty extraordinary given their fairly middle-class means at this point.

Mr. HUANG. Again, with the assumption they were quite well off from my point of view, at very outset they were willing to come up with—up to \$500,000 for my effort, for my new job. I really need that kind of help as well.

Mr. SOUDER. Had they ever given contributions like this before?

Mr. HUANG. Oh, no.

Mr. SOUDER. What made you think that they would in this election?

Mr. HUANG. They offered to me.

Mr. SOUDER. And they didn't tell you any reason why they said they would at this time—we have never given any money before but this year we are going to give hundreds of thousands?

Mr. HUANG. Well, the reasons—remember, Dr. Hashim Ning was ill, in hospital for quite a few months, and then we also learned my new job is going to be in DNC as a fundraiser, and they more or less, sort of a kind of appreciation from their own heart. The type of money they were giving from ordinary purpose, a citizen basis, that's quite a lot, but the way I understood the people with some means, that really was not really that much, in my point of view.

Mr. SOUDER. Well, there aren't a lot of \$200,000 givers, and how many givers did you have that gave \$200,000?

Mr. HUANG. Five, roughly, I think.

Mr. COBB. Him personally?

Mr. SOUDER. Yeah, that you raised.

Mr. HUANG. About four or five.

Mr. SOUDER. So that's pretty rare, and what you're in essence telling me, as I understand this, that because her father was ill and because they had a visit from Mark Middleton and a thank you card and because you were now over at the Department of Commerce and a friend, they suddenly decided, after having never been in politics before, to put hundreds of thousands of dollars each in. That's basically what you're stating.

Mr. HUANG. That's right.

Mr. SOUDER. May I ask—

Mr. BURTON. Without objection, so ordered.

Mr. SOUDER [continuing]. To finish this round of questioning?

My concern here is that we find out from the records, which you apparently did not know at the time, was that in fact it wasn't their money. They received \$250,000 from Dr. Ning to do these contributions. Because the pattern was that each received \$250,000, then the contributions started the day after that and were moving then for a month or two which is illegal, but you're saying you weren't aware of that, which I understand.

Mr. HUANG. Well, the way I understand our culture, some of the money might be kept by the head of the family but being allocated to the various children. Dr. Ning, I venture to say right now, since I said it before, has a few wives, so have different children. I think being head of a family probably have something planned for themselves as being allocated for their money, but this is not unusual in our culture.

Mr. SOUDER. I understand what you're trying to say, and I even understood yesterday or whatever or day before with Maria Hsia when you said people at the temple have a communal pool of money, they took the money in. But the fact is when you're operating in an American political system, there are laws that have to be followed. Because, while that sounds somewhat reasonable on the surface, the fact is this is a way that billionaires and millionaires can alter the face of American politics by having large funds that they suddenly pass through to their kids when they want to

run for office or for a candidate they want to do, they can give it to their children in large sums. It's a way to distort our entire political process.

So I'm not arguing that it's not cultural. What I'm arguing is that it is illegal because it didn't come from a trust fund that was operated by them individually which meant they had control over the money. It meant that Dr. Ning had the control over the money because he had the right to check, which therefore becomes his money, not their money, regardless of whether he intended it for them at some point or not. This is a fairly standard money laundering thing that happens in congressional races, Senate races, Presidential races long before you got involved and will probably attempt to be done in the future. But these are not small items, and it's hundreds of thousands of dollars.

Now, what—so did you discuss Arief's and Soraya's contributions with Mr. Riady at all? Do you know?

Mr. HUANG. About their contribution?

Mr. SOUDER. Yes.

Mr. HUANG. At that time or now?

Mr. SOUDER. Well, at that time. Because of the size of these contributions coming regularly, I think yesterday you said that in general you had, but I wanted to get that clarified. At this point, rather than just the \$15,000 now they've each given \$115,000. Have you discussed it after the coffee with Mr. Riady?

Mr. HUANG. On the event-by-event basis, no.

Mr. SOUDER. We are going to—I would like to show a videotape of the December 15th coffee, if we could.

[Videotape played.]

Mr. SOUDER. This is the December 15th coffee, and we're going to have to get the sound up because you should be able to hear Mr. Wiridinata says James Riady sent me.

Mr. BURTON. Can you run the tape back and turn the sound up?

Mr. SOUDER. And then so at one point Mr. Wiriadinata says James Riady sent me, and then if you keep listening to the tape, as he speaks to the President, a voice can be heard saying we should show tapes of the advertisements to Mr. Riady. This sounds like Vice President Gore.

[Videotape played.]

Mr. SOUDER. I will turn off the tape.

I heard at the end there we should show tapes of the advertisements. A lot of the voices were blended, but it's clear if you sort the voices out that Mr. Wiriadinata says James Riady sent me. Why would he say that?

Mr. HUANG. I don't know. I thought it just one type of connections he has. He knows James Riady. Maybe referred, yeah.

Mr. SOUDER. Why would then—

Mr. BURTON. You need 5 additional minutes?

Mr. SOUDER. Yes.

Mr. BURTON. Without objection, so ordered.

Mr. SOUDER. Thanks. Why would the Vice President have said we should show tapes of the advertisements to Mr. Riady?

Mr. HUANG. I really don't know, Congressman, no.



Mr. SOUDER. Do you think it would be logical and do you think that the President and/or the Vice President knew that Mr. Ning was a partner of Mr. Riady?

Mr. HUANG. Again, I don't know about that.

Mr. SOUDER. Would it seem—did you ever discuss with Mr. Lindsey, Mr. Middleton or other key friends of the President that Soraya was the daughter of Dr. Ning who's a partner in Lippo?

Mr. HUANG. I don't recall I personally did. Definitely not Mr. Lindsey.

Mr. SOUDER. Would it be very hard for them to learn of that? In other words, I know, for example, when I get large contributions, which I have never gotten a \$200,000 because that would be illegal, but \$1,000, I would try to find out what's this person do? What's their background? Would it not seem logical if there aren't that many \$200,000 contributions that you might try to ask something about them?

Mr. HUANG. Yes.

Mr. SOUDER. And why would the Wiriadinatas want to establish a connection with Mr. Riady? In other words, in the President's eyes, were they in a sense saying we are part of a group that's behind Mr. Riady?

Mr. HUANG. That I don't know, Congressman.

Mr. SOUDER. Did you counsel them to make any of those kind of ties to Mr. Riady?

Mr. HUANG. Counsel them? Them being?

Mr. SOUDER. Meaning that, in effect, it strengthens the influence of Indonesians because they were Indonesian?

Mr. HUANG. No, I did not, no.

Mr. BURTON. Because you have testified multiple times that part of the goal of this was to try to increase Asian American influence and the influence of the multiplicity of interest because you felt that their voices weren't being heard and this was one way for the voices to be heard. It would seem logical then to try tie up together that you're part of a group together.

Mr. HUANG. No. If that was—No. 1, what you stated that that was my purpose, if we cannot achieve that, we can use different ways through the different channels to elevate the Asian American status and identify the community had raised X number of dollars. That's sort of a help to the party or the campaign, and the political side can exercise that kind of way to do that.

Mr. SOUDER. On March 9th in San Francisco there was another fundraiser, and were you involved in that at the McFarland home in Hillsborough?

Mr. HUANG. I was asked to join in the last probably a few days.

Mr. SOUDER. Exhibit 378 in our briefing notes has a guest list, and page 1 indicates that it's supposed to raise \$500,000. Did you get involved in the amount that was committed for that?

[Exhibit 378 follows:]

DEMOCRATIC NATIONAL COMMITTEE  
RECEPTION HONORING  
PRESIDENT WILLIAM JEFFERSON CLINTON  
WASHINGTON, DC

This event is a dinner reception with Democratic National Committee supporters from San Francisco. Briefing notes prepared by Richard Sullivan and Maura McManimon.

**SITE** Home of Victor and Thaderine MacFarlane  
[REDACTED]  
Hillsborough, California  
[REDACTED]

**BRIEF TIMELINE**

6:30pm The President arrives for private greeting with 20 guests  
6:45pm The President begins receiving line  
7:30pm Receiving line concludes; Program begins on veranda  
8:00pm Program concludes; The President departs

**DNC STAFF CONTACTS**

Richard Sullivan, Finance Director  
(p) 202-863-7187 (f) 202-863-7109

Maura McManimon, Event Director  
(p) 202-863-7164 (f) 202-863-8140  
Pager: 1-800-SKYGRAM, pin #120-2685

David Mercer, Deputy Finance Director  
(p) 202-863-7105 (f) 202-863-7109  
Pager: 1-800-SKY-8888, pin #120-2703

Mike Marubio, Regional Finance Director  
(p) 415-693-0307  
Pager: 1-800-SKYGRAM, pin #190-9786

**EVENT DESCRIPTION**

This reception, hosted by Victor and Thaderine MacFarlane, is co-chaired by Mayor Willie Brown, Mark Harris, a Sacramento lawyer, Mr. MacFarlane and Richard Mays of Little Rock. In attendance will be DNC supporters who have donated \$25,000 to the DNC, as well as a number of local council members. This event is raising \$500,000 for the Democratic National Committee.

**EVENT TIMELINE**

5:30 p.m. Call time for guests  
6:00 p.m. Don Fowler should arrive at this time.



 DNC 3332196

- 6:30 p.m. The President arrives, is greeted by event hosts Victor and Thaderine MacFarlane, and proceeds to the foyer for the private reception
- 6:45 p.m. Private reception concludes; receiving line begins  
(Mr. and Mrs. MacFarlane will assist with guest introductions)
- The President stages for receiving line photos in the foyer
- 7:30 p.m. Receiving line concludes
- The President proceeds to veranda for program
- 7:35 p.m. Program begins: (tentative)  
Don Fowler, DNC National Chair  
Elihu Harris, Mayor of Oakland  
Willie Brown, Mayor of San Francisco  
The President
- 8:00 p.m. Program concludes; the President departs.

**PRESS:** This event is closed to the press.

**ATTIRE:** Dress is business attire.

**ATTENDANCE:** Private reception 20 guests  
General reception 100 guests

**ATTACHMENTS:** 1. Private reception list  
2. General reception list



DNC 3332197

DEMOCRATIC NATIONAL COMMITTEE  
SAN FRANCISCO PRESIDENTIAL RECEPTION  
MARCH 9, 1996

PRIVATE RECEPTION GUEST LIST

**David Bednarsh**

David is President of Advantage Cable in Charlotte, North Carolina.

**Joe Corazzi**

Joe is President of Las Vegas Communications Corporation in Las Vegas.

**Don Fowler**

Don is the National Chair of the Democratic National Committee.

**Calvin Grigsby**

Calvin is President of Grigsby Branford and Company in San Francisco. He is a DNC Trustee.

**Mark Harris**

Mark is one of the hosts of the event. He was formerly with the Commerce Department and is currently an investment banker in public finance with Paine Webber in San Francisco.

**Bill Lockyear**

Bill is the Minority Leader of California's State Senate.

**Victor and Thaderine MacFarlane**

Victor is an investment advisor who recently sold his firm to GE Capital. Thaderine is a homemaker. This event is taking place at their home.

**Richard Mays**

Richard describes himself as "just a lawyer from Little Rock."

**Stuart Moldaw**

Stuart is the President of Gymboree, Inc., a children's clothing company. He is a DNC Trustee.

**Maura Morey**

Maura is a longtime supporter of President Clinton as well as a very active donor to the DSCC.

**Connie Muqtasid**

Connie is part of the Systematix Corporation in Little Rock.



DNC 3332198

**Richard Parker**

Richard is President of Republic Property Management, a national real estate management company headquartered in Houston.

**Marvin Rosen**

Marvin is the National Finance Chairman of the DNC.

**Art Torres**

Art is the Chairman of the California Democratic Party.

**Angelo Tsakopoulos**

Angelo is President of AKT Development, a Sacramento real estate development company, and is a DNC Trustee. He is a member of the DNC National Finance Board.

**Becky Winemiller**

Becky is a homemaker from Little Rock and a longtime supporter of the President.

**Jimmy Winemiller**

Jimmy is a farmer and a real estate developer from Little Rock and a longtime supporter of the President.

**Elected Officials:**

Willie Brown, Mayor of San Francisco

Elihu Harris, Mayor of Oakland

Mayor Harenton

Senator Barbara Boxer and Stewart Boxer



DNC 3332199

DEMOCRATIC NATIONAL COMMITTEE  
SAN FRANCISCO PRESIDENTIAL RECEPTION  
MARCH 9, 1996

## GUEST LIST

David Bednarsh  
Hollis Boggs  
Senator Barbara Boxer  
Stewart Boxer  
Mayor Willie Brown  
Julius Cherry  
Donna Cherry  
Chevron (7 guests)  
Joe Corazzi  
Don Dias  
Jim Cole  
Ada Cole  
Jane Dewi Tahir  
Peter Evans  
Lisa Evans  
Manlin Fcung  
Don Fowler  
John Goldman  
Calvin Grigsby  
Arnold Grisham  
Mayor Harenton  
Mayor Elihu Harris  
Mark Harris  
Marianne Harris  
Golden Harris  
Stephen Hicks  
Jeane Hicks  
John Huang  
Dr. John Koza  
Lester Lennon  
Bill Lockyear  
Bill Lofton  
Thaderine MacFarlane  
Victor MacFarlane  
Richard Mays  
Tom McNabb  
Stuart Moldaw  
Phyllis Moldaw  
Edward Burke Morey



DNC 3332200

Maura Morey  
Robert W. Morey  
Connie Muqtasid  
Gerald Orzco  
Richard Parker  
Tommy Peters  
Edward Phillips  
Ron Posner  
Marvin Rosen  
Tommy Ross  
Barbara Ross  
John Roth  
Irene Roth  
Paul Sabharwal  
Margaret Schink  
Theodore Knowles Schink  
Cindy Sewak  
Byron Shear  
Dr. Thomas M. Stauffer  
Kate Strasburg  
John Streeter  
Dorine Holsey-Streeter  
John Sweeney  
Ellen Tauscher  
Bill Tauscher  
Dr. Chang-Lin Tien  
Al Tindall  
Art Torres  
Angelo Tsakopoulos  
Sophia Tsakopoulos  
Martha Whetstone  
Becky Winemiller  
Jimmy Winemiller  
Patrick Wong



DNC 3332201

Mr. HUANG. Not for that event, Congressman.

Mr. SOUDER. In exhibits 379 and 380, there're two more contributions from Arief and Soraya dated February 18. Did you solicit those contributions for this event?

[Exhibits 379 and 380 follow.]





1022

SORAYA WIRIADINATA

2/18 1976

68-760-540  
27051

PAY TO THE ORDER OF DNC \$ 25,000.00

Twenty five thousand and 00/100 DOLLARS

FIRST UNION First Union National Bank  
of Virginia  
Springfield, VA

FOR [Redacted]

*[Signature]*

Check Tracking Form  
(All information must be provided before entry)

Name/Contact SORAYA WIRIADINATA

Company/Employer [Redacted]

Home/Company Address (circle one) [Redacted]

City/State/Zip [Redacted]

|                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                   |
|------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|
| <p>Telephones:</p> <p>Work _____</p> <p>Home <u>[Redacted]</u></p> <p>FAX <u>[Redacted]</u></p> <p>Alternate _____</p> | <p>Program:</p> <p><input checked="" type="checkbox"/> ANTR _____</p> <p><input type="checkbox"/> TRN _____</p> <p><input type="checkbox"/> SC _____</p> <p><input type="checkbox"/> NPC _____</p> <p><input type="checkbox"/> WLF _____</p> <p><input type="checkbox"/> SC _____</p> <p><input type="checkbox"/> LC _____</p> <p><input type="checkbox"/> OTH _____</p> | <p>Demographics:</p> <p>Title _____</p> <p>DOB _____</p> <p>SSN _____</p> <p>Spouse _____</p> <p>SSSN _____</p> <p>SSSN _____</p> |
|------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|

Event: 3/9/96 EVENT SAN FRANCISCO (MADRID BANK) Source Code: ISER

DNC Contact: JOHN H. WANG Fundraiser Code: 921

Solicitor: JOHN H. WANG

|                   |     |     |     |       |     |      |      |         |     |     |     |     |
|-------------------|-----|-----|-----|-------|-----|------|------|---------|-----|-----|-----|-----|
| Revenue Code      | FB1 | IND | FB2 | PART  | FB3 | CORP | FB4  | IND     | FB5 | IND | FB6 | IND |
| (do not complete) | FB7 | PAC | FB8 | TRANS | FB9 | GEN  | FB10 | MUX/PAC |     |     |     |     |

EXHIBIT  
380



Mr. HUANG. Yes, I did.

Mr. SOUDER. How did you receive those checks?

Mr. HUANG. In fact, those checks were in my control, Congressman.

Mr. SOUDER. Meaning they had given them to you earlier?

Mr. HUANG. Earlier, yes.

Mr. SOUDER. Were they dated earlier?

Mr. HUANG. No, much earlier. As you know very well from various account already, Dr. Hashim Ning probably passed away earlier in that year or the latter part of the previous year. So the children had to go back to, you know, to—all the family had to get together so they all left. So at the time when they left, although they had already given that sum of money you just mentioned, but remaining commitment, they made a commitment, they gave me the checks. I had a control on all those checks. So I have discretion in, you know, allocate the money into various events. So I was using that.

Mr. SOUDER. Why did you allocate it to this event?

Mr. HUANG. Because the whole event, the McFarland event apparently, based on my understanding, although that's the name for—you mentioned a number of \$500,000, probably did not achieve the goal based on the best estimate. So they need a lot of people to help. So I was one of them to, you know, answer—to come in with some contribution.

Mr. SOUDER. So to some degree you were holding Arief's and Soraya's contributions to fill gaps whenever you felt there was a shortage and it might look bad. You'd just stick checks from them in and then say, hey, will you go to this event?

Mr. HUANG. It is exactly—you put it better words than I could find, yes.

Mr. SOUDER. In the—on May 13, 1996, there was another event. They contributed \$100,000 in four different checks of \$25,000 each. That is this same—

Mr. HUANG. Same concept yes.

Mr. SOUDER. On June 9th, the Feinstein dinner, that in addition to yourself, I may not pronounce this name X-I-A.

Mr. HUANG. Xia.

Mr. SOUDER. Xiaoming attended this. He's the head of Asian securities, and a number—he's also listed as entering the White House on the 6th. Now, were you involved in this fundraiser at the home of Senator Feinstein?

Mr. HUANG. I was not involved in the organizing fundraiser. I was there just to have Mr. Dai join in—to participate in that event.

Mr. SOUDER. And your testimony is that the same thing here where there were two contributions of \$25,000 each and then another one from Arief attached to the Feinstein event, it was part of the filling in?

Mr. SOUDER. Right.

Mr. SOUDER. Why was Dai at this event?

Mr. HUANG. He was—I believe was a partner with the Lippo, and he happened to be in the United States, and I was referred there might be interest for him to join in on that.

Mr. BURTON. The gentleman's time has expired.

Does anybody have any questions at this time?

Mr. SHAYS. I am happy to yield to my colleague.

Mr. BURTON. If not, without objection, we will yield you 5 additional minutes.

Mr. SOUDER. Did—was \$25,000 the amount of letting somebody in to the event?

Mr. HUANG. I believe that was. That's the ticket amount, yeah.

Mr. SOUDER. And so the third ticket was for Mr. Dai?

Mr. HUANG. You talking about the June one?

Mr. SOUDER. Yes, June 9th.

Mr. HUANG. I believe so, and myself I think.

Mr. SOUDER. So he didn't give any money. He used one of their—

Mr. HUANG. That is correct.

Mr. SOUDER [continuing]. In effect as a pass. The Asian Wall Street Journal reported in 1994 that the Bank of China bankrolled his purchase of the Lippo Group share of Asian securities. Do you know if that's true?

Mr. HUANG. I don't know about that.

Mr. SOUDER. Did you ever discuss him with the Lippo Group?

Mr. HUANG. Except I mentioned to you he might have been a partner with the Lippo or purchased some interest from Lippo. That's about all to the extent I knew about that.

Mr. SOUDER. Did you discuss his attendance at this event with anybody from Lippo? Did anybody from Lippo call you and say, hey, he's over in the country, we'd like him to come to this event?

Mr. HUANG. Mr. James Riady is indicating he might be in town, and that's why I commented on that.

Mr. SOUDER. So Mr. Riady called you and said, we would like this gentleman.

So did Mr. Riady feel that to some degree—in your opinion, were you doing this as a favor to Mr. Riady or do you believe Mr. Riady felt that to some degree, if the Wiradinata's money was there, he could call to have it used for somebody with his organization?

Mr. HUANG. I was doing favor to Mr. Riady.

Mr. SOUDER. And that—did you consider this unusual at all?

Mr. HUANG. No.

Mr. SOUDER. And I know that you're almost a perfect practitioner of the administration. They have a frustration with this in other areas, but clearly, you're a perfect practitioner of don't ask, don't tell, but still I am going to ask you this question.

Did you ask why he wanted him to come to this event?

Mr. HUANG. I suspect probably it's going to be good for Mr. Riady.

Mr. SOUDER. But you don't know how it was going to be good for Mr. Riady?

Mr. HUANG. No.

Mr. SOUDER. Because this person was bankrolled by the Bank of China to come into the Lippo Group for their share of Asian securities, but—OK, let me ask you one more.

July 22, 1996, once again, Soraya contributed \$25,000 to this event. I assume it's the same thing. Did you tell them when you were putting the money in for the different events or call and invite them to come? How did that pattern work?

Mr. HUANG. No. I had a full control over these checks anyway. As a situation arises, I just use my own discretion to utilize those funds.

I don't know what the July 22nd event was about. Congressman, can you tell me what that would be?

Mr. SOUDER. I don't know either. Let me ask. Mr. Riady was at the event apparently, and he sat at the head table on July 22, 1996.

Mr. HUANG. That's the Los Angeles one?

Mr. SOUDER. Yes.

Mr. HUANG. It was?

Mr. SOUDER. Yes.

Mr. HUANG. In Century City?

Mr. SOUDER. Yes, I assume.

Mr. HUANG. Yes.

Mr. SOUDER. So, once again, because you had control of these contributions and you viewed—apparently you viewed these contributions as—it is hard for me to understand because they gave the money, in effect, after Dr. Ning passed away. You said they went back to Indonesia but they had given you the checks before they left the country.

Mr. HUANG. Right, with the intention to come back, though.

Mr. SOUDER. Oh, with the intention to come back?

Mr. HUANG. Right.

Mr. SOUDER. But you're under control of these to be used at your discretion in the way that you would feel that it would have the maximum influence for what—to influence the President, to benefit friends, to benefit Mr. Riady?

Mr. HUANG. The main purpose is because this—this was the first time I become a fundraiser in DNC; and also, I have personally set a mission of trying to do something for the Asian—Asian American community, but when I do event, there's no assurance that each event is going to be a successful one.

For instance, there might being a shortfall situation. It is always nice to have some larger supporter's money sitting like a reserve type of thing just in case there's shortfall, so you can utilize the funds to come in to make up the numbers. That was a key intention on that. But along the lines, certainly it may come in and a certain person might be interested in coming; and I had the discretion to say, you'll become the number. The money is already there.

Mr. SOUDER. I understand the concept that you're putting forth on the control of the money, but what it does appear to be a pattern of is not so much a pattern of just helping the Asian community, because the Asian—it appears to be a pattern of helping Mr. Riady, because we started with the tape where—that Arief and Soraya are saying Mr. Riady sent us.

Then the Vice President saying, show him the commercials.

Then we have the gentleman from—Mr. Dai, who Bank of China bankrolled his share of Asian securities from Lippo Group, that—then we have Mr. Riady at a head table. So the continuity that we see through this is Mr. Riady. Is that because you believe Mr. Riady was the best way to influence the interests that you were advancing, because he didn't invite these kinds of random Asian Americans with the money.

Mr. HUANG. It's not—at least this is not the thoughts I have, he was not really the best person to influence the President. I would not question the Riadys probably getting the benefit out of that, but from very outset this person was referred by Mr. Riady. So in my mind, in that period of time, the situation arises it just happened that way.

Mr. SOUDER. Thank you. But it does—the records, looking historically back now, do show that the money wasn't only that they were influenced through Mr. Riady. The fact is that the money to them that was then given for your control came from his partner, which you did not know at the time, according to your testimony; but in fact, it does look like money came through, and the way it followed through fits that.

Mr. HUANG. Congressman, in terms of money part, even at this stage, I still don't have any reason, you know, to believe that's not their money, even at this stage, but—

Mr. SOUDER. We showed yesterday an exhibit that there was—

Mr. BURTON. Without objection, the gentleman will get 5 additional minutes.

Mr. HUANG. I understand what you're saying.

Mr. SOUDER. In your mind, it's their money and her father was just holding it, but that's not the law.

Mr. HUANG. I understand what you're saying. Maybe we're talking from different angle on that basis. At this moment, I did not know at that stage that was that way.

Talking about the relationship for influencing by the Riady, Mr. Riady has already known Mr. President ever since the Arkansas time. So I don't think that every instance is influencing on that basis.

Mr. SOUDER. So—

Mr. HUANG. They were friends already.

Mr. SOUDER. But they were—so he was giving him these—well, he—in other words, it doesn't particularly comfort me that he was influencing him from the time he was back in Arkansas, but that at the same time he rode in the limousine—he wanted the time to give him \$1 million.

We went through with Mr. Hubbell, where he bailed out as a friend predominantly with some job attachments, that he had multiple meetings with Mark Middleton, several of which were social. But clearly by the third one where he was separate with more than just a social visit, because he had multiple visits the day that—some of it, there's no doubt that some of this, that anybody is attracted to kind of the power, prestige of an administration. You like to go visit, bring your family. That's fairly standard.

But this is beyond that, and you acknowledged at the very beginning that he had a multiplicity of interests. I mean, Mr. Riady was China Energy at one point, that—when we talked yesterday briefly about the coal interest, the island where at least one—there's two companies there. We know he has interest in one. We don't know the other. Appears to be now since Escalante National Monument off from coal mining appears to be the largest coal reserves in the world of this nonpolluting coal or not as much polluting coal. So that's another interest.

We are still sorting through what other kinds of banking interests there are. So while they are friends, you acknowledged at the beginning he has a multiplicity of interests here, it is not just a friendship.

Mr. HUANG. You're absolutely correct, yes.

Mr. BURTON. Would the gentleman yield briefly?

Mr. SOUDER. Yes, I will yield.

Mr. BURTON. I don't think this ought to be fuzzied up. Yesterday you were asked a question by Eleanor Holmes Norton, and that question, she asked you whether or not there was influence being acquired, so to speak, from these—from these contributions, and you downplayed the benefits to the Lippo Group from the million dollars in contributions that were made after the limousine ride.

We looked at your 302s, your FBI 302s. I want to read to you what the FBI said that your statement was. This is on page 5, and it says,

James Riady was more active than Huang in politics at the time Huang made his first contribution in approximately 1987. Huang advised that in the banking business it was necessary to establish numerous contacts. Such contacts were important in order to drum up business for the Lippo bank. The philosophy of the Riady family was that if people attended functions they would get to know more people, which would help them personally and in business.

Huang explained that people who do business need political contacts. The U.S. was a very powerful country and other countries pay attention to what happens in the U.S. It is important for foreign businessmen to establish contacts or links in the U.S. Foreign businessmen who maintain political contacts in the U.S. are highly regarded in foreign countries. For instance, a foreign businessman would be highly regarded in his country if he is seen greeting a U.S. senator in a familiar manner.

Although Huang doesn't recall a specific conversation with James Riady concerning the above, Huang was certain—certain that he had a conversation with James Riady at some point in time about this.

Now, the impression that you're giving in the line of questioning is, you know, that there really weren't any ties to all of this. The fact of the matter is, Mr. Huang, they did expect that this was going to result in some positive results for them because they got to know great leaders like the President by giving them a lot of money. Now, isn't that the case?

Mr. HUANG. Mr. Chairman, I agree 100 percent what you just read out of the 302, the concept of benefit going to get, but I didn't believe what Mr. Souder was referring in the way, you know, you were characterizing that.

Mr. BURTON. Well, I think—

Mr. HUANG. They are going to get benefit, that's no doubt. It's also multiple interests on that, and they are going to benefit on that.

Mr. BURTON. So what Mr. Riady and you were trying to achieve through these large contributions were access, No. 1, and No. 2, to become very friendly so that if a decision needed to be made, you would have a very good connection with whoever it was?

Mr. HUANG. No. Through all these events, the other very major things which you just refer in the 302, by meeting with a lot of business people, you know, those people can become big donors. They are also some big businessmen that create opportunity for them and know them and probably will have joint ventures being made in the Asia. Those become business benefit, at least conceptually that was done on that.

Mr. BURTON. The philosophy of the Riady family was that if people attend functions, they would get to know more people, which would help themselves personally and in business.

Huang explained that people who do business need political contacts. The U.S. was a very powerful country and other countries pay attention to what happens in the U.S. It's important for foreign businessmen to establish contacts or links in the U.S. Foreign businessmen who maintain political contacts in the U.S. are highly regarded in foreign countries.

So you expected to benefit and the Riadys expected to benefit from these contacts?

Mr. HUANG. One of the things I need to—what you did not read probably is buried in what my thoughts was in what you just read out of the 302.

The thing about it is, the Riady family, they are Chinese Indonesian, they're overseas Chinese. You know, looking back in the histories, many businessmen in those South Asian countries, because of the lack of political ties, whatever routine changes, whatever they have accomplished, however successful they were in the business side can turn around to nothing on that. So one way to—I assume they were trying to do, if they have some ties with the United States in a daunting way, that will portray them much better domestically in the various countries they resided in.

That's the thoughts I really did not mention. That would be the benefit.

Mr. BURTON. If the gentleman will continue to yield, we will grant him 5 additional minutes, but let me go on to the next paragraph then.

It says,

The transition from Huang's first contribution to the time when he began making numerous contributions to various campaigns began when Huang became involved in the community and began working with community leaders. Huang began to receive telephone calls requesting that he raise money for various candidates.

At the time, Huang's primary goal was to get the 1990 immigration bill passed—to get the 1990 immigration bill passed. However, Huang's contributions were also intended to benefit Lippo Group in the long run. Huang used his own money to pay for the contributions because making such contributions was part of his job at Lippo Group due to his expected involvement in community relations.

But you told us that you were reimbursed for those.

Mr. HUANG. Right.

Mr. BURTON. So that did come from the Lippo Group.

There was an understanding that Huang would support Lippo Group by making contributions. This understanding was evidenced by the dollar amount Huang received for his bonuses. It was part of Huang's job performance to make these contributions.

Huang submitted written reports to James Riady perhaps annually listing who Huang had contributed to and the dollar amounts of such contributions. Sometimes Huang had discussions with James Riady regarding the candidates who received contributions. Although Huang and James Riady did not explicitly discuss Huang being reimbursed for the contributions listed on the report, Huang knew that he would be taken care of, "for doing such a good job which was reflected in Huang's bonuses."

So the fact of the matter is that you were trying to get the immigration bill passed and you felt like and I presume the Riadys felt like large contributions to the right people would help get this done.

Mr. HUANG. That's a part of the interests, you know, the multiple interests in that. That's one of the interests.



Mr. BURTON. I know, but the point is, I think what Mr. Souder was trying to make and I think he's made it very well is that there was a pattern here. You give money, you get access, you give money to the right people, and things start to move the way you want them to move, and that was what you were concerned about.

Mr. HUANG. There's—Mr. Chairman, what you said was true on that, but there's some distinction. Mr. Souder was talking about in 1996 that he related to Arief or Soraya.

Mr. BURTON. I understand.

Mr. HUANG. But what you're talking about was 1992 to 1994 when I was at Lippo at the time. But conceptually, basically that's correct.

Mr. BURTON. Mr. Souder.

Mr. SOUDER. I yield back.

Mr. BURTON. Mr. Souder yields back the balance of his time.

Mr. Shays.

Mr. SHAYS. Mr. Chairman, I'm happy to yield my time to Mr. LaTourette.

Mr. LATOURETTE. Thank you very much, Mr. Shays.

I only need about 5 minutes in this round, I think, to clear up, Mr. Huang, where we were yesterday and just to refresh your memory and sort of give myself a reprise, too. We were talking about the coffee at the White House that we now call the John Huang coffee at the White House on June 19, 1996; and I think where I left off and maybe where the hearing closed yesterday was, there were a few late invitees to the coffee. And specifically, let me read you again what one of them had to say after the Democratic National Committee chair, Mr. Fowler, indicated that the 1996 election was just as important as the 1860 election wherein Abraham Lincoln became our 16th President, which—I think that came as a little surprise to me, and probably to most Americans, that the election, the re-election of William Jefferson Clinton was as significant in history as the election of Abraham Lincoln.

But be that as it may, they then indicated that you, as the DNC vice chair for finance, stood up and said, "Elections cost money, lots and lots of money, and I'm sure that every person in this room will want to support the reelection of President Clinton."

Now, I understand that—and again I read you the names of not only Karl Jackson, Clarke Wallace, but also R. Roderick Porter and John Taylor indicate that that observation was made in the White House at the time of this function; and I think you understand what's troubling about the statement. There's two things: that there was nobody at that coffee except for people who worked for the DNC or people who were invited who you acknowledged yesterday weren't going to give donations. There was no one who could lawfully contribute to the President of the United States at that coffee. That's the first thing that's troubling.

The second thing that's troubling is this whole notion of soliciting campaign cash at the White House, the White House owned by the people of the United States.

But I would—you have had over night to think about it and I indicated to you that everybody has filed affidavits, testified under oath, and in fact, that's what you did at that occasion, and I ask

you again if having reflected on it over the last 8 hours, is there anything you want to add to your statement?

Mr. HUANG. No, I do not.

Mr. LATOURETTE. Now, we were talking about Pauline Kanchanalak, and one thing as I was reviewing notes last night, is apparently Ms. Kanchanalak, her checks say P. Kanchanalak, and somewhere she's made the allegation that that is really her mother whose initial—did you ever see her mother at any of these functions? Is her mother a donor to your knowledge?

Mr. HUANG. I might have been introduced on one occasion at a very large fundraising event, being introduced one Thai lady as her mother-in-law or something like that.

Mr. LATOURETTE. OK. Well, understanding that you didn't say that campaigns cost lots and lots of money and everybody should support the President, regardless, the coffee on June 18th did raise lots and lots of money, at least lots and lots of money was credited as a result of that coffee, and Pauline Kanchanalak is credited with giving \$135,000 to the DNC at that event, and her sister-in-law—is it Georgie Kronenberg, is that her name?

Mr. HUANG. Yes.

Mr. LATOURETTE. All right. Gives \$50,000 as a result of that coffee. Where did you—where and when did you receive their checks of \$135,000 and \$50,000 for the coffee?

Mr. HUANG. There was a series of checks coming in at a different time. I really could not put into sequence. I do know that some of the checks I went to the office, her office to pick it up.

Mr. LATOURETTE. And do you know the original sources of where the funds for these contributions came from?

Mr. HUANG. I do not know.

Mr. LATOURETTE. If you could look in your book, the other thing that was going on that I think bothers me just as much as this whole notion of illegal money coming to the Democratic National Committee is at the same time illegal money is going to Democratic party organizations in the various States, and directly following this—well, at about this time, Pauline Kanchanalak and her sister-in-law Georgie Kronenberg are also writing some checks to State Democratic organizations, are they not?

Mr. HUANG. That's correct.

Mr. LATOURETTE. OK. If I could turn your attention to exhibits 446 through 450, I think you will find that these are checks made out by Pauline Kanchanalak to—the first one is to the Florida Democratic party for \$35,000; the Illinois Democratic party for \$25,000; one that I find particularly obnoxious, the Ohio Democratic party for \$33,000; and the Pennsylvania Democratic party for \$25,000. Now, do you know was Pauline Kanchanalak just a lover of the States or how did these—how is it that a major national donor, who is at a coffee at the White House and is contributing gobs of money illegally to the President of the United States' reelection, how does such a person become interested in making a donation of \$33,000, for instance, to my home State and to the State of Ohio Democratic party to be used for—I mean, let's be clear about this. This money is to be used for Democratic party building activities within the State of Ohio, not tied directly to the elections or reelection of the President of the United States but to be used

in races for State representative, Governor, Secretary of State, Ohio Attorney General. I mean this woman through these illegal contributions is not only tainting the reelection process of the President of the United States, but she wants to have a hand in the election of everything from President to dogcatcher. Now, how did these checks get written?

[Exhibits 446, 447, 448, 449, and 450 follow:]

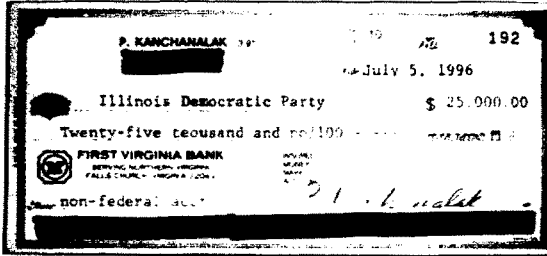
P. KANCHAMALAK 341  
6/27/96  
188  
Florida Democratic Party 2296 ... \$35,000.00  
--Thirty Five Thousand and no/100--  
FIRST VIRGINIA BANK  
SERVING NORTHERN VIRGINIA  
FALLS CHURCH VIRGINIA 22024  
Non-federal  
*P. Kanchamalak*

002241

FOR THE OFFICE OF  
THE CLERK OF  
THE SUPREME COURT  
FOR REPORT ONLY  
FLORIDA DEMOCRATIC PARTY  
COURT REPORTER CAMPAIGN

[REDACTED]

EXHIBIT  
446



002261

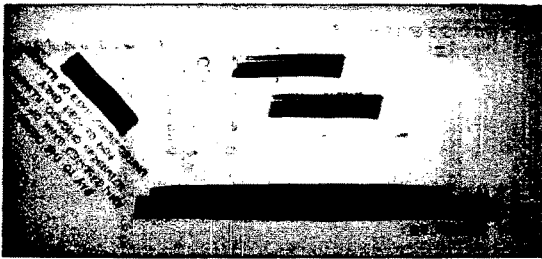
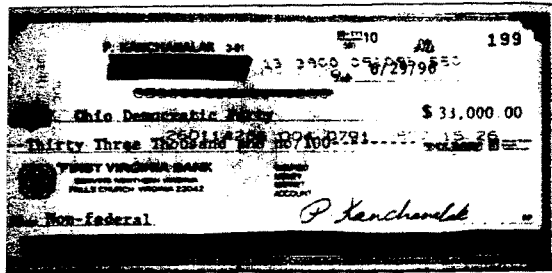


EXHIBIT  
447



002250

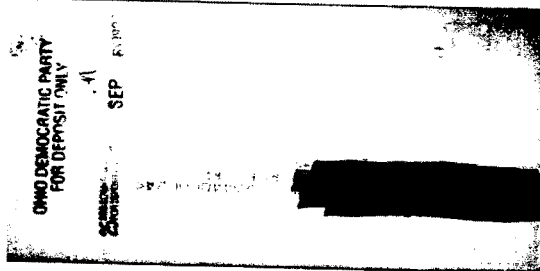
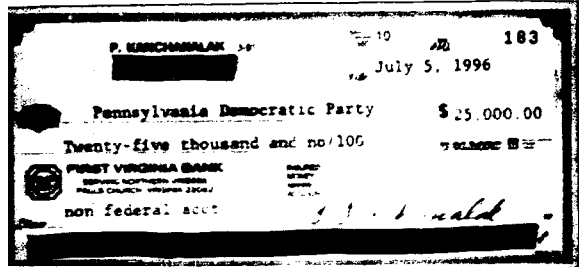


EXHIBIT  
448



002260

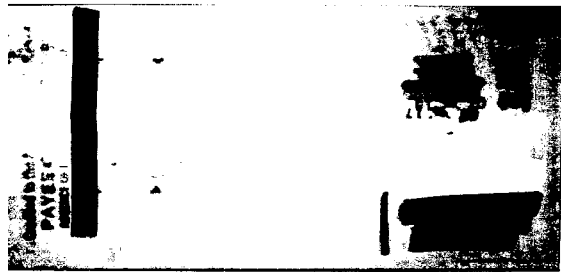
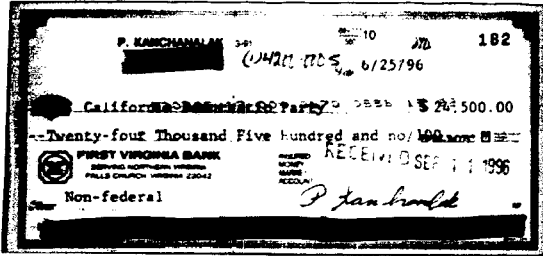


EXHIBIT  
449



002256

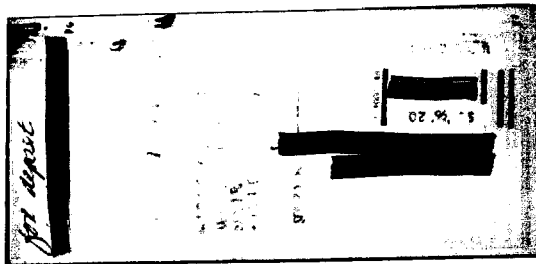


EXHIBIT  
450



Mr. HUANG. OK. First of all, Ms. Kanchanalak expressed to me she was a bit concerned because she was written in magazine called—that's called Mother Jones. There's a—

Mr. LATOURETTE. I'm familiar with Mother Jones.

Mr. HUANG. So her name was mentioned over there. She did not—you know, she prefers to keep a little bit lower profile, and she suddenly have all the money, a very large sum of money appearing on the report. She felt less comfortable, is there any way, you know, can spread that things out, and I ventured to check with DNC and so have this money be reallocated to various State party.

Mr. LATOURETTE. OK. So let me get this straight. So Mother Jones writes an article and Pauline Kanchanalak shows up as what, 1 of the top 10 givers to the Democratic party in the country on some list?

Mr. HUANG. Whatever the ranking will be, yeah, her name was on the list.

Mr. LATOURETTE. She's a big player, and so she says how can I not be so obvious to Mother Jones and other people that are interested in this?

Mr. HUANG. She was concerned about that, yes.

Mr. LATOURETTE. Could I ask unanimous consent for just 2 more minutes, Mr. Chairman?

Mr. BURTON. The gentleman needs additional time?

Mr. LATOURETTE. Just a couple of minutes.

Mr. BURTON. Without objection, the gentleman is yielded 5 additional.

Mr. LATOURETTE. Thank you, Mr. Chairman. So she comes to you with this problem, she says listen, I don't like being—I was in Mother Jones once and I didn't like it very much either, to tell you the truth—so she comes to you and says how can I get off this Mother Jones list?

Mr. HUANG. She expressed concern during conversation with me, yeah.

Mr. LATOURETTE. And so you then go to the DNC and say Pauline Kanchanalak, who we know is high maintenance already based upon some things you said yesterday, wants to get off Mother Jones' contributor list and how does she do that, and someone says to you, well, rather than writing one big check for \$1 million, she can write a bunch of little checks to State party organizations. Is that how that works?

Mr. HUANG. Well, I may even suggest, is there any other avenue we might be able to accommodate, for instance, the State party on that.

Mr. LATOURETTE. How did the States get picked? I mean, for instance, did you tell her to write a \$33,000 check to my home State of Ohio?

Mr. HUANG. No, I did not. The States name came out from DNC.

Mr. LATOURETTE. How did she know how to make the check out?

Mr. HUANG. Through me. DNC sort of identified what—you can have a check issued to Florida State Democratic party for whatever amount, for the other State Democratic party for what amount.

Mr. LATOURETTE. So the Democratic National Committee not only told you who should she write the check to but—because they are different amounts. I don't know whether, you know, she maybe

doesn't like Illinois as much, they only got \$25,000. Ohio got \$33,000 and Florida gets \$35,000, but all those numbers were supplied by the DNC as suggestions for Pauline Kanchanalak, who we now know is a Thai citizen, not eligible to participate in any election in this country, that she should write these checks to those organizations, right?

Mr. HUANG. I believe so, yes.

Mr. LATOURETTE. Around likewise, her sister-in-law Georgie Kronenberg, the next set of exhibits I think run from 452 to 456, are checks that Georgie Kronenberg writes to State organizations, and I think they are pretty much the same, and again, what I find particularly obnoxious is that among these is another illegal contribution of \$20,000 to the Ohio Democratic party, and did that work the same way?

[Exhibits 452, 453, 454, 455, and 456 follow:]

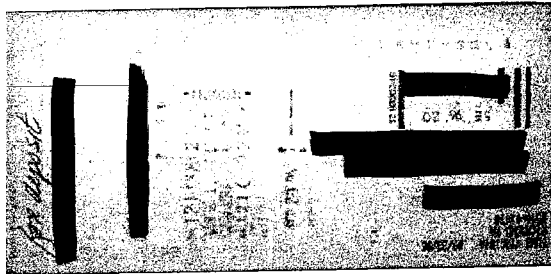
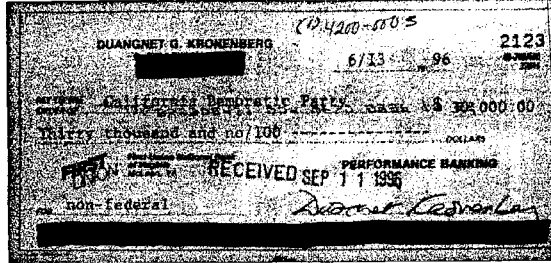


EXHIBIT  
452

DUANMET G. KRONENBERG 2118  
6/15/96  
Florida Democratic Party 3259 14 08-23-96  
Twenty-five thousand and no/100 000-0000-08-26  
PERFORMANCE BANKING  
First Union National Bank  
of Florida  
Jackson, VA  
Gen. Federal  
*Duane Kronenberg*

PAY TO THE ORDER OF  
PEOPLES FIRST  
CONFIDENTIAL  
FLORIDA DEMOCRATIC PARTY  
COORDINATED CAMPAIGN  
NON-FEDERAL ACCOUNT  
96-23-80  
96-23-80

EXHIBIT  
453

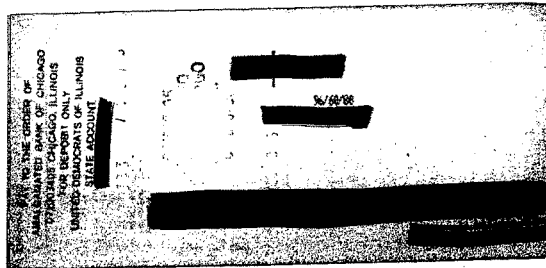
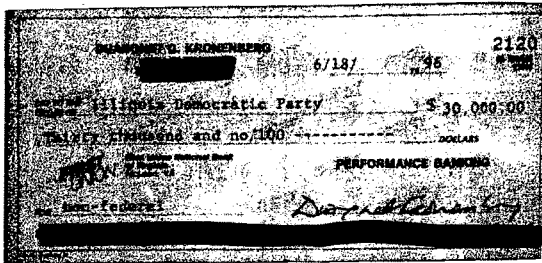


EXHIBIT  
454

DUANGMET G. KRONENBERG 2121  
6/21/96  
Ohio Democratic Party \$ 20,000.00  
Twenty thousand and no/100 DOLLARS  
First Union National Bank PERFORMANCE BANKING  
non-federal  
*Duangmet Kronenberg*

OHIO DEMOCRATIC PARTY  
FOR DEPOSIT ONLY  
KH  
9/8/93

EXHIBIT  
455

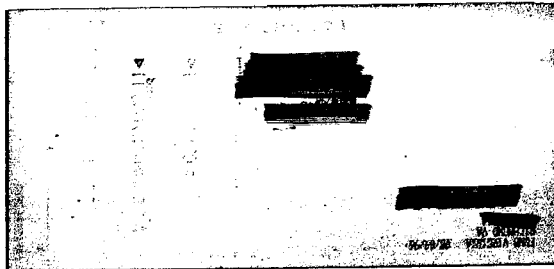
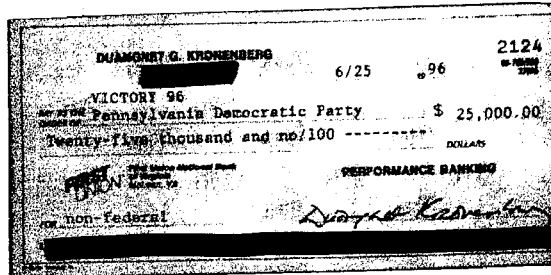


EXHIBIT  
456

Mr. HUANG. A similar way, yes.

Mr. LATOURETTE. That you went to the DNC. Was Georgie Kronenberg somehow on the list of Mother Jones, too?

Mr. HUANG. I was not sure about her name though, sir.

Mr. LATOURETTE. And this process isn't unusual, is it? I mean, this, this isn't—these aren't the only two people that this is done for? In other words, you would go and receive a list of State Democratic organizations and dollar amounts for other large donors, and the DNC would give you that?

Mr. HUANG. It happened to me a few times. As I report to you, Mr. Chairman, on Mr. Riady you brought up, remember Mr. Riady also in 1992 time wrote some checks to the State party. So we had some precedent. So personally I have some experience on that.

Mr. LATOURETTE. OK. Based upon what we now know today and on the December whatever it is, 1999, about Pauline Kanchanalak's immigration status at the time that she was writing these checks, not only the \$135,000 that she gave as a result of the coffee, the John Huang coffee on June 18th, but also these checks she wrote to State organizations, all of these contributions are illegal. You do know that, today, they are illegal?

Mr. HUANG. Assuming the reports are accurate. I did not really—

Mr. LATOURETTE. Assuming the reports are that she isn't a citizen and was not a citizen?

Mr. HUANG. That's right.

Mr. LATOURETTE. And I mean, is there some question in your mind about that?

Mr. HUANG. I don't know because from very outset I thought she had at least green card status.

Mr. LATOURETTE. Thank you, Mr. Huang.

Mr. BURTON. Would the gentleman yield?

Mr. LATOURETTE. Could I make a request of the Chair? I know, Mr. Chairman, during the course of this discussion there was some talk about the Democratic National Committee returning a million six or a million eight out of the \$3.4 million, but this is a whole other layer to me of illegal activity that occurred as a result of this fundraising operation, and I would really appreciate if the counsel or someone on the committee could report back to the committee how much of the money that was raised illegally and sent directly to the State parties to beat Republican State representative candidates, Governor candidates, county commissioner candidates, Members of Congress, whether or not the Ohio Democratic party, for instance, returned these illegal contributions, whether or not the Pennsylvania Democratic party returned these illegal contributions, and I would hope that we could get to the bottom of that and have a report. I'm sorry, I have a little work but I had some friends lose in that election, and now we find out that they lost because people were cheating, and I think that that's unfortunate, and I'd be glad to yield to the Chair.

Mr. BURTON. I appreciate the gentleman yielding, and I will instruct the committee staff to look into that to find out if any of those contributions were returned. Could I ask that the gentleman be given an additional 5 minutes. Without objection, we will give



the gentleman an additional 5 minutes and I appreciate your yielding to me.

The reason I wanted you to yield to me is that Mr. Huang said that he did not know Pauline Kanchanalak was a U.S. citizen at the time and therefore it was illegal for her to give contributions to State parties. However, and I think you have already alluded to this, James Riady in 1992 had gone back to Indonesia. He did have a home here and he did have a green card, but he was living in Indonesia, and so it was not legal for him, according to the law, as far as we know, for him to give contributions to State parties or to candidates for Federal election, and in August 1992, he gave \$5,000 to the California Democrat party. August 13th he gave to the DNC \$15,000. September 30, 1992 he gave \$75,000 to the Michigan Democrat party. October 5th he gave \$75,000 to the Ohio Democrat party. He gave \$5,000 to the Arkansas Democrat party on October 8th. He gave \$75,000 again on October 8th to—maybe it was the 27th to the Arkansas Democrat party. He gave on October 12th \$75,000 to the Louisiana Democrat party.

His wife Aileen Riady on August 13th gave \$5,000 to the California Democrat party, and on August 17th or 13th to the DNC \$15,000. On August the—or October 8th she gave \$5,000 to the Arkansas Democrat party. On October 12th she gave \$50,000 to the Georgia Democrat party, and on October 15th she gave \$50,000 to the North Carolina Democrat party.

Now, I assume, Mr. Huang, he didn't know which parties, State parties those money should go to. Whose idea was it to make contributions by Mr. Riady to these State parties?

Mr. HUANG. To the best of my knowledge, at the time I arranged through the DNC at that time.

Mr. BURTON. Were you involved in any way in that? I mean, were you helping him with that?

Mr. HUANG. Yeah, I would facilitate through giving the names of the State party.

Mr. BURTON. So you were talking to the national Democrat party saying where does he want the money to go?

Mr. HUANG. That's correct.

Mr. BURTON. Were you talking to the White House as well about that?

Mr. HUANG. No.

Mr. BURTON. Were you talking to the candidate for President, Mr. Clinton about that?

Mr. HUANG. No.

Mr. BURTON. You're sure about that?

Mr. HUANG. I'm sure about that.

Mr. BURTON. OK. Did you receive instructions directly from someone at the DNC or elsewhere on where you should direct the contributions?

Mr. HUANG. I was working with the lady called Mary Leslie at that time.

Mr. BURTON. Mary Leslie, so was she the one that was directing where these contributions were going?

Mr. HUANG. Yeah, but I don't know where she get that information from.

Mr. BURTON. But she was telling you where you ought to send the money?

Mr. HUANG. Yeah.

Mr. BURTON. Did she know that Mr. Riady was living in Indonesia?

Mr. HUANG. She might. I don't know.

Mr. BURTON. Well, if she knew that Mr. Riady was living in Indonesia then she must have known it was illegal. Did you tell her Mr. Riady was living in Indonesia?

Mr. HUANG. I suspect she might, might be knowing Mr. Riady was traveling back and forth, basically, the way I know that Mr. Riady and Mrs. Riady had the green card at that time.

Mr. BURTON. Did you—but he was living in Indonesia. I mean, it's pretty clear, we have checked the records. His permanent residence was Indonesia. He had a house in California, and he did travel back and forth, and he did have a green card, but the law is that he was living in Indonesia at the time.

Mr. HUANG. Mr. Chairman, that may be your conclusion or that you may be right on that, but I was operating under the situation is they both have a green card, they were able to give.

Mr. BURTON. Did you give instructions directly to James Riady after you talked to this lady Ms.—what's her name again?

Mr. HUANG. Mary Leslie.

Mr. BURTON. Mary Leslie—as to which States to direct the contributions to or did anyone else directly deal with him to tell him where to send the money?

Mr. HUANG. I did tell Mr. Riady and—about various entity of the checks to be written.

Mr. BURTON. Do you know where he was when he wrote the checks? When he wrote the checks where was he?

Mr. HUANG. It's very hard for me to pin down where—sometimes he might be over the other side, sometime he might be here.

Mr. BURTON. So sometimes he was in Indonesia when he wrote the checks?

Mr. HUANG. It's very possible, yes.

Mr. BURTON. And then sometimes it was when he was here?

Mr. HUANG. That's correct.

Mr. BURTON. Did you or James Riady directly discuss these contributions or was someone else from the White House or the DNC involved?

Mr. HUANG. No, no.

Mr. BURTON. It was just between you and the DNC?

Mr. HUANG. That's correct.

Mr. BURTON. And Mr. Riady?

Mr. HUANG. That's correct.

Mr. BURTON. But to your knowledge, nobody from the DNC contacted Mr. Riady directly, it was you?

Mr. HUANG. That was, that was correct, sir.

Mr. BURTON. OK. Mr. Waxman.

Mr. WAXMAN. Mr. Chairman, my colleagues and Mr. Huang, just on Mr. Riady, if he had a green card, that means he's, as I understand, legally able to give a contribution even if he travels and spends most of his time in another country. Was that your understanding?

Mr. HUANG. That was my understanding, yes.

Mr. WAXMAN. And the chairman seems to think otherwise. I don't know, you say he may be right, I don't think he's correct, but since we all have a question of opinion on this matter, it's not hard for me to see how Mary Leslie—what was her position?

Mr. HUANG. I think she was the finance director at least for California at that time.

Mr. WAXMAN. How she or you or some others might not know whether the contribution from Mr. Riady was illegal or not. You presume it's legal unless you have some indications otherwise.

I was pleased that my colleague Mr. LaTourette raised the issue of contributions to State parties, and I think we ought to look at that, but I do want to point out, again, that the issue isn't just on the Democratic side. There was a contribution from a Thomas Kramer on July 18, 1997. He was a German national and he was fined \$323,000 by the Federal Election Commission for making illegal foreign campaign contributions. This was the largest fine ever imposed by the FEC on an individual. Mr. Kramer contributed more than \$400,000 to Federal, State and local campaigns during the 1994 election cycle, including \$205,000 to the Florida Republican party. The Florida Republicans were fined \$82,000 by the FEC for accepting Mr. Kramer's contribution but still refused to return \$95,000 of the contribution.

We have another instance of a Mr. Kojima, who was called America's worst deadbeat dad by the LA District attorney's office. He contributed \$598,777 to the Republican party during the 1992 election cycle, including \$500,000 to the President's dinner, which bought him a seat at President Bush's table, and there are a lot of instances—was he fined? The money for one \$100,000 contribution was written on an account that would have had insufficient funds but for a wire transfer from a foreign corporation that was received before the check cleared. Mr. Kojima brought five Japanese businessmen to the dinner. It's been reported that these businessmen paid Mr. Kojima as much as \$175,000 each to attend the event. In return for Mr. Kojima's contributions the RNC arranged for 10 meetings between Mr. Kojima and U.S. Embassy personnel in Asia and wrote at least 15 letters on Mr. Kojima's behalf. At the time of the contribution, Mr. Kojima was almost \$1 million in debt for failure to pay child support or his business creditors.

That second example was not particularly an example of a State party contribution, but both of these are two examples of Republican party fundraising abuses and involved foreign contributions.

Mr. BURTON. Would the gentleman yield? Was he fined?

Mr. WAXMAN. I don't think so. I don't know, but I don't think so.

If I might continue what I have to say, this committee hasn't shown any interest in looking at these Republican foreign contributions into their party. They haven't shown any interest in looking at why the Florida Republican party didn't give back that \$95,000. Mr. LaTourette suggested appropriately that we look at this matter, but if we're going to look at it, we ought to look at it in a clear, nonpartisan, fair manner. But this investigation has not been conducted on that basis. What we have today and yesterday and the day before, now that we have Mr. Huang here, is an interrogation

that is really quite unprecedented, going over and over and over issues on what can't help but be described as a fishing expedition.

I described a couple of days ago when we started this hearing the six phases of the investigation—because we settled into a pattern in this committee of six phases. Phase one is a false accusation and then there are headlines. And then the accusations are not supported by any facts. Then there's a claim that there's a cover-up. "There's stonewalling. That's why we're not getting the facts." And, after that, we get information from those who are presumably stonewalling. They give the information and there's a clear indication that the facts weren't there to support the original allegation. And then we have the next phase which is a new accusation that's also false.

I'd like to ask for 5 additional minutes.

Mr. BURTON. Without objection, so ordered.

Mr. WAXMAN. Usually that plays out over a period of months. Well, I think we can see that having played out over the course of just 3 days.

Mr. Huang was accused of being the linchpin of this whole conspiracy to sell United States confidential information to the People's Republic of China. He was accused of laundering money from China, and the President knew about it and was part of the conspiracy. The Vice President knew about it and was part of the conspiracy. Mr. Huang was asked these questions directly over the course of these last couple of days, and he's clearly said, no, the President didn't know anything about it. The Vice President didn't know anything about it. He was not an agent of the Chinese Government. He did not engage in any espionage. He didn't give any confidential classified information to either the Lippo Group or the Chinese Government. That meant those accusations turned out to be inaccurate.

What do we have now? A new inquisition. Yesterday, Chairman Burton came in. Since the facts didn't support his original series of inflammatory allegations, he came back with a new one. The new one was that Janet Reno refused to ask the President questions about foreign contributions. And he said this is an outrage, that this didn't happen, and the press picked it up. Washington Post: "Representative Burton criticizes Reno: fundraising probe not thorough on roles of Clinton and Gore." I don't criticize the Washington Post for reporting this story. When a Congressman, chairman of the committee, makes an accusation, it's picked up.

And the story did report at the end how Mr. LaBella, who headed up the task force looking at foreign contributions for the Justice Department, said that Janet Reno acted appropriately; that in fact LaBella emphasized that, while he did not agree with Reno's conclusion about an independent counsel, he said the Attorney General does not deserve blame for the decision by prosecutors not to ask questions about foreign contributions prematurely. He said that they were not looking at foreign contributions. They were looking at two very specific issues, and they asked questions about those issues. They had no evidence that the President knew anything about foreign contributions. They didn't have it then, and they don't have it now.

So LaBella said, "I'm not here to defend her. I'm just not going to let her get beaten up unfairly."

And I can commend Mr. LaBella for that statement, but let's look at the rest of the press. Mr. Huang's been here. He's been accused for 3 years of all sorts of terrible things. This is the first chance he's had to publicly explain his side. The press didn't report what he had to say.

Mr. SHAYS. Would the gentleman yield?

Mr. WAXMAN. No, not yet. The press didn't report what he had to say that exonerated him from all those headlines of other Congressmen attacking him. They report the next charge.

Now, I'm pleased to report that one newspaper in this country did give a report, and that was the L.A. Times. It makes me especially proud because it was the L.A. Times. The L.A. Times headline: "FBI notes dispel 'evidence' of security breach by Huang." They picked up what came out at yesterday's hearing, which was that Congressman Solomon made these false accusations about Mr. Huang turning over classified documents because Solomon said he had intercepts, confidential intercepts to prove it, and it turned out in the FBI interview with Solomon that it was all based on gossip.

Well, at least one newspaper picked up a clarification of how an accusation that was made long ago has now been so clearly refuted. But we don't see the accusations that have been refuted. We only see the new ones made, which is a good strategy. And, again, it's the phases of this investigation. You make an accusation. You can't prove it. You come back and say somebody's not giving you the information. They give you the information and then the information doesn't substantiate your allegation so you come right back with another one.

Now, the chairman's statement was picked up in another newspaper—this one you'd expect to have it as a screaming headline. This is the Washington Times. "FBI never probed Clinton, Gore on key scandal figures. Burton wonders if investigators forgot." Full of sarcasm.

Now, the charge is that Janet Reno didn't allow her Justice Department people to question the President about foreign contributions. But it was the FBI which was doing the investigation, and that wasn't the purpose of their investigation at that time. Their questions had to do with whether the President was making calls out of the office. They had to do with whether the President knew about the hard money versus the soft money. Those were the matters for which there had been some evidence of potential wrongdoing that the President might have been involved in. Unlike what we've had with Mr. Huang, Mr. LaBella and the FBI didn't feel that it was appropriate to go into a long dissertation, questioning a President of the United States on everything they might think that he might have done wrong when there's been no evidence that he ever did anything wrong.

Let me just say this about Mr. LaBella. Dan Burton said

He has run the task force investigation of foreign money in our elections for the last 10 months. Janet Reno handpicked Mr. LaBella for this job because of his sparkling credentials and his reputation as an outstanding prosecutor. I can't think of anyone in America who is in a better position to know the facts.

That's what the chairman said about Mr. LaBella, and Mr. LaBella was quoted of course at the tail end of the article in the Post saying that "I'm not here to defend" Mrs. Reno, but "I'm just not going to let her get beaten up unfairly."

Mr. BURTON. I'll take my time now, and I hope the gentleman will be equally generous as far as me getting additional time.

Mr. WAXMAN. I've certainly been generous to you and to the members of this committee.

Mr. BURTON. I know you have, and I hope you will continue to be.

Mr. WAXMAN. I hope you will also, Mr. Chairman.

Mr. BURTON. I will.

First of all, let's start with the last thing first. I think what you read in the paper was all right, but you left a little bit out. Mr. LaBella also said, we always figured we'd have other chances to question the President about his relationship with key fundraisers after developing cases against him.

They were never given that opportunity. The President and the Vice President were never asked about their connection to Mr. Huang, Mr. Trie, Mr. Riady; and Mr. LaBella felt like, as the head of the task force, that he would get another opportunity to do that; and he never did.

That particular meeting you're talking about was limited, but the reason it was limited was because they thought they were going to go back and ask him again about these things, and the Justice Department and Janet Reno never allowed that to happen. That's the first thing.

The second thing, you started talking—incidentally, the people who did the questioning at that meeting were not FBI agents. They were all Justice Department people. Robert Meyer, James Cooper, Lee Radek, and Charles LaBella and the FBI guys that were there, all they did was take notes. So the FBI didn't do any questioning. It was the Justice Department, and they were limited. They did not question him about his connection or possible connection with these people who were raising money illegally.

Now let's talk about these people like Mr. Kramer and Mr. Kojima. The FEC found that the Republican party of Florida got this contribution from Mr. Kramer that you said was illegal. The Federal Election Commission said it was legal. The money that came from Mr. Kramer was legal. Now, I thought that was wrong, and I introduced a bill that was cosponsored by many of my colleagues, including Mr. Shays and Mr. Souder and Mr. LaTourette, which would say that any foreign contributions coming into this country would be illegal. And I asked you to be a co-sponsor, and you said no.

Now Mr. Kramer, because of this loophole, the FEC said it was legal, but you didn't want to sponsor or co-sponsor a bill I did that would kill it and would make sure it would never happen again. I would like to once again extend my hand to you and say I hope you will sponsor that bill with me.

Let's go back to some of these people who gave contributions. The Republicans that you mentioned, with the exception of Mr. Kramer, one was fined \$325,000; one was fined \$5 million; one was fined \$8 million; one was fined \$6 million; one was fined—I can't remember

all of them. But the Democrats who have given money illegally have not been fined once that I know of by this Justice Department. Or at least if they have been fined, nobody's been fined as much. You show me some that have been fined \$8 million, \$5 million, \$6 million and got time in jail.

Now, there's a couple of other things I think that are important. I guess the thing that I want to make clear is that if a Republican breaks the law in giving campaign contributions, they should be penalized to the full extent of the law. If a Democrat breaks the law or a foreign entity breaks the law, they should be penalized to the full extent of the law. But the Justice Department should apply the law fairly, justly and equally.

And the Republicans who have broken the law in the Dole campaign have been penalized as far as I know, some extremely severely, whereas people like the Riadys and Mr. Huang and Mr. Trie have gotten a slap on the wrist. Mr. Huang, who is responsible for over \$3 million in illegal campaign contributions, \$1.3 or \$4 million that's been returned, got a \$10,000 fine and some community service time. Mr. Trie was not even going to get a financial fine at all, and the judge thought that was wrong so he imposed a \$5,000 fine himself, and he got community service time. \$10,000, \$5,000 for two of the major conduits of illegal contributions while people on the Republican side got an \$8 million fine from the Justice Department, a \$6 million fine, a \$5 million fine and on and on.

So what I'm saying is there ought to be fair application of the law, and that has not been done. And if you're going to quote Mr. LaBella, for whom I do have a great deal of respect, I hope you'll always tell the full story. And the full story is—and I'll reiterate this one more time—he said, we always figured we'd have other chances to question the President about his relationship with key fundraisers after developing cases against him. The cases were developed against Mr. Huang, Mr. Trie and a number of others, and they never—Janet Reno never sent anybody back over to question the President or the Vice President.

I'll yield back my time.

Mr. WAXMAN. Mr. Chairman, I ask unanimous consent to be recognized for 5 minutes.

Mr. SHAYS. Could I have you yield to me, Mr. Chairman?

Mr. BURTON. I'll yield to Mr. Shays first and come back to you.

Mr. WAXMAN. Just a minute, Mr. Chairman. I have let members on your side go 15, 20 minutes.

Mr. BURTON. Mr. Shays has the time.

Mr. WAXMAN. Mr. Cummings is here, and he is seeking recognition and hasn't had an opportunity at all for his time.

Mr. SHAYS. I just want to put on the record two points.

Mr. WAXMAN. Mr. Chairman, I'm going to make a point of order. Point of order, Mr. Chairman.

Mr. BURTON. The gentleman will state his point of order.

Mr. WAXMAN. The rules of this committee provide that members shall have 5-minute rounds each.

Mr. BURTON. Right.

Mr. WAXMAN. And no member should be recognized for a second round until all members have been recognized for the first round.

Mr. SHAYS. I'm not asking to be recognized. I'm asking for the gentleman's time.

Mr. WAXMAN. Are you asking for my time?

Mr. SHAYS. No, Mr. Burton's.

Mr. WAXMAN. Mr. Burton's time has expired.

Mr. BURTON. I'll respond to his point of order. We're already into the second round. Mr. Cummings has just arrived. I'm going to yield to Mr. Shays.

Mr. WAXMAN. Mr. Cummings is seeking recognition. He hasn't been recognized on the first or the second round.

Mr. BURTON. I will recognize Mr. Cummings as soon as I recognize Mr. Shays.

Mr. WAXMAN. Point of order, Mr. Chairman. The rules provide—

Mr. BURTON. I have ruled on your point of order. Mr. Shays.

Mr. CUMMINGS. Mr. Chairman, point of order.

Mr. BURTON. The gentleman will state his point of order.

Mr. CUMMINGS. I was here before the first round ended. I'm just trying to figure, does that mean I am denied a right to ask questions in the first round?

Mr. BURTON. You will have—

Mr. CUMMINGS. Ten minutes?

Mr. BURTON. You will be recognized as soon as Mr. Shays completes his questioning.

Mr. CUMMINGS. You didn't answer my question, Mr. Chairman. I just asked you one simple question. Do I get to ask my questions in the first round because I'm going to ask them in the second round, too, where I'm limited to the second round or are you going to give me 10 minutes in the second round?

Mr. BURTON. We'll be liberal with the time. My staff has just apprised—made me aware—

Mr. SHAYS. I'm just curious of one thing.

Mr. WAXMAN. Mr. Chairman, on the point of order, I wish to be recognized.

Mr. SHAYS. I want to know who has the time.

Mr. WAXMAN. Mr. Chairman, I wish to be recognized on the point of order.

Mr. BURTON. I have ruled on the point of order.

Mr. WAXMAN. The point of order is still pending, and I want to bring an argument to the chair.

Mr. BURTON. I have ruled on the point of order.

Mr. WAXMAN. The chairman has not read the rules. The rules say that each member gets 5 minutes before others get it and we alternate, one side and then the other. Mr. Cummings has not been recognized at all.

Mr. SHAYS. Would the gentleman just yield?

Mr. BURTON. You want to yield on his point of order?

Mr. SHAYS. I'm just asking first—I'm not asking for my 5-minute time, and I'm very happy to have Mr. Cummings have his time. I just want to know, do you still have the time left or had your time run out? If your time ran out, I'm not asking for you to yield.

Mr. BURTON. I did have some time left on the clock. According to the staff, I had 1 minute left on the clock.



Mr. SHAYS. Mr. Waxman, if you don't agree, I'm happy to just drop it. Because, frankly, you want to make a circus out of this. I don't intend to. I just intend to ask some questions. I thought my chairman had the time. If he didn't have the time, I don't ask—

Mr. WAXMAN. I don't think he did. He's now being told by this staff he has a minute left, but I looked at the clock, and the red light came up. I don't think he has the time.

Mr. SHAYS. I totally withdraw any complaint. I'm happy—I'm going to be here all day.

Mr. BURTON. I'm the chairman of the committee, and I will say this. There was 1 minute left on the clock. We will take the 1 minute and I yield to Mr. Shays.

Mr. SHAYS. Thank you. I'm happy to yield back.

Mr. BURTON. Mr. Cummings.

Mr. CUMMINGS. Thank you very much. We're certainly are not trying to make a circus here, Mr. Chairman. We're just trying to go by the rules as the ranking member has stated.

Mr. WAXMAN. Would the gentleman yield to me?

Mr. CUMMINGS. I will certainly yield to Mr. Waxman.

Mr. WAXMAN. Mr. LaBella said they would go in and ask the President questions if they developed a case that indicated that he in any way knew that foreign contributions were involved. The only way we could ever establish a case that Mr. Clinton knew was if someone said he knew. Mr. Huang indicated he was the one involved in raising this money, and that the President of the United States never knew about these foreign contributions.

But I do want to point out somebody who did participate as an officeholder or has been accused of knowing as an officeholder by the person involved in giving a conduit contribution. There's a fellow named Cloeren in Texas. He admits giving a conduit contribution to a Republican House candidate. And then he not only admits having done it, he said he did it at the request of Congressman Tom DeLay, the Republican whip.

Now, when you have the man who admitted to giving the conduit contribution say that the officeholder suggested he give it, you would think that ought to be investigated. The chairman talked about everybody being fair. This committee refused to even investigate that matter. Every Democrat wrote a letter to the chairman requesting an investigation of these very serious charges of campaign violations. To show how serious it is—it's as serious as Mr. Huang's violation of the law, because what Mr. Huang did was a conduit contribution and what Mr. DeLay is accused of doing is a conduit contribution as well.

Mr. Chairman, I hope that you will now tell us you're going to investigate that clear indication where someone was involved. And the distinction again is there's evidence that Mr. DeLay was involved and knew—not only knew but orchestrated a conduit contribution. There has not been any evidence—a lot of headlines and charges, but there's never been any evidence—to indicate the President of the United States knew of any foreign contributions. And the one that would have been able to give evidence to that effect and who you described as a linchpin of this whole campaign scandal is Mr. Huang, and he has told us explicitly that the President didn't know about it. So I would hope that the chairman will now

tell us that he's going to investigate the charges by Mr. Cloeren who is an active Republican who gave a conduit contribution he says at the request of Mr. DeLay.

Mr. BURTON. If the gentleman would yield.

Mr. CUMMINGS. Thank you.

Mr. BURTON. Will the gentleman yield?

Mr. CUMMINGS. Yes, I'll yield.

Mr. BURTON. You keep talking about Mr. Cloeren, have been for some time. His allegations were investigated fully by your Justice Department, and they found that Mr. Cloeren's investigations were baseless, his allegations were baseless.

Now, Mr. Cloeren was convicted of other crimes. He was convicted—he was convicted of other crimes, and it sounds like you're accusing Mrs. Reno's Justice Department of doing something wrong. The whip of the House, Mr. DeLay, has been exonerated in effect by the Justice Department.

Now, for you who have complained about us wasting a ton of time at this committee to want to go back and investigate something that has been fully investigated by the Justice Department seems ludicrous. I mean, Mr. Cloeren was convicted himself. The Justice Department found no credence in what he said and they dropped that investigation.

Mr. WAXMAN. Would the gentleman yield?

Mr. CUMMINGS. Yes.

Mr. WAXMAN. That's an absolutely false statement that the chairman has made. There has not been a clearance of Mr. DeLay by the Justice Department. It is just absolutely incorrect. And isn't it pretty ironic that Mr. Burton would say we're not going to investigate a matter because the Justice Department—he thinks—has already disposed of it. What are we doing here now? We're questioning Mr. Huang for 3 days and spending \$7 million in the last Congress on this investigation when the Justice Department has already investigated it and penalized Mr. Huang.

It seems to me that you can't make these false statements, false accusations and figure it will never catch up with you. Except it looks like Mr. Burton is succeeding somewhat, although I don't think it has much credibility, because he's always got another charge, always another accusation, and then nothing substantiates his allegation. And that is a flat-out false statement about the DeLay-Cloeren business.

Thank you for yielding.

Mr. CUMMINGS. Reclaiming my time, I think when we sit in this room, Mr. Huang—there are only a few people here as compared to some of our hearings, but the things that are stated here are certainly on the record and you are sworn. The things that you say can have a direct bearing on a lot of people's lives, including your own, and so I've been following the hearings. I had an opportunity to read the FBI 302s and just have a few questions, because I think in taking—in light of what I just said, I just want to make sure we are all clear because what happens is that you start, you have a question here, a question there, and it gets muddled. And sometimes we need to stop and pause to be clear, and so I would just ask you a few questions.

Your FBI interviews indicate that you and Mr. Riady discussed soliciting contributions from the Lippo executives who had substantial means and could afford to make political contributions; is that correct?

Mr. HUANG. That is correct.

Mr. CUMMINGS. Now, by discussing who could give contributions, it seems that you and Mr. Riady were trying to make sure that you comply with the law in this regard; is that correct?

Mr. HUANG. That was an effort, yes.

Mr. CUMMINGS. You didn't believe that the plan to raise political contributions from Lippo executives, who were citizens or green card holders and who had means, was illegal? Did you believe that was illegal?

Mr. HUANG. No, sir.

Mr. CUMMINGS. Similarly, you did not believe that soliciting these people to make contributions was illegal; is that right?

Mr. HUANG. No, sir.

Mr. CUMMINGS. Now, when you had these discussions with Mr. Riady, you did not discuss with him the reimbursement of these Lippo executives for their contributions, did you?

Did you understand the question?

Mr. HUANG. I understand. We did not explicit that information, no.

Mr. CUMMINGS. I'm sorry, I didn't hear you.

Mr. HUANG. We did not explicit mention about reimbursement, no.

Mr. CUMMINGS. So you did have a discussion, but you did not explicitly talk about reimbursement; is that what you're saying?

Mr. HUANG. I—basically I sensed that all the people probably will be taken care of.

Mr. WAXMAN. Mr. Chairman, I ask unanimous consent the gentleman from Maryland be given 5 additional minutes.

Mr. BURTON. Without objection.

Mr. CUMMINGS. Thank you very much.

Now, as to the \$50,000 Hip Hing contribution, was it you or was it Mr. Riady who decided to make this contribution? Who made that decision?

Mr. HUANG. Congressman Cummings, I did.

Mr. CUMMINGS. You made that decision?

Mr. HUANG. Yes.

Mr. CUMMINGS. When you decided to do that, did you think that it was legal to do it?

Mr. HUANG. Yes.

Mr. CUMMINGS. What did you base that on?

Mr. HUANG. This is sub of either the U.S. corporation—at least the sub of—the U.S. corporation is a sub, or the foreign entity has to generate U.S. revenue.

Mr. CUMMINGS. So you felt comfortable that you were doing something legal?

Mr. HUANG. At that time, yes.

Mr. CUMMINGS. In one of your interview memos, I saw that you said that you first talked to Mr. Riady about the \$50,000 contribution only after the fact, after you had made it; is that correct?

Mr. HUANG. That is correct.

Mr. CUMMINGS. During that discussion, it was Mr. Riady who asked you if it was OK or legal for Hip Hing to make the contribution?

Mr. HUANG. That's correct.

Mr. CUMMINGS. And as I understand it, you told Mr. Riady that the contribution was legal because Hip Hing had revenues in the United States. That is what you told him and I guess based upon what you—a question that you answered a little bit earlier in this series of questions, is that accurate?

Mr. HUANG. That is accurate.

Mr. CUMMINGS. At that time, that's what you truly believed?

Mr. HUANG. That's what I truly believed, yes.

Mr. CUMMINGS. Had you talked to a lawyer about it at all?

Mr. HUANG. I did not, no.

Mr. CUMMINGS. So you believe that U.S. subsidiaries of foreign companies could legally make political contributions if they had revenues in the United States?

Mr. HUANG. That is correct.

Mr. CUMMINGS. Mr. Huang, it seems that the reason Mr. Riady asked you whether it was OK for Hip Hing to make the contribution, just like when he discussed whether citizens and green card holders could contribute, was that he wanted to make sure that the law was followed and complied with. Do you believe that?

Mr. HUANG. I do.

Mr. CUMMINGS. Why do you say that?

Mr. HUANG. You just want to make sure that the things was do right.

Mr. CUMMINGS. Now, as I understand it, going back to this \$1 million contribution, Mr. Riady said that he wanted to raise the funds.

I'm sorry. If you wanted to followup on that question, you are certainly welcome. Did you want to followup on the question?

Mr. HUANG. No, sir.

Mr. CUMMINGS. Now back to the \$1 million contribution. As I understand it, Mr. Riady said he wanted to raise—he wanted to raise the funds and not give the funds; is that true?

Mr. HUANG. I wasn't sure exactly words, but to me at that time it was probably not that much difference anyway.

Mr. CUMMINGS. So—

Mr. HUANG. He had the means to give \$1 million himself.

Mr. CUMMINGS. Did he have the means to raise it?

Mr. HUANG. To raise or give himself.

Mr. CUMMINGS. So you're not sure what he meant? Is that what you're saying when you first had your discussion with him about that?

Mr. HUANG. It did not really make that much difference to me, but the \$1 million is the key.

Mr. CUMMINGS. After Mr. Riady told you that he told Governor Clinton that he would try to raise \$1 million, you then talked to Mr. Riady about who could contribute to the campaign? Did you have a discussion?

Mr. HUANG. We did.

Mr. CUMMINGS. You did?

Mr. HUANG. Right.

Mr. CUMMINGS. About who could contribute?

Mr. HUANG. Right.

Mr. CUMMINGS. Mr. Riady discussed only U.S. citizens or green card holders could make legal contributions; is that correct?

Mr. HUANG. We identified the people with those kind of—in that category.

Mr. CUMMINGS. That fell into that category?

Mr. HUANG. Yes.

Mr. CUMMINGS. So you felt you all were doing something legal; is that correct?

Mr. HUANG. That's correct.

Mr. CUMMINGS. I will yield to Mr. Waxman.

Mr. WAXMAN. I thank you for yielding.

I just think some things ought to be straightened out on the record. We checked about this Cloeren-DeLay matter. The chairman is absolutely incorrect, as I pointed out, because we requested 302s' which are the reports of the FBI investigators, and they've told us it's an active investigation. It has not been concluded. There has been no letter to Mr. DeLay clearing him.

Second, I want to put in the record a statement of the cases prosecuted by the U.S. Department of Justice and the Federal Election Commission. The chairman said Democrats have never been fined, everybody is going soft on these Democrats. Sun-Diamond, fined \$1.5 million; Nicholas Rizzo, \$1.499 million; the Gephardt for President Committee had an \$80,000 fine; Jesse Jackson's campaign in 1988, \$150,000 fine; Democratic Senatorial Campaign Committee was fined \$75,000.

Statements are made. There's just absolutely no basis for them, even the statement that was made about whether the time was there. On the timer it was incorrect.

I know people may be watching this. It's just like you can say whatever you want, but no one ever catches up.

Mr. BURTON. Would the gentleman yield?

Mr. WAXMAN. I don't have the time, but I would certainly urge the gentleman to yield.

Mr. CUMMINGS. I yield.

Mr. BURTON. How much were those fines you were talking about?

Mr. WAXMAN. \$1.5 million, \$1.499 million.

Mr. BURTON. What were the dates on them?

Mr. WAXMAN. There's a 1993, a 1997.

Mr. BURTON. May I see them.

Mr. WAXMAN. Certainly you're welcome to see it. I would like to have unanimous consent to put it all in the record.

Mr. BURTON. Without objection. Without objection.

[The information referred to follows:]



### Cases Prosecuted by the U.S. Department of Justice Which Resulted in Fines of \$25,000 or More

The U. S. Department of Justice prosecutes violations of the FECA both as misdemeanors and as felonies. In general, violations are prosecuted criminally only if they are knowing and willful violations of the "core provisions" of the FECA and involve \$2,000 or more in a calendar year. The core provisions are: contribution limits; prohibitions on contributions from corporate and union funds; prohibition on contributions from federal contractors; prohibition of contributions from foreign nationals; prohibition on disguised or "laundered" contributions; and the FECA disclosure requirements. Felony prosecutions often involve prosecutive theories based on other statutes, such as conspiracy to defraud and filing false statements; in many cases substantial jail sentences have been imposed, in addition to fines. The fines listed below should be considered as a representative sample of Justice Department prosecutions in the several U.S. Federal court districts.

| Defendant                                             | Year    | Violation                                                       | Fine                                           |
|-------------------------------------------------------|---------|-----------------------------------------------------------------|------------------------------------------------|
| Empire Landfill/New Owner: USA Waste Service Inc./    | 1997    | Corporate Funds<br>Money laundering                             | \$8,000,000                                    |
| Aqua Leisure/<br>Simon Fireman                        | 1996    | Corporate Funds<br>Money laundering                             | \$6,000,000                                    |
| Food Services of America/Dennis Specht/Thomas Stewart | 1998    | Corporate funds & Money<br>laundering                           | \$5,000,000                                    |
| Crop Growers Corp                                     | 1996    | Illegal contributions &<br>fraud                                | \$2,000,000                                    |
| Sun-Diamond Growers                                   | 1997    | Illegal gifts and corporate<br>campaign contributions           | \$1,500,000                                    |
| Nicholas Rizzo, treasurer for Tsongas campaign        | 1993    | Money laundering<br>False statements                            | \$1,499,000<br>(restitution and<br>forfeiture) |
| Hyundai Motor America                                 | 1995-96 | Corporate Funds<br>Money Laundering                             | \$600,000                                      |
| Gulf Power                                            | 1989    | Utility law violation<br>Illegal contributions                  | \$500,000                                      |
| Haitai America                                        | 1995-96 | Corporate Funds<br>Money laundering                             | \$400,000                                      |
| Korean Air                                            | 1995-96 | Corporate Funds<br>Money laundering                             | \$250,000                                      |
| Daewoo International America                          | 1995-96 | Corporate Funds<br>Money laundering                             | \$200,000                                      |
| Carroll Hubbard                                       | 1994    | Falsifying capaign finance<br>reports<br>Obstruction of justice | \$153,000                                      |



### Federal Election Commission Cases Which Resulted in Fines of \$25,000 or More

The Federal Election Commission has statutory authority for civil enforcement of the FECA through fines and civil sanctions. The statute provides for a process of conciliation in which the respondent acknowledges guilt and agrees to a stipulated penalty, the amount of which is frequently lower than that sought by the Agency. By statute, the Commission may impose fines up to \$10,000 or an amount equal to 200 percent of any contribution or expenditure involved in a knowing and willful violation. Such civil enforcement generally applies to FECA violations that involve small amounts of money or that are committed openly or in obvious ignorance of the law. The listing of FECA fines below is limited to fines of \$25,000 or more; in addition, the Commission has imposed hundreds of lesser penalties in the course of processing more than 4,000 cases since its beginning.

| Defendant                                                                                                             | MUR Number | Date     | Amount       |
|-----------------------------------------------------------------------------------------------------------------------|------------|----------|--------------|
| Prudential Securities                                                                                                 | 3450       | 12/1/94  | \$550,000.00 |
| Thomas Kramer                                                                                                         | 4398       | 7/18/97  | \$323,000.00 |
| Stanley N. Kaplan                                                                                                     | 1237       | 11/2/82  | \$190,000.00 |
| Jesse Jackson for President '88/Howard Renzi, treasurer/New Yorkers for Jesse Jackson '88/J. Wesley Parker, treasurer | 3492       | 5/25/95  | \$150,000.00 |
| New Enterprise Stone and Lime Co., Valley Quarries/Paul Detwiler/Donald Detwiler/Roger Hoover/Thomas Zimmerman        | 3508       | 5/23/95  | \$150,000.00 |
| Cherry Communications Inc., formerly known as Cherry Payment Systems/James Elliott, Chairman                          | 3672       | 5/2/97   | \$150,000.00 |
| Dole for President/James Hagen, treasurer                                                                             | 3309       | 7/29/93  | \$100,000.00 |
| Jack Kemp for President/James Hagen, treasurer                                                                        | 3309       | 5/17/94  | \$100,000.00 |
| D.H. Blair and Co.                                                                                                    | 4320       | 9/11/96  | \$100,000.00 |
| Wilson Committee                                                                                                      | 3972       | 7/25/95  | \$90,000.00  |
| Firearms Training Systems                                                                                             | 4090       | 12/23/96 | \$90,000.00  |
| Republican Party of Florida                                                                                           | 4398       | 7/18/97  | \$82,000.00  |
| Gephardt for President/S. Lee King, treasurer/Richard Gephard/Gephard in Congress/John Turnbarello, treasurer         | 3342       | 5/12/95  | \$80,000.00  |
| General Cigar Company, Inc./Austin T. McNamara, President                                                             | 4286       | 6/6/97   | \$80,000.00  |
| Kentucky State Democratic Executive Committee                                                                         | 3637       | 3/14/97  | \$75,000.00  |
| National Education Association et al (also MURs 949 & 639)                                                            | 665        | 4/22/80  | \$75,000.00  |

Penalties

<http://www.opensecrets.org/regulation/penalties/feetines.i>

|                                                                                                                                                           |      |          |             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------|----------|-------------|
| Democratic Senatorial Campaign Committee/Donald Foley, treasurer                                                                                          | 3620 | 8/21/95  | \$75,000.00 |
| Mondale for President/Michael Berman, treasurer                                                                                                           | 2241 | 12/19/86 | \$68,000.00 |
| Friends of John Glenn/Lyn Glen, treasurer                                                                                                                 | 3418 | 6/17/94  | \$65,000.00 |
| Perot '92/Mike Poss, treasurer                                                                                                                            | 3721 | 2/8/95   | \$65,000.00 |
| Haig for President/Dominic Saraceno, treasurer/Committee for America/Sherwood Goldberg, treasurer                                                         | 3367 | 5/9/95   | \$60,000.00 |
| Sports Shinko/Toshio Kinoshita/Taskeshi Kinoshita/Tomio Kawaski/Koichi Soejima                                                                            | 3460 | 9/8/94   | \$57,000.00 |
| Donald Trump et al                                                                                                                                        | 3460 | 3/15/93  | \$56,900.00 |
| Friends of Bob Bennett Senatorial Campaign Committee/Stanley R. DeWaal, treasurer                                                                         | 4208 | 5/2/97   | \$55,000.00 |
| Cranston for President/William Landau, treasurer/Alan Cranston                                                                                            | 2073 | 5/16/89  | \$50,000.00 |
| McDonald for Senate Committee/Philip C. Benefield, treasurer                                                                                              | 4609 | 6/6/97   | \$50,000.00 |
| Elkin McCallum                                                                                                                                            | 3585 | 12/16/96 | \$50,000.00 |
| William Templeton                                                                                                                                         | 2787 | 12/12/90 | \$50,000.00 |
| Mascara for Congress/Edward Mendola, treasurer/Mascara Campaign Committee/Judith Cap, treasurer                                                           | 4194 | 1/7/97   | \$50,000.00 |
| William J. Levitt et al/Rowenroy Ltd.                                                                                                                     | 2576 | 10/17/91 | \$45,250.00 |
| New York Democratic Party/Rosemary Conway, treasurer                                                                                                      | 3248 | 4/1/94   | \$45,000.00 |
| Ruff PAC/Tammy Lyles, treasurer/Free the Eagle                                                                                                            | 2191 | 7/23/93  | \$44,400.00 |
| Eddie Bernice Johnson for Congress/PaoLing Chen, treasurer                                                                                                | 4044 | 3/15/96  | \$44,000.00 |
| Quareterdeck Office Systems                                                                                                                               | 3991 | 7/15/97  | \$40,000.00 |
| Texas Republican Congressional Committee/Martha Weisend, treasurer                                                                                        | 2598 | 5/25/93  | \$40,000.00 |
| Alaska Interstate Construction, Inc.                                                                                                                      | 4235 | 10/31/97 | \$40,000.00 |
| Roger Trudeau                                                                                                                                             | 3585 | 5/6/97   | \$40,000.00 |
| George Bush for President/Stan Huckaby, treasurer                                                                                                         | 3467 | 4/8/94   | \$40,000.00 |
| Friends of Jim Moody/Robert Frieber, treasurer                                                                                                            | 4156 | 12/8/95  | \$40,000.00 |
| West Beach Estates                                                                                                                                        | 2892 | 3/15/94  | \$38,500.00 |
| Missourians for Carroll/John Bardgett, treasurer/Steven Carroll/Kenneth Carroll/Rheyma Carrol                                                             | 3968 | 3/6/96   | \$38,000.00 |
| Anastasios Kaloginis                                                                                                                                      | 3585 | 3/31/97  | \$37,500.00 |
| Antonovich for Senate/Thomas Silver, treasurer/Michael Antonovich                                                                                         | 2619 | 11/15/94 | \$37,000.00 |
| National Automobile Dealers Association Dealers Election Action Committee of the National Automobile Dealers Association/Leonard Fichtner, treasurer (VA) | 4426 | 5/2/97   | \$36,000.00 |



Mr. BURTON. The fines that we see here are nowhere near the \$6, \$8, \$5 million ones; they're much smaller. But I will accede to the gentleman's comments that there were some fines there that I was unaware of. But the fact is the vast majority of the fines and the huge amounts that have been levied have been levied against the Republicans.

Mr. WAXMAN. You should have investigated why those fines were levied because there might have been problems there that were worthy of a legitimate campaign investigation.

Mr. BURTON. The gentleman's time has expired.

Mr. Shays.

Mr. SHAYS. Mr. Chairman, thank you.

This is the first time I've spoken today, and I want to state that I'm not going to ask for additional 5 minutes, but I'm going to take my time as it comes. I'm not going to ask Mr. Waxman to yield to me. I asked him once today, and he said no. And when I asked you to yield me time, he objected.

I just want to say I think Mr. Cummings asked more questions in his one visit than Mr. Waxman has in his 2 days. And for us to have the incredible amount of dialog about how much time it is taking to ask you questions, Mr. Huang, when we haven't even had the opportunity basically to ask questions because Mr. Waxman wants to talk about anything but you, and I'm just going to read the letter that was supposed to start the spirit of these hearings.

And so, Mr. Huang, if you have to be here tomorrow, you have not me to blame. But in the letter that Mr. Waxman sent to this committee in denying us an opportunity to basically ask you questions privately so we wouldn't have to ask so many questions publicly, I will read you the full letter that we got.

Thank you for your recent letter regarding immunity for John Huang. I am glad we were able to reach an agreement on this matter and I'm looking forward to his testimony.

As you know, in the past, many members of our committee have expressed concerns about the practice of extensive questioning of witnesses in closed session. I share that concern and continue to believe that the committee and the American people will best be served by having Mr. Huang appear at a public hearing with no restrictions on the amount of questioning he would face.

So I will strongly take exception to Mr. Waxman complaining to any question I ask and however long and if he gets tired at 2 or 3 today and wants to leave, he may leave. I'm staying.

Then he said, "I appreciate you sharing a new proposal for dealing with Mr. Huang's testimony with me, but believe we should proceed as originally agreed and hold a public hearing with Mr. Huang."

Mr. Huang, I am sorry to say this, but I'm going to say it since he wants to rehabilitate you before I think you deserve to be. You are a convicted felon; is that not true?

Mr. HUANG. That's correct.

Mr. SHAYS. You have acknowledged to this committee that in one way or the other you have been involved with almost \$1 million of illegal contributions with Mr. Riady; is that not true?

Mr. HUANG. That is true.

Mr. SHAYS. OK. You are here only because you were given immunity; is that not true?

Mr. HUANG. That is true.

Mr. SHAYS. You had an opportunity to come before this committee many years earlier and set the record straight; is that not true?

Mr. HUANG. Yes.

Mr. SHAYS. So the fact that you're here today is basically a decision you made by deciding not to come earlier; is that not correct?

Mr. HUANG. Yes.

Mr. SHAYS. Now, you know, I left last night having a lot of compassion for you. I think you're a good man. But I do think good men sometimes do illegal things. And the purpose of these questions is to find out what you did and what you didn't do.

Now, I didn't make these accusations. Mr. Burton didn't make these accusations. And in fact I gave you yesterday a copy from the Cox report. I don't want to blind-side you. I want you to deal with it, and I would think you'd want to because it's really scary stuff dealing with you. And I was touched by your comments about your children and the concept that you could in fact have done something contrary to your own country's best interests and that potentially you could be involved with espionage. Pretty frightening stuff and something that, frankly, I don't have a sense that you are, except we have a report.

Now, on this committee are Mr. Cox, a Republican; Norm Dicks, a Democrat; Porter Goss, a Republican; Doug Bereuter, a Republican; Mr. Hansen, a Republican; John Spratt, a Democrat; Curt Weldon, a Republican; Lucille Roybal-Allard, a Democrat; Robert "Bobby" Scott, a Democrat. They came out with a unanimous report and this unanimous report mentioned you. And it mentioned some very serious accusations about you, and I—frankly if they were said about me, I would be horrified.

Now, it basically says, Huang maintained contact with representatives of Lippo Group while he was at the Department of Commerce. During the 18 months that he was at Commerce, Huang called Lippo bank 232 times in addition to 29 calls or faxes to Lippo headquarters in Indonesia.

Huang also contacted Lippo consultant Maeley Tom on 61 occasions during the same period.

Huang's record shows 72 calls to Lippo joint venture partner C. Joseph Giroir. During his tenure at the Commerce Department, Huang used a visitor's office across the street at the Washington, DC, branch of Stevens, Inc., an Arkansas based brokerage firm with significant business ties to the Lippo Group. Stevens employees indicated that these visits were short in duration. Huang used these offices two, three times a week, most weeks making telephone calls and regularly receiving faxes and packages addressed to him.

Commerce Department approval—excuse me. No one at the Commerce Department, including Huang's secretary, knew of this additional office. Huang met with the PRC Embassy officials in Washington, DC, at least nine times—at least nine occasions. Six of these meetings were at the PRC Embassy, People's Republic of China. When informed of these contacts Jeffrey Garten, the Department of Justice Under Secretary for Trade Administration, was taken aback to learn that Huang ever dealt with anyone at the PRC Embassy. The proposal of these—the purpose of these contacts is unknown.

My time is up. I don't choose the additional 5 minutes. I'll come back when my time is allowed.

Mr. BURTON. Mr. LaTourette.

Mr. WAXMAN. I would like to ask unanimous consent that the gentleman, Mr. Huang, be able to respond to those statements.

Mr. SHAYS. I'll go through. He'll have time. I'm going to have 5 minutes. I'm not going to ask you for 5 minutes and be at your mercy.

Mr. BURTON. Mr. LaTourette.

Mr. LATOURETTE. Thank you, Mr. Chairman. I was going to say sadly I have to return to Ohio pretty directly. I am on very strict orders to pick up two Britney Spears Barbies and something called Wrestle Mania 2000.

I was going to say—before this recent brouhaha, I was going to commend all of our colleagues for the last 2½ days. I've been on this committee since I was elected in 1994, and from my perspective—and maybe I'm just a dope, but from my perspective, I thought this was one of the best hearings we've ever had in this committee.

I want to thank you, Mr. Chairman, and I want to thank Mr. Waxman for the courtesy he's extended to me and the Members on this side until, again, this recent brouhaha.

I also want to make an observation about the staff, and this is the best prepared I've ever been for a hearing and the materials that the staff on the Republican side have prepared for this hearing are exceptional. And I hope you give them all raises and Christmas off and everything else.

I'm sure—I've seen Mr. Waxman's staff run to him with notes and things too. I'm sure they've done an excellent job too.

During the break, I was talking to some of the staff and some of your staff didn't get to go home for Thanksgiving because they were preparing for this hearing. I want to commend them publicly for the materials they put together because I think it's swell.

Mr. Huang, it's a long time since anybody talked to you, and this will be the last opportunity I have to chat with you.

Mr. HUANG. Thank you.

Mr. LATOURETTE. I want to tell you last night I couldn't sleep so I watched the replay of the hearing yesterday. That is one of the sad things about being in Congress. You like to watch C-SPAN more than most people. A couple of things occurred to me. It helped to refresh my memory of what happened at yesterday's hearing. I think—I'm not going to make a wild accusation but I come away from this hearing with a pretty clear indication that in the years 1992 and 1993 you were in essence a bag man for the Riady family to make illegal contributions to primarily Democratic campaigns. I know Mr. Waxman brought up the fact that you contributed to a couple of Republican Senators. Basically that's what you did. And you are asking us to believe that even though you weren't caught yet, even though you weren't prosecuted yet, in the 1996 cycle, the same kind of conduct was going on and I'll take you at your word that you were no longer knowingly engaged in the conduit contributions. I think the evidence before the committee is in 1996 maybe Charlie Trie took your place as the bag man for the Riady

family to give illegal contributions to Democratic candidates both nationally and locally.

The one comment I would say to the distinguished ranking member, I think it's disgusting that either Republican or Democrat State parties would receive illegal campaign contributions. I don't know how it is in California. In Ohio we have county commissioners. I think you have county supervisors maybe. But we had a race in my home county. It was decided by 80 votes and to think that Pauline Kanchanalak selected the county commissioner of the town where I live is disgusting to me. I would think it would bother Mr. Waxman if an illegal Republican contribution picked his county supervisor. I think that's disgusting and I think we have to do something to change it.

I want to go through some matters after this scandal broke and talk to you about some entries in your diary and then, as I said, I'll be done and I thank you and your lawyers for the courtesies you've extended to me. If you could go to exhibit 525, it is a page from your diary from early October 1996 and it is after the news stories about your fundraising had begun. On the left side of the page your notes say the way I'm able to decipher them, "principal not to talk, President, First Lady, Vice President, call these people." Do you see that on the exhibit, sir? Do you find that on the exhibit?

[Exhibit 525 follows:]



Mr. HUANG. I do find it, Congressman.

Mr. LATOURETTE. This is your diary and that's your handwriting and you wrote that sometime in 1996, right?

Mr. HUANG. It was my writing, yes.

Mr. LATOURETTE. Could you tell us, what does that mean?

Mr. HUANG. Congressman, I don't at this moment.

Mr. LATOURETTE. I want to make—does it mean, however—I understand you said you don't know what it means. When I saw it, to me it sounded like somebody told you not to talk or not to answer questions in response to inquiries on this particular matter, the fundraising scandal. Does it mean that or you just don't know?

Mr. HUANG. It well could be that way. The reason is because the media has been calling me, I recall, so I was not supposed to talk to media directly. That might be the case.

Mr. LATOURETTE. Would that have been at the advice of your lawyers or at the advice of someone else?

Mr. HUANG. The advice of just basically DNC's policy, the person handling all the communications. I was not the person to do that.

Mr. LATOURETTE. I'm wondering if I could ask unanimous consent for 5 more minutes, if anyone has a problem with that? Is that OK with you, Mr. Chairman?

Mr. BURTON. I'm next. What I would be happy to do is to yield to you my time.

Mr. WAXMAN. I have no objection to giving the gentleman 5 minutes.

Mr. BURTON. We're going to stay with the 5-minute rule from now on. I yield you my time, 5 minutes for right now.

Mr. LATOURETTE. I thank you. I have two other exhibits I want to talk to you about. 532 is a page from your diary dated October 21, 1996, and it indicates that you received a call from an individual by the name of Ernie Green. Do you have any recollection today why Ernie Green contacted you by telephone on October 21?

[Exhibit 532 follows:]

Handwritten notes on a lined page, organized into two columns. The left column contains several entries, some with redaction boxes and arrows. The right column continues the notes with more names and connections, also featuring redactions and arrows. The handwriting is in black ink on a white background.

**Left Column:**

- ① [Redacted]
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- ⑤ [Redacted]
- ⑥ [Redacted]
- ⑦ [Redacted]
- ⑧ [Redacted]
- ⑨ [Redacted]
- ⑩ [Redacted]
- ⑪ [Redacted]
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**Right Column:**

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REDACTED

COMM 0079

Redacted pursuant to community order dated 10/29/98

EXHIBIT 532

Mr. HUANG. Is this on the left-hand side, sir or right-hand side? We found it. Basically that was a message, I think.

Mr. LATOURETTE. Maybe. I'm asking you did Ernie Green call you on October 21 and did you know why and specifically—

Mr. HUANG. The note indicating I took the voice message. I just took it by time, who call me, say 6:22, 7:22 who called, what's the words. Basically the message, not necessarily a conversation I had with him.

Mr. LATOURETTE. The last document I want to ask you about is exhibit 537 and it's a travel reimbursement that you submitted to the Democratic National Committee. And it has some words on it that intrigued me again. It says that you traveled between October 11th and October 15, 1996. Under purpose, the purpose of the travel it says stayed away from D.C. That's an interesting purpose. Were you directed by the Democratic National Committee to stay away from the District of Columbia in October 1996?

[Exhibit 537 follows:]



18

DNC EXPENSE REPORT

| Name: <b>Tommy Huang</b>                                                |                      | Date Submitted: <b>10/20/96</b>                 |         | Date of Trip: From: <b>10/10/96</b> To: <b>10/15/96</b> |       |                                |           |
|-------------------------------------------------------------------------|----------------------|-------------------------------------------------|---------|---------------------------------------------------------|-------|--------------------------------|-----------|
| Address:                                                                |                      | City: <b>WASH DC</b>                            |         | State: <b>DC</b>                                        |       |                                |           |
| Purpose of Trip: <b>Staffed by Tom &amp; Benita Huang for M&amp;RAC</b> |                      |                                                 |         |                                                         |       |                                |           |
| DATE                                                                    | Transportation       |                                                 | Lodging | Meals (Actual)                                          |       | Miscellaneous ***              | TOTAL     |
|                                                                         | Air, Rail, Bus, Etc. | Car Rental, Etc.                                |         | Breakfast                                               | Lunch |                                |           |
| 10/10/96                                                                | \$ 301.00            | (E-ticket)                                      |         |                                                         |       |                                | \$ 301.00 |
| TOTAL                                                                   | \$ 301.00            |                                                 |         |                                                         |       |                                | \$ 301.00 |
| Trip Origin: <b>WASH, DC</b>                                            |                      | Destination: <b>LOS ANGELES</b>                 |         | Return: <b>LOS ANGELES</b>                              |       |                                |           |
| Employee Signature: <i>[Signature]</i>                                  |                      | APPROVAL: <i>[Signature]</i>                    |         | INSTRUCTIONS: <b>DEDUCT FROM MY ADDRESS</b>             |       |                                |           |
| Date: <b>10/20/96</b>                                                   |                      | DISTRICT DIRECTOR SIGNATURE: <i>[Signature]</i> |         | TOTAL EXPENSES REPORTED: <b>301.00</b>                  |       | LESS CASH ADVANCE: <b>0.00</b> |           |
| FEDERAL ID: <b>537</b>                                                  |                      | EMPLOYEE SIGNATURE: <i>[Signature]</i>          |         | TOTAL DUE EMPLOYER/EMPLOYEE: <b>301.00</b>              |       |                                |           |

EXHIBIT 537

Mr. HUANG. Congressman, perhaps that was the situation, was to stay away from DC, because a lot of media is coming over. I don't specifically recall right now I returned home back to L.A. to do what and to get material. I don't know what kind of material I was getting.

Mr. LATOURETTE. That's the second notation. Again this is a form that you would have submitted to the Democratic National Committee to be reimbursed for an E ticket to go to Los Angeles and the stated purpose that you put, you didn't say you were traveling to raise money, visit friends, do party building activities. You wrote that the purpose of this trip was to stay away from the District of Columbia and apparently folks at the Democratic—did you get reimbursed for this? Did they pay you for the E ticket that you took out to Los Angeles?

Mr. HUANG. The answer probably is no because I still have a lot of expenses being unpaid by DNC.

Mr. LATOURETTE. But the fact of the matter is that you felt it was appropriate to request reimbursement when the stated purpose of a trip to Los Angeles was to stay out of Dodge, basically stay out of the District of Columbia after a series of stories had broken questioning your involvement of fundraising for the 1996 Presidential race. Is that a fair statement?

Mr. HUANG. That is a fair statement.

Mr. LATOURETTE. Last thing and I truly promise I'll be done. You took a trip to Taiwan in 1996, did you not?

Mr. HUANG. Yes, during the—I believe May 1996.

Mr. LATOURETTE. And in particular, if you want to look it up, it's exhibit 436, it indicates you were traveling between May 17th and 23, 1996. Did you ask permission from the Democratic National Committee before you traveled to Taiwan?

Mr. HUANG. I did.

Mr. LATOURETTE. Did you indicate what the purpose of traveling to Taiwan on Democratic National Committee business was?

Mr. HUANG. Potential looking for—potential the donors.

Mr. LATOURETTE. You went to a foreign country to look for donors to the Democratic National Committee?

Mr. HUANG. Let me explain to that.

Mr. LATOURETTE. I'd like to know.

Mr. HUANG. There are a lot of people having various residencies although they have a legal status versus citizenships or green card holder. They're traveling back and forth. Their business over there, their business over here more or less is to see what is possibility on that. Now, this is basically spur out on the information that at that time the Republican side Mr. Barbour indicating he made trips over to Asia and some people mentioned to me he might have been receiving some contributions for the trips to raise a few hundred thousand dollars. So I was just making an attempt scouting around at that time.

Mr. LATOURETTE. Are you saying someone mentioned to you that Haley Barbour might have gone over to Taiwan and was raising money so you thought you could go over to Taiwan and see if you could do the same thing for the Democrats.

Mr. HUANG. It was not Taiwan. He was making trips to Asia. There were a lot of Democrats living abroad or Republicans living abroad, things of that nature.

Mr. LATOURETTE. I understand that. I think the only comment I would make because we are talking about Pauline Kanchanalak before. You thought in 1992 she could contribute and was a citizen but she wasn't. She wasn't. Her contributions were illegal. I'm just wondering about the propriety of going over to a foreign country. I mean, would you ask these people? I mean, OK, Mr. Jones, I'm meeting you in Taiwan. Do you have a green card? Are you temporarily—

Mr. HUANG. I would do that, yes. Those things I would do.

Mr. LATOURETTE. I want to believe you but I doubt it.

Mr. HUANG. I also knew some of the people were U.S. citizens. Congressman, later on there was a fundraising event related to that fact, sir.

Mr. BURTON. The gentleman's time has expired.

Mr. LATOURETTE. I thank you, Mr. Chairman.

Mr. BURTON. Mr. Waxman.

Mr. WAXMAN. I'd be pleased to yield time to Mr. LaTourette if he has any other issues he wants to pursue.

Mr. LATOURETTE. I'm done and I appreciate your courtesy.

Mr. BURTON. It's your time, Mr. Waxman.

Mr. WAXMAN. I want to say to Mr. LaTourette, I want to express to him my appreciation for his professionalism and the way he's handled these hearings and since he's indicated to us he has to leave, I want to wish him a Merry Christmas.

I want to just go back to these inflammatory allegations of espionage relating to Mr. Huang. Yesterday I played a videotape of Representative Solomon, who on national television stated that there were electronic intercepts showing that Mr. Huang passed classified information to Lippo. I then introduced the FBI 302s, which are the FBI interviews, with Mr. Solomon where he admitted that this sensational allegation was based on a piece of unsubstantiated gossip that he had heard from a stranger at a cocktail party. Some of my colleagues then suggested that even though Representative Solomon's accusation was baseless, there may still be grounds for suspecting that Mr. Huang was indeed a spy. The chairman indicated his belief that closed door hearings might turn up grounds for suspecting Mr. Huang engaged in espionage. And I gather, according to Mr. Shays, if we asked these questions of Mr. Huang in secret so the public couldn't see what was going on in this inquisition, that we could get statements from Mr. Huang that he wouldn't give in public. I find that hard to believe. I think the public ought to see what an American citizen such as Mr. Huang is being subjected to for 3 days.

The record demonstrates, however, that these allegations that Mr. Huang committed espionage have been investigated. They have been investigated and they have been determined to be groundless. In its plea bargain agreement with Mr. Huang, the Justice Department stated, "that it is not currently aware of evidence which would support any charges of violations of the national security or espionage statutes." David Vicinanza, head of the campaign financing task force, reaffirmed in a May 1999 letter to Mr. Huang's at-

torney “the lack of evidence that Mr. Huang has engaged in other illegal conduct.”

Treason is an incredibly serious charge and I'd like to politely suggest to my colleagues that unless and until we find evidence of espionage that is a little stronger than cocktail party gossip, that we ought not to be throwing them out there in the public domain. We ought to be treading carefully. Mr. Huang has suffered through enough, it seems to me, from unsubstantiated and sensational accusations.

Mr. Huang, Mr. Shays made a whole big speech. He talked about this Cox report which I think you were questioned extensively about yesterday. You weren't even given a chance to make any comments. Do you want to say anything more to these people that are throwing these charges that maybe there is still some possibility that you've been engaged in espionage? And while you're talking to your attorneys, let me point out that what I just read was the conclusion of the Justice Department of the Government of the United States. They have all the facts. They've had all the evidence. They've been able to talk to all the relevant people and they've reached this conclusion that there's just no evidence to make this kind of accusation against Mr. Huang.

It seems to me at some point the press ought to report that fact and that Members ought to finally accept it until they know something more to raise it again. Mr. Huang, do you want to say anything?

Mr. HUANG. First of all, let me say I'd like to thank Congressman Shays yesterday that passed along this copy to me. This is the first time I've had an opportunity to read that. Certainly I don't understand what Mr. Shays actually making an allegation against me yet, but certainly I'm here trying to help out clear it up. In the past apparently through my attorney and also reading certain things the law enforcement that made the investigation basically they find out—didn't find anything on me on that basis. But I'd like to—I didn't even ask my attorneys' consent. I'd really like to take an opportunity to say a few things on a general term basis. I am an immigrant like any other immigrant coming to this country to either suffer from political pressures from the overseas or the home country or they are seeking for a better economy opportunities here. Back to 1969 I came over here for graduate schools. At lowest point of time I only have about \$20 in my pocket and I really appreciate the opportunity that this country has afforded me like many other immigrants in my category to be able to make something and have a family, a decent profession. Given the nature I understand about human being, we all want to be grateful trying to reciprocate certain things for whatever we got. So deep down in our heart we all want to have opportunity to reciprocate either to society to the degree of our ability. So we have large opportunities, large ability, we want to do more, the less we do less. It varies from people to people. So the last thing we want to hurt the country who offered the opportunity to us, will grant us the opportunity for us to prosper.

I believe that's the same intention I have. As I grow, being prosper, I try to give a little more back. That was my full intention. So I just want to make the statement I really did not have any in-

tention to be disloyal to somebody's been nice to me. I always want to reciprocate. I might have made mistakes along the way but that was never my intention.

Mr. BURTON. Mr. Shays.

Mr. SHAYS. Thank you. Mr. Huang, Jerry Solomon isn't a member of this committee and he's no longer a Member of Congress and I am very uncomfortable with any of the allegations he made, especially given how they were made. As one Member of Congress, just as one Member of Congress, I really feel for you and as a Member of this institution, I would apologize to you for what Mr. Solomon said if it was based on the accusations that were made. But I wouldn't even think of asking questions based on what Mr. Solomon suggested. I want to ask questions but evidently my colleague on the other side of the aisle wants to give you that impression, and it's not and I thank you for pointing out that I did give you the report the day before. The Cox report was bipartisan. It wasn't partisan. In fact, they left things out of the report if they couldn't make it bipartisan. So everything in here was agreed to by my party and Mr. Waxman's party and these are honorable people on both sides.

Now, I will say to you that I went up to look at anything else that might include you and I want to say to you there's not much more there than is here so in that part of it, I don't even want to give you the impression that I know something there that doesn't exist here, to be fair to you. But even here it's pretty significant and I think there can be answers to everyone and so I don't make the assumption because I ask these questions you're going to somehow be proven to have been a spy or in fact even been proven to have foolishly given information you shouldn't have.

There may be some gray areas that you and I will have some disagreement on, but first I want to understand that you did work for the Riadys before you worked as—for the Commerce Department and you worked for them after you worked for the DNC—excuse me, you received some payments after you worked for the DNC but you have maintained a contact with the Riadys that starts in 1985 and continues to this day. You are friends. They are friends to you.

This is true, is it not?

Mr. HUANG. Basically it's true but the contacts in the last few years are very, very sparse, but however there was contacts, as Mr. Chairman asked me yesterday.

Mr. SHAYS. Thank you. Now, is there anything that you want to respond to based on what I read to start?

Mr. HUANG. Is it possible, Congressman Shays, yesterday Chairman Burton gave a copy of the various faxes, phone calls that I made in Steven's office, whether that can be put on the screen or something like that. Is it possible?

Mr. BURTON. Do we have copies of the faxes and the list of things? There we have it right there.

Mr. SHAYS. It's not really going to help you much.

Mr. BURTON. Take a copy down to him, please.

Mr. HUANG. First of all, I can explain this fax first if I may. Looking at the fax it's very interesting on 10, 18, there are probably 18 other faxes showing on this sheet here and I sort of believe that was a bad transmission. It was relayed as only one. Couldn't

get it through, getting, get it through, couldn't get it through, again, again, again, again. There was a similar situation it looks to me like October 5 there was about five of them also sent out on a similar pattern so that would not be treated, in my personal opinion should not be treated as how many transmission you send. It would be counted on how many faxes was sent on that basis. That was trying to explain.

Now, my best recollection, those faxes sent over to Hong Kong, to Indonesia was not really my—was not mine. I will not deny the fact I used the office making phone calls to Lippo Bank, California, in Los Angeles. That one I definitely say yes on that. But certainly I don't recall I made—my understanding of the faxes is to Lippo Bank or not but certainly in more specific about those to Hong Kong, Indonesia, most likely is not related to me.

Mr. SHAYS. I'll come back to you.

Mr. BURTON. Mr. Cummings.

Mr. CUMMINGS. Thank you very much. Let me ask you, going back for a moment to the \$50,000 Hip Hing contribution, when you decided to make the Hip Hing \$50,000 contribution, you thought that was legal?

Mr. HUANG. Yes.

Mr. CUMMINGS. What did you base that on?

Mr. HUANG. As I reported to you, Congressman, earlier, No. 1 is U.S. entity, although it's a sub of the foreign entity, but the U.S. entity has a U.S. revenue that led me to make decision Hip Hing could make contribution.

Mr. CUMMINGS. Now, did you ever have a conversation with Mr. Riady where you discussed ways to violate campaign laws?

Mr. HUANG. Congressman, it was not in the terms that you raise, but we did talk about how to raise money, identify the people who are eligible, green card holder of citizenship among the executives, and also talked about being reimbursed later on by myself, myself as a contribution, and also I had occasion to obtain some bank accounts, at least one from the executives.

Mr. CUMMINGS. I am going to go back to one thing just very quickly. When you were discussing the \$1 million commitment, the \$1 million commitment now for contributions, did you ever discuss with Mr. Riady that the reimbursement for political contributions might be illegal?

Mr. HUANG. The reimbursement issue was never explicitly discussed. As I reported to you earlier in your earlier questions, I sort of sensed that whoever made it probably would be taken care of.

Mr. CUMMINGS. Is that what you told the FBI?

Mr. HUANG. I believe I did.

Mr. CUMMINGS. I was very moved by the comments that you made a little bit earlier about how you felt about this country and not wanting to do anything to hurt it. I notice that in the report, in the Cox report, it talks about how you did not want your clearance status increased. Was there a specific reason for that? In other words, your secret clearance, things classified so you could see certain types of classified information, you didn't seem to be too anxious to have it increased. Was there any reason for that?

Mr. HUANG. Congressman, as of this day, I don't even know what level is clearance. To be very truthful, I didn't know. In order to

do my job, whether I had a clearance or not, it's not really that important to me. I was working for the Assistant Secretary in my job. I think it was basically through his efforts trying to get me the clearance. It really did not matter to me at all.

Mr. CUMMINGS. Looking back on your experience at Commerce and what you have been through so far, how do you feel today?

Mr. HUANG. When I was in Commerce?

Mr. CUMMINGS. Yes.

Mr. HUANG. I really underestimated the culture of this town. It is very political and very territorial, so it was constantly a battle trying to gain either more territory or gain more visibility maybe, responsibility toward that part.

I really have misgivings about a lot of political appointees, because their staying in a job was only a short-term basis. Maybe coming to work in Washington, DC, they are trying to gain as much as they can in a short period of time and they went on for the next level of career. So apparently the responsibility or the title which translated into the territory later on might be very, very important to some of these people. So without any doubt, during my tenure in the Commerce Department, and I got caught in between those kinds of conflicts.

For instance, my Assistant Secretary would not refuse to attend somebody's briefing, somebody's meeting, but I was assistant to my Assistant Secretary, but my unit has to be represented. So most of the time I got that job. So whatever briefing, some of the articles talking about—I attended so many briefings or meetings relating to China or other places, that was through that kind of format. Because somebody had to be there to represent. Otherwise, nobody went over from my unit, then our unit would be criticized on that.

Mr. BURTON. The gentleman's time has expired. I will now take my time.

Hip Hing Holdings contributed \$50,000 in August 1992. The contribution was reimbursed by Lippo. Was that reimbursement legal?

Mr. HUANG. It was not.

Mr. BURTON. It was not legal. Were you aware of that?

Mr. HUANG. At that time, I was not.

Mr. BURTON. You were not aware of that?

Mr. HUANG. No, I was not—remember, Mr. Chairman, there was an exhibit showing me—there was a reimbursement request with my name on it, John Huang, and then another person's name. My name was there. I take responsibility on that, although the request for reimbursement—

Mr. BURTON. It was corporate money coming from the Lippo Group in Indonesia to reimburse the Hip Hing Holdings?

Mr. HUANG. For various expenses.

Mr. BURTON. I have the wire that you sent to Mrs. Ong Bwee Eng for the money.

Mr. HUANG. That's correct.

Mr. BURTON. All right. I just wanted to make sure that that was clear, that it was illegal. It did come from Indonesia. It was reimbursed to Hip Hing, which didn't have a great deal of money at that time as I understand it.

Mr. HUANG. Hip Hing was not—it was a relatively slow loan, yes.

Mr. BURTON. Mr. Shays, I yield to you.

Mr. SHAYS. I thank you.

Mr. Huang, we left with you having a number of phone calls to the Lippo Bank. We have down 232 while you were at Commerce. I'm unclear as to why you would be in contact with the Lippo Bank.

Mr. HUANG. First of all, Congressman Shays, I'm not sure I really had a contact with the Lippo Bank 232 times.

Mr. SHAYS. We will stipulate that, but it was a large number of times. But you're not agreeing necessarily that it was all 232.

Mr. HUANG. I'm trying to explain to you how the number is coming up. Actually, in an ordinary situation, if I am going to call Congressman Shays, I guarantee you I would not get you the first time. Probably the call is going to come back to me, may not get to me, which likely happened in ordinary courses. That's why I'm saying the real conversation may not be that much.

Mr. SHAYS. Fair enough.

Mr. HUANG. Now, I do not remember specifically each conversation, but I will give you roughly the categories what those conversations fall into, and I'm going to report to you on that basis.

As you know very well, I left Lippo on July 14 or 15, that weekend, on Friday. I immediately came on board on the 18th, that Monday. As Mr. Chairman was mentioning yesterday, at the end of June, after the 26th, I traveled overseas, following my civic duty, and went to Taiwan. Also more importantly, on a personal basis, I even missed my nephew's wedding 1 day. By the time I came back, I really did not have the time to inform a lot of people that I was leaving.

So category No. 1 is a lot of people would send messages to my old office. There was mail still coming over there. That is the category on that.

The second thing is included in that category. People say, there's something coming in. I don't understand, John, how to handle those things. So that's one category.

The second category would be I have been in that institution for a few years, so a lot of people were employed under me prior to that. They are still working over there, even though I was gone. A few of the people, they met with career problems because they were dealing with a new management, a different management. They were asking me what to do. They had frustration. That involved some career consultation on that basis. That's one category.

It is interesting, the third category is the clients also come in. They were dealing with different people, saying we were doing things differently previously. Now everything is changing. What should I do? They thought I might be able to help on that basis. That is one.

The fourth category was a situation, as you know, in running a financial institution. Today you have a loan situation, it doesn't guarantee the loan is going to stay forever good because economic conditions change, that loan becomes relatively slow being paid, becomes delinquent or sometimes you cannot even collect it, you want to look for somebody.

So, basically, the bank was in the Chinese American community. A lot of them were Chinese. It might have been coming from Hong Kong or Taiwan. So the new CEO or new loan officer is going to



ask me, do you know this person when you worked there before? Do you know how to handle this and what would be the proper way to handle that? If they are slow for 90 days, should we take legal action against them or how do we handle that? Some were situations like that.

The fifth category is the more personal one. There is a colleague of mine called Tanyu Yen, Y-e-n, who used to work with me in Hong Kong in the international department. When I came over to Lippo Los Angeles, I would sort of pull him in with me to establish all the rules and procedures of the international problem for the bank. He and his wife has one only daughter, has apparently Downs Syndrome status. By having him and his family come over to work in the United States, we sort of made a commitment to let him have immigration status in the United States done.

Because of the Downs Syndrome situation for the daughter, she had already passed the age of 21—in fact, right now she is close to 30 something already—at that time, Mr. Yen and Mrs. Yen were able to get the green card status but the daughter could not because of the law saying you have not underage children, already over the time. At that period of time, the immigration law was in the midst of changing, at least there was some sentiment to change, because there were so many immigrants coming into the United States.

They were very, very concerned, especially Mrs. Yen. She always has a little nervous—nervous breakdown type of situation, sometimes would be hyped up and very nervous, so worried about the daughter, in the event she could not get—although the parents got it already—would be sent back to Hong Kong.

I was in Hong Kong and also working with various Senators before. By making the contributions, I know some of the people. I took on the job and made quite a few phone calls. For instance, you might find my phone records, Ms. Nancy Chen, who used to be assistant to Senator Paul Simon, who has responsibility for immigration.

Mr. SHAYS. In my next round, I'll ask you about the other calls. Thank you.

Mr. HUANG. Essentially, if I can summarize on that, I would not rule out a situation. Occasionally, I may call some people and say how you doing, things like that. Never the case of saying, today I got a briefing. Here is information on a past deal. Would you relay this to somebody? It never happened that way.

Mr. BURTON. Mr. Waxman.

Mr. WAXMAN. Mr. Chairman, I am going to yield my time to Mr. Shays, but before he starts with his questions, could we give Mr. Huang and his lawyers a break?

Mr. BURTON. I think it is close to lunchtime. Let's just break here for about 30 minutes, and that will give you time to grab a sandwich or something if you so choose. And we will be back here just about 5 after 12.

The committee stands in recess.

[Recess.]

Mr. BURTON. The committee will reconvene.

Mr. Waxman.

Mr. Waxman passes.

Mr. Shays.

Mr. SHAYS. Mr. Huang, I'm going to have a number of questions. I'm just going to kind of go through questions relating to your experience at Commerce. I don't know if they will require long responses. I will come back later to some of the security issues, so you will get a chance to kind of respond to everything that was in the report. But let me do that.

Except, excuse me, we did need to just conclude the issue of—you had responded to Lippo, but would you respond to the—and the 29 calls or faxes, your point to me is that some of those may have been resubmitted. You're trying to tell us—you're not trying to tell us, you are telling us that some of the 29 calls or faxes to Lippo headquarters in Jakarta were potentially repeats.

Mr. HUANG. It could be.

Mr. SHAYS. You had 61 contacts with a Lippo consultant Maeley Tom or 72 calls to Lippo joint venture partner Joseph Giroir. Can you explain your contacts with Maeley Tom and to Joseph Giroir?

Mr. HUANG. Yes. Maeley Tom, basically—she is a community leader based in California in our Asian American community. I respect her a lot. A lot of the political sites of wisdom or community affairs, I resort to her. She and I probably have a lot of phone calls basically on those subjects alone.

Something again I will reiterate about the number of phone calls, Congressman Shays, you will understand may not be exactly equal to the number of actual conversations.

Mr. SHAYS. I do understand that, and the record notes it.

Let me ask you questions since it relates to your seeking employment at Commerce and we're going to kind of go through that.

Mr. HUANG. OK.

Mr. SHAYS. Did James Riady urge you to work for the government?

Mr. HUANG. He did not. Virtually that was my initiation and with the urging of my community. Mr. Riady would not object that I would go.

Mr. SHAYS. Could we be a little tighter on this? Could you think a second before you respond? Because it is our sense that the task force at Justice had the impression that he was encouraging you to apply to some government departments. I don't want to split hairs with you. I'm not saying just Commerce, but didn't he encourage you to work—

Mr. HUANG. In various areas. Various areas would be interesting.

Again, I plead innocent to government-related jobs, never having worked in the American government before. You more or less just pull out the phone book, see what might be the area you might be able to fit.

Mr. SHAYS. We've all done that for constituents. So you had dialog with Mr. Riady about that?

Mr. HUANG. Why?

Mr. SHAYS. No. You did have dialog, conversation with Mr. Riady.

Mr. HUANG. Yes.

Mr. SHAYS. Did Mr. James Riady encourage you to look into any jobs at certain agencies?

Mr. HUANG. Yes.

Mr. SHAYS. What particular agencies did he encourage you to look into?

Mr. HUANG. If I remember, there are little notes I drafted, sent it to the State Department, relating to Asian affairs.

Mr. SHAYS. Did James Riady suggest to you that you work at the National Security Council?

Mr. HUANG. That would be one of a list I was going to report to you, anyway.

Mr. SHAYS. At that time did you know what the National Security Council was?

Mr. HUANG. It was not really that clear, but certainly I do now.

Mr. SHAYS. Why didn't you ask Riady? Did you ask him what it was?

Mr. HUANG. I did not know exactly what he meant. He had an idea it was some policy-related stuff, advising the President.

Mr. SHAYS. Did Riady explain why he thought you were qualified to work at the National Security Council?

Mr. HUANG. He didn't say that, but deep down in my heart, probably I would not get that kind of job anyway myself.

Mr. SHAYS. Did Riady also suggest that you should apply to the Department of State and your answer was yes?

Mr. HUANG. That's right. That was one on the list, I believe.

Mr. SHAYS. Did he explain why you should look at the Department of State?

Mr. HUANG. Basically because of my background in Asia.

Mr. SHAYS. Did you keep James Riady updated on the progress of your appointment process?

Mr. HUANG. I could directly answer by saying yes, but it was not really with frequency. I think the memo indicated—

Mr. SHAYS. So it wasn't a recurring update, but periodically you would update him?

Mr. HUANG. There was some conversation on that, yes.

Mr. SHAYS. You stated in your task force interview, according to our information, that James Riady was a bit naive about any benefit that he might obtain by your working at the Department of Commerce.

What benefit did Riady believe that he would get by your working at the Department of Commerce?

Mr. HUANG. Congressman, I think the focus may not even be narrowed to the Commerce, because our original intention was not only to go to Commerce or State or NSC.

Mr. SHAYS. Then we won't limit it to Commerce. Your sense is that he thought it would be beneficial to him that you work in government. Explain to me what that would be.

Mr. HUANG. I believe what I was saying, the naive portion is in getting that kind of job.

Mr. SHAYS. Mr. Chairman, can you yield me your time?

Mr. BURTON. I will yield you my time.

Mr. SHAYS. Thank you. I will be a little clearer.

He obviously thought it would be of benefit, and what do you think he thought the benefit would be?

Mr. HUANG. My thinking is that because Lippo's base is in Asia, because I can get those kind of jobs relating to Asia and Pacific af-

fairs. So some of the things would be easier, he might be able to get some information on that.

Mr. SHAYS. Fair enough.

Why do you say that he was naive?

Mr. HUANG. No. 1, the information from me, it is going to be naive. I cannot really freely, if I took the job, I could not get the information.

Mr. SHAYS. So your sense is he had a sense that you would be able to be helpful to him in a way that you felt you couldn't be?

Mr. HUANG. That's correct.

Now, let me inject one more point that probably would be important. I would have to sense that he would have to tell people in that part of the world that there is somebody used to working with Lippo now is in the government. That would make him look different.

Mr. SHAYS. Fair enough.

I would like to have exhibit 153 put up. For the attorneys, it is exhibit 153.

This is a letter from Maeley Tom to John Emerson who worked at the White House Office of Presidential Personnel that recommends you for an appointment.

Now it is going to be not the first page, I'm going to ask you to turn to page 6. You will see it in the top right corner, page 6. That's where she talks about you. I will note, while it is still up there, and this may sound like a cheap shot, but we all in government have to be concerned about it.

This is a letter from—the State of Connecticut stationery, State of California. It is the Senate. It's David Roberti who is President pro tem pore and Maeley Tom is his administrative director and she is talking blatant politics in her letter, recommending various people, why they would be good for the Democratic party and why it would be good to have Asians work. Not a letter that Republicans wouldn't write and I hope to gosh they would write, but on the President pro tem stationery.

The first two sentences, "John Huang, Executive Vice President of Lippo Bank, is the political power that advises the Riady family on issues and where to make contributions. They invested heavily in the Clinton campaign."

That again isn't a statement that you wouldn't see in some Republican letters, too, but "invested heavily in the Clinton campaign" is why I want to clean up campaign finance reform.

And then it says, "John is the Riady family's top priority for placement because he is like one of their own." Do you think this is an accurate description of you?

[Exhibit 153 follows:]



DAVID ROBERTI  
PRESIDENT PRO TEMPORE

MAELEY TOM  
ADMINISTRATIVE DIRECTOR

STATE OF CALIFORNIA  
SENATE  
SACRAMENTO, CALIFORNIA 95814

February 17, 1993

*Asian Appointments*

Mr. John Emerson  
Deputy Assistant to the President  
and Dep. Dir. of Pres. Personnel  
Old Executive Office Building, Room 151  
Washington, DC 20500

Dear John:

First, congratulations on your new assignment. If you should decide to stay in D.C., it will be California's loss. Thank you for inviting my thoughts regarding the appointments of Asian Pacific Americans (APA) to critical positions in the Clinton Administration. As colleagues long involved in California politics, you are aware that Asian Americans are the second largest minority group in California. As the new immigrants (7 out of 10) gain citizen status and register to vote, I foresee them playing a far more critical role in future elections. However, I am a political realist too and understand how our community is seen by the establishment . . . our loyalties are split between two parties and we have not maximized our political strength at the polls (Although the methodology of polling Asian voters has proven to be inaccurate. More about this later.) However, it is for the above reasons that I appeal to you, President Clinton, Bruce Lindsey and David Wilhelm, as to why we must use this window of opportunity to cultivate (recruit) this community's loyalty by demonstrating that the true party of inclusion is the Democratic Party. The Republicans have done an excellent recruiting job with their Asians symbolic window dressing appointments coupled with a magnificent public relations and outreach program masterminded by the late Lee Atwater. But, Clinton's promise of change, his respect for diversity and inclusion has awakened the democratic spirit of a community that is literally "up for grabs." Most of the Asians who are Republicans have not had a long enough history with the party to be entrenched.

A number of Asians from the "inside Washington network" have received White House appointments (which, by the way, should be better publicized). These eminently qualified Asians are relatively unknown to the general community groups on the outside (grassroots, civil rights, business and education groups) that make up the national APA voting population.



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While I applaud the above appointments, I am concerned that the dedicated APA notables who have gained recognition not only for their achievement but, for their contributions to the community's welfare will not be recognized because they are not "inside players." John, this is a big mistake in light of the fact that this community has a limited number of Asian role models representing the Democratic Party in the first place. Now is the time for the party to utilize these APA democratic leaders by giving them key policy positions in areas where they carry the greatest influence. In turn, these appointees can help carry the party message with their respective networks thus giving Clinton a ready made network of Asians to support his effort in 1996. This community is starving to be recognized and included. It does not have a long history of political involvement. But, if this Administration can send out the message that they are just as important as other minority groups, we can dominate this community.

With this in mind, John, I have given you a list of candidates who meet the criteria I just discussed.

List of Recommendations

The first two on my list are almost "musts" and I am extremely confident that you will receive the same reaction from Congressmembers Mineta and Matsui. In fact, you know both of these candidates. (All of these candidates have their portfolios in the resume system.)

Ron Wakabayashi, current Executive Director of L.A. Human Rights Commission, under Mayor Tom Bradley, is on the short list for the EEOC. Ron is an individual who brings to you a rare combination of political skills, community leadership and national recognition as a civil rights leader. He started with the community by helping to establish one of the most successful Asian drug abuse prevention programs in the country. Early on, he understood the value of political involvement which proved invaluable when he became National Executive Director of the Japanese American Citizens League (JACL). It was during his administration that JACL came to the forefront as one of the first Asian advocacy groups in the country. Ron played a major role in helping to spearhead the successful passage of redress.

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His work as a coalition builder gained him the trust and respect of all Asian Pacific groups so that he emerged as a national spokesperson for the entire community which is no easy task. His role as a consensus builder helped him build bridges with other civil rights groups (Latinos, African Americans, Jewish groups, gay/lesbian organizations and the disabled). Therefore, with Ron's appointment, the Administration benefits from his national base.

The best thing about Ron is that he is a die-hard Democrat. We worked together on the Dukakis California campaign where Ron became a field deputy director under Larry Tamatola. He understands politics and advises both Speaker Brown and President pro Tem David Roberti on civil rights issues. His appointment alone will symbolize the sincerity of this Administration to recognize and include the "best and the brightest" among our community. His appointment to the EEOC will not only be applauded by the APA and the State of California, it will be universally welcomed by all the communities who have fought side by side with Ron for equal treatment for all. He's that good. By the way, I was horrified to hear that Joy Cherian is being considered for reappointment to EEOC. He has never helped Asian Pacific Democrats and his reappointment would be a slap in the face to us Asian Democrats who have worked for the party for decades with no rewards.

Melinda Yee is currently being considered for a White House post. In the meantime, she is continuing her work with White House personnel. Her appointment is extremely important symbolically to the national APA political and community network because she alone has been the link between the community and the Democratic Party for the past three years. This one-woman army has been in the trenches, raising dollars, mobilizing Asian voters registration and GOTV and carrying the party line all around the country when the Republicans were in power. It was no easy task, but Melinda has done a remarkable job converting APA to the Democratic Party and fighting against Bush appointees such as Elaine Chao, Clayton Fong, Sichan Siv, etc., etc. Her one appointment will ease some of the impatience and disgruntledness with the community nationally because there is a sense that Melinda is being bypassed by inside Asian politicians who have been invisible in the community. Unfortunately, this sends out the message that political participation and activism has no rewards in the political system and yet the community base is where we get our votes and dollars.

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You get three for one with Melinda. She is considered a savvy political insider due to her experience as the chief lobbyist for the National Organization of Chinese Americans in D.C. as well as her experience as Director of Constituencies for the DNC. Her work with community and political activists gives her a tremendous following with APA Democrats on the outside. Her work with Clinton and the APA community brought tremendous pride to the community due to her visibility. She is bright, talented and has a lot of potential. Her one appointment will have an immediate effect on pacifying the disgruntledness that currently exists with the community. It needs to be done soon.

Other List of Recommendations

(I am most familiar with our talent in California) Positions are listed in alpha order, not priority order.

Henry Der is seeking Director of Peace Corps. His background is similar to Wakabayashi. Executive Director of Chinese for Affirmative Action in San Francisco, California, he gained national prominence as the Asian spokesperson against discriminatory university admission practices against Asians. Very instrumental in mobilizing bilingual Asian voters and helped design voter registration material. Has served in the Peace Corps and is extremely well known within California civil rights community. Probably the most visible and highly respected Asian advocate among the Chinese American community nationally. A review of his credentials will speak for themselves. Elaine Chao (Bush appointee to the Peace Corps) cannot hold a candle to Henry Der's qualifications. Can't go wrong on this one. His strength is in mobilizing the Chinese-speaking population.

Jerry Enomoto is seeking appointment to Civil Rights Commission. Jerry is currently a private consultant and was the first Asian to serve as Director of Corrections in California. Jerry is a nationally renowned expert in this field. He served on the advisory panel to the transition team. Jerry comes from the central valley. He is Bob Matsui's person who is highly regarded by the Japanese Americans nationally because of his role as political director during the redress campaign. A very active and committed Democrat. Good central valley appointment.



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Lon Hatamiya is seeking appointment to Sub Cabinet post in Agriculture. A two-time Assembly candidate from the Yuba City area, Lon has good name I.D. with A/P community and has strong support from the California agricultural industry. Most Asian farmers are Republican. His appointment could change this. His family owns one of the largest fruit farms in this area. He is a Harvard Law School graduate. His wife, Nancy, is Anna Eshoo's D.C. Chief of Staff. Nancy was also a Clinton delegate at the convention.

Dennis Hayashi seeks appointment as Deputy Attorney General. Dennis comes from Northern California and is currently National Director of JACL. Dennis has the full support of the National Asian Pacific Bar Association and is the top priority candidate of the California Asian legal community. He is one of the best and brightest Asian attorneys in the country. He is also very close to Congressman Norman Mineta. Dennis has an impressive legal career starting with his work with the Asian Law Caucus in the Bay Area due to his participation in such cases as the famous Korematsu Case, Vietnamese Fisherman issue and other civil rights issues facing the APA community. He is following Wakabayashi's footsteps in becoming a national spokesperson for our community on civil rights issues. He would be an excellent representative to work within the Justice Department.

Bill Hing is seeking a position on the INS Commission. Bill is a Stanford Law Professor specializing in immigration law. He is a nationally renowned expert in the field and his expertise has been utilized by Congressman Howard Berman when Berman carried the Immigration Reform Act of 1990. He is extremely well respected by academic and immigration experts around the country and has worked with Latino groups and other ethnic groups advocating for fair immigration policies. A good Northern California appointment from the academia field.

Howard Hom, President, Hom & Associates Law Firm. Howard owns one of the most successful Asian law firms specializing in immigration law in Southern California. He was part of the Pacific Leadership Council in L.A. that raised over a half a million dollars for the DSCC and Lt. Governor Leo McCarthy. His base is in Southern California. Howard would like to gain experience in the internal policy area of the INS as Commissioner, Deputy Commissioner, General Counsel or Executive Associate Commissioner for Operations. He is also interested in the Assistant Secretary of State for Consular Affairs under the Department of State Bureau of Consular Affairs. Howard has much to contribute and has a good

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pulse on the concerns A/P have about the existing immigration policies. Immigration policies are very important to a large number of A/P residents. This appointment can help the Democrats win over these new citizens.

John Huang, Executive Vice President of Lipco Bank, is the political power that advises the Riady Family on issues and where to make contributions. They invested heavily in the Clinton campaign. John is the Riady Family's top priority for placement because he is like one of their own. The family knows the Clintons on a first-name basis because they made a huge investment in Arkansas when they built their bank there. John has become an institution on his own right among the Asian business and grassroots community. John is one of those rare Asian Democrats who came from a business background. John pioneered the coalescing of Asian-issue groups with Asian contributors so that the community would speak as one and carry more clout. His background is in banking but he comes with a breadth of knowledge regarding trade relations which would be helpful in the Department of Commerce. A good friend of Ron Brown, John's appointment would be highly endorsed by the Chinese business community which has made heavy contributions to the campaign as well as the grassroots political activists who appreciate John's efforts to bring the two factions together. John is a new breed of Asian Democrat who will help the A/P community become as effective as the Jewish constituents within the political arena.

Gloria Ochoa, former Santa Barbara County Supervisor and congressional candidate in 1992 is interested in the Assistant Secretary of Department, HUD. Very savvy politically and has a national base with the Filipino American community. Gloria has excellent judiciary credentials and even worked for the Senate Judiciary Committee in California. Filipinos tend to vote Democratic and are large in numbers if they would only register to vote. Ochoa's appointment could help mobilize this community which is the largest APA group in California. Plus... she is a woman.

Rose Ochi is seeking a top criminal justice policy position in the Office of Narcotics and Drug Control Policy or the Department of Justice. Rose is a Bradley person from L.A. with national credentials in the field of criminal justice which is unique for an Asian woman. Rose is very active in Democratic politics, ran for Congress in 1986, and has revived the Japanese Democratic Club

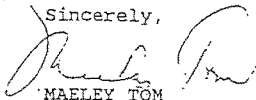
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in Southern California for the Clinton/Gore campaign. She was tapped to serve on the justice cluster team to help with the transition in D.C. the past few months. She would be an excellent woman Asian appointment from Southern California.

Dale Shimasaki is seeking the Regional Coordinator position for U.S. Department of Education in San Francisco. Currently, Dale is Director of Research, Planning and Governmental Relations for the City College of San Francisco. Dale hails from Northern California and gained his expertise as an education specialist with the California Legislative Analyst Office and worked his way up to becoming chief education consultant to Speaker Willie Brown. Extremely well known among the California education community, Dale volunteered his time to establish the first Asian Pacifics in Higher Education, an organization which includes over 1000 Asian education professionals in California. Education and small business are the most important policy areas for the APA community. Dale's appointment will be a tremendous asset to the Administration because the community will be able to see one of their own in a highly visible role in an area that is so meaningful to them. He is young, extremely bright and the type of Democrat who works on political campaigns during his spare time. He is currently working on his Ph.D.

John, forgive the length of this memo, but I truly feel the Administration will only benefit from these appointments of some of our best and brightest. I will send my own portfolio for a commission appointment under separate cover as I feel the above appointments are most important to secure at this time. Please keep in touch. Thanks again for caring.

Sincerely,



MAELEY TOM

cc: Mr. Bruce Lindsey  
 Mr. David Wilhelm

Mr. HUANG. I would reluctantly say yes. I would not really boast myself.

Mr. SHAYS. You're not boasting. But that's your position and you are a political power. You do advise them on issues on where to make contributions, and that last line, "John is the Riady family's top priority for placement because he is like one of their own," in other words, you are very close to the Riady family.

Mr. HUANG. That is correct, yes.

Mr. SHAYS. Did you know that Ms. Tom was planning on encouraging your appointment?

Mr. HUANG. In a general sense, probably yes, because she was one of the more senior persons in our community.

Mr. SHAYS. Ms. Tom is contacting James Riady about your interest in obtaining an appointment. Was she in contact with James Riady about your interest in this appointment?

Mr. HUANG. I really don't know exactly whether she did or she did not.

Mr. SHAYS. But you stated in previous—

Mr. HUANG. I believe she probably did, yes.

Mr. SHAYS. She's pretty close to the Riadys herself, correct?

Mr. HUANG. No, she is not.

Mr. BURTON. She doesn't work for the Riadys?

Mr. HUANG. She worked for Riady as a consultant at the Lippo Bank, but it was not very close though.

Mr. SHAYS. I think it's a good distinction you're making. I want to make sure I don't put words in your mouth.

She has a working relationship with the Riadys. She was employed by them through the Lippo Bank. So they know her and she knows them?

Mr. HUANG. Not Lippo Bank, but Lippo Group in the United States.

Mr. SHAYS. The Lippo Group in the United States?

Mr. HUANG. That's correct.

Mr. SHAYS. So they would know each other, but they aren't necessarily, say, as close as you would be with the family?

Mr. HUANG. That is correct, sir.

Mr. SHAYS. But they have this working relationship?

Mr. HUANG. Congressman, apparently she misstated my position. I was not an executive vice president for Lippo Bank.

Mr. SHAYS. What were you, just for the record?

Mr. HUANG. If I remember, based on that date I was the vice chairman and director of the Lippo Bank.

Mr. SHAYS. Thank you for clarifying that.

You would be pleased that I am going through many pages of questions that I'm not asking you, so if you see me doing this, be grateful.

You got a job working for the Department of Commerce and you were principal Deputy Assistant Secretary for International Economic Policy at the International Trade Administration; is that correct?

Mr. HUANG. That was correct.

Mr. BURTON. Excuse me, Mr. Shays. Mr. Waxman is not here, we will go to the next round, and it is your time.

Mr. SHAYS. Thank you. Would you please describe your responsibilities as the principal Deputy Assistant Secretary for International Economic Policy at the International Trade Administration?

Mr. HUANG. To put it very bluntly and directly, whatever the Assistant Secretary does not want to do. So most of the work is like organizational, personnel-related, budgetary and coordination among various units in the International Economic Policy.

Mr. SHAYS. How large is IEP at ITA?

Mr. HUANG. It was one of the smallest units. I may misquote the number for you.

Mr. SHAYS. Give me a range. I have no range. How many personnel might you be dealing with?

Mr. HUANG. Maybe a number like 100, something.

Mr. SHAYS. That's still a lot of people.

Mr. HUANG. That's correct.

Mr. SHAYS. When you worked in this position, were you ever told that you were specifically walled off from working on China issues?

Mr. HUANG. I was not. But I learned that later on. In reality, Congressman Shays, I knew I was not going to work on the China issues.

Mr. SHAYS. You learned later on that you weren't to work on Chinese issues by whom? What did you learn later on? Was it through contacts or through the media?

Mr. HUANG. Through the media, I believe either Mr. Garten's testimony—

Mr. SHAYS. He's the Under Secretary of Commerce?

Mr. HUANG. Under Secretary.

Mr. SHAYS. Usually their responsibility is all the administration of the department and so on. But he seemed surprised that you were working on Chinese issues?

Mr. HUANG. That's what I heard, yes.

Mr. SHAYS. In terms of policy areas, where do you get—did you get involved in Indonesia? Did you get involved in Taiwan? And did you get involved in China? Tell me in each of those areas, on policy.

Mr. HUANG. Basically IEP is involving territorial, which is in the whole world, divided into probably four or five areas. So whatever the commercial policies, generally is coming from the IEP. That's how it is. There is an area called Asia Pacific area which has its own Deputy Assistant Secretary.

Mr. SHAYS. You worked for the Lippo Group, and I think you know there were some who were concerned that you had these ties to a fairly powerful family in Indonesia. Were you walled off from dealing with Indonesia?

Mr. HUANG. I did not have a direct responsibility for those areas anyway. I tried to stay away from it myself.

Mr. SHAYS. You made a conscious effort to stay away?

Mr. HUANG. I did not think anybody would stop me from doing that. My concept for that is, if I had any knowledge, I could be helpful to everybody. Because of my past experience, I would be glad to help; that was my position. But nobody advised me in saying, John, don't touch Indonesia, don't touch China.

Mr. SHAYS. There was no understanding when you worked with the department that, given your involvement with the Lippo Group, you needed to stay away from Indonesian issues?

Mr. HUANG. At least at that time I did not understand. But I'm trying to consciously stay away, yes, as much as I could.

Mr. SHAYS. We need to nail this down a little better. Let me be clear on the question. I just need to know whether in your hiring you were told that certain areas were off bounds, given your relationships with a powerful economic and political family in Indonesia who also had significant relations to China.

Mr. HUANG. Not necessarily a geographic area, but I did discuss trying to stay away from the Lippo.

Mr. SHAYS. Who was that discussion with?

Mr. HUANG. I think it was the general counsel of the Commerce Department, Ginger Lew. She was the person who advised me that, yes.

Mr. SHAYS. It was her responsibility to give ethics advice, and she said not as much Indonesia, but in terms of the Lippo Group, you needed to stay away from that?

Mr. HUANG. Yes.

If I could also expand, Lippo has interest in other areas, whatever Lippo's involvement was, to try to stay away.

Mr. SHAYS. Your own calendar indicates that you had had several meetings with Indonesian officials. I'm not saying the Lippo Group. Your testimony is that Indonesia was not part of your responsibility. Was any country part of your responsibility? Is it your testimony that no country is part of your responsibility?

Mr. HUANG. That's not true. In the beginning it was that, but later on I was assigned to Taiwan. The reason is because of my background. I grew up in Taiwan and spent about 20 years there. I served in the Chinese Air Force in Taiwan as a reserve officer. The reason I got that area is, China was responsible, was taken over by another unit, somebody should be spearheading on Taiwan, so you have two separate teams.

Mr. SHAYS. Thank you very much. Thank you, Mr. Chairman.

Mr. BURTON. Would you like me to do a little questioning here for a while?

Mr. SHAYS. That would be fine.

Mr. BURTON. Let me followup, Mr. Huang, on Mr. LaTourette's questions. You went to Taiwan. Who did you meet with during that Taiwan trip?

Mr. HUANG. Basically private businessmen, in particular the person called—excuse me. It will come to me in a second. Mr. Kenneth Hsui.

Mr. BURTON. What was the purpose of that meeting?

Mr. HUANG. During my role for the Democratic party in trying to see whether it would be interesting, I understand he is an American citizen, although he lived in Taiwan; and he and I knew each other, and I was trying to see whether he would be interested in making a contribution to the Democratic party.

Mr. BURTON. Did you ask him to solicit other contributions?

Mr. HUANG. No. The reason is that he himself was very well off. He would be the only one I needed at that time.

Mr. BURTON. How much were you expecting him to give?

Mr. HUANG. Approximately half a million dollars.

Mr. BURTON. Half a million dollars?

Mr. HUANG. Right.

Mr. BURTON. Can you broaden your answer there to tell us, you were in Taiwan for some time. I have been over there myself many times, and there is a whole bunch of people that you meet with.

Were there any other people that you met with that were interested in contributing and did you mention it to anybody else? And who all did you meet with? I know you probably won't recall all of them but you know the significant ones.

Mr. HUANG. Mr. Chairman, during that period of time, you know President Lee was first being elected as the President of Taiwan, and there was an inauguration event over there. A lot of people were coming from overseas there. A lot of people coming from Taiwan were there, also. For instance—

Mr. BURTON. You were interested in raising money for the Democrat party and so you talked to this one gentleman and were hoping that he would give a half a million dollars and you're saying he was a U.S. citizen so he would have been legally entitled to contribute?

Mr. HUANG. That's correct.

Mr. BURTON. Is he the only person you talked to about raising money over there?

Mr. HUANG. No. No, I was more or less exploring the opportunities through some friends who might be able to introduce me to more people.

Mr. BURTON. Those people that you talked to over there, were they American citizens?

Mr. HUANG. They were American citizens, yes.

Mr. BURTON. Did you talk to anybody that were not American citizens about contributing?

Mr. HUANG. No. If they were not an American, I did not ask for a contribution or a donation to the party.

Mr. BURTON. Did you talk to them in any way about giving money?

Mr. HUANG. No, sir.

Mr. BURTON. In late 1996 did you stay in Charlie Trie's Watergate apartment for a period of time?

Mr. HUANG. As I testified yesterday I believe—

Mr. BURTON. You did stay in his apartment?

Mr. HUANG. That's correct.

Mr. BURTON. How long did you stay there?

Mr. HUANG. Maybe around a week or two at the most.

Mr. BURTON. Do you know why you were staying there?

Mr. HUANG. I think the—during that period of time there was a subpoena being served on me by Judicial Watch in trying to find out the full situation for the Commerce Department, and I was really staying around different places.

Mr. BURTON. You didn't want to be served with a subpoena?

Mr. HUANG. No, I was really wondering why I was being served with a subpoena at the beginning and why I got involved.

Mr. BURTON. You were staying there in order to not be served?

Mr. HUANG. I was not trying to avoid being served. Actually my counsel, legal counsel had already received it, was doing that for

me. But basically the media was hounding me. If I continued staying at my father-in-law's place in Silver Spring, people were going to continue to harass that place. Basically I was avoiding that part, not on the legal requirements.

Mr. BURTON. You weren't trying to hide out so you wouldn't get served?

Mr. HUANG. No, sir, I was not.

Mr. BURTON. Did you stay with any other friends or acquaintances during that period, during the finance scandal when it first became public?

Mr. HUANG. Yes, I also stayed with my brother-in-law for a few days.

Mr. BURTON. That was for the same reason, that you didn't want—

Mr. HUANG. That was the same reason and also my father's friends, in I think Potomac or Rockville, MD.

Mr. BURTON. You were moving around to different locations?

Mr. HUANG. A few days here, a few days there. I regret I did that but I really had no choice at that time. I did not want to have my family and relatives being harassed by the media. I did not really try to go around to avoid a subpoena, no.

Mr. BURTON. It was because of the media and not because you didn't want to be served?

Mr. HUANG. That is correct, sir, Mr. Chairman.

Mr. BURTON. In late October and early November, there is a large volume of telephone contact between you and Charlie Trie. At this point Trie had not been identified as a part of the campaign fundraising scandal. For example, on October 28, Trie called you five times. On the 29th, Trie called you twice. On the 30th, Trie called you once. On the 31st, he called you five times. On November 9, he called you. On December 24th he called you three times. Do you recall what you were talking to Mr. Trie about?

Mr. HUANG. Was that a call to my home in Los Angeles? I just want to be specific on that, sir.

Mr. BURTON. I'm not sure whether they were to your home but they were to you, wherever you were.

Mr. SHAYS. Mr. Chairman, I'm happy to yield you my time if Mr. Waxman is passing.

Mr. BURTON. They were different phone numbers, I have been told by my staff.

Mr. HUANG. Mr. Chairman, I'm not sure I had that many conversations with him. Even though I had some conversations with him.

Mr. BURTON. Do you recall any of those conversations?

Mr. HUANG. It would not be any significant. Probably emphasizing my manners.

Mr. BURTON. That seems strange to me, Mr. Huang, because he called you 5, 7, 8, 13, 14, 17, 17 times in that timeframe; 17 times. There must have been some reason for him to call you, and you don't recall at all?

Mr. HUANG. I really don't know. I can't give you any answer for that.

Mr. BURTON. What were you and Charlie Trie—what would you talk about? What were you talking about? Did you talk about



friends or relatives? Campaign fundraising, what, when you did talk to him?

Mr. HUANG. I really need to look at those lists, maybe I can give you a better answer for that.

Mr. BURTON. I'm not even talking about those calls. When you did talk to Mr. Trie, you were not a close personal friend. You were an associate as far as raising campaign funds, were you not?

Mr. HUANG. That's correct. Also he subscribed to my idea, trying to work on something for the Asian American community as well. We had similar goals in helping Asia Pacific Americans.

Mr. BURTON. Were you in telephone contact with anyone from the Lippo Group during that period of time when these 17 phone calls took place?

Mr. HUANG. Mr. Chairman, it is possible. I don't recall at this time.

Mr. BURTON. You don't recall that, either? You don't recall any of these 17 phone calls, and you don't recall whether or not you talked about the Lippo Group.

Mr. HUANG. At this moment, no.

Mr. BURTON. Let me go on to the next question. We'll come back to that. Did you ever discuss with Charlie Trie whether you were going to mention his name to the media or to investigators? Did you ever talk to him about or did he ever ask you about, are you going to talk to the media about me or are you going to talk to the investigators about me?

Mr. HUANG. I don't think so, no. To mention about Mr. Trie's name.

Mr. BURTON. Did you ever talk about, did Charlie say, hey, John, don't mention me, or are you going to mention me to the media?

Mr. HUANG. That answer is no.

Mr. BURTON. You never talked to him about that.

Mr. HUANG. At that time, no.

Mr. BURTON. Well, at any time.

Mr. HUANG. No, not that I recall, no.

Mr. BURTON. Not that you recall?

Mr. HUANG. No.

Mr. BURTON. Did you discuss any contributions that Charlie Trie had made?

Mr. HUANG. At any time, Mr. Chairman?

Mr. BURTON. We're talking about after the campaign finance scandal started.

Mr. HUANG. I do remember there was one occasion he talked to me, more or less in a general sense trying to clarify the campaign contributions, the rule situation. More specifically, if I remember correctly, he said is the money coming from him go to a third party and then being given, was that OK or not.

Mr. BURTON. That's the only time that you can recall?

Mr. HUANG. That time, yes.

Mr. BURTON. Let me go back to the phone calls. On October 10, you talked to Mr. Trie for 13 minutes. On October 10th, you talked to him again for 10 minutes. On October 28, you talked to him for 11 minutes twice. On October 29 you talked to him for 19 minutes. On October 30, you talked to him for 7 minutes. On October 31, you talked to him for 11 minutes, 15 minutes, both times. On Octo-

ber 31, you talked to him for 7 minutes and 5 minutes. And on November 22, you talked to him for 9 minutes. And you don't remember any of those calls? These weren't just little bitty calls. They were pretty lengthy.

Mr. HUANG. Mr. Chairman, I did say I don't recall what I was talking to him. I did not say I did not talk to him on that. First of all, some of the conversation probably, I can respond to you. I was receiving the Judicial Watch subpoena. The media was trying to hound me. Maybe there was some conversation talking to him, can I stay there, when am I coming there, can he pick me up from certain places and come to his place. Actually he did take me from a certain area to a certain area. He was very helpful to me on that part. Within that timeframe, I'm pretty sure certain conversations that related to that direction.

Mr. BURTON. They are pretty lengthy phone conversations not to be more recalled. Let me ask you this. Did you ever talk to Charlie Trie about whether or not he should leave the country?

Mr. HUANG. That, I did not.

Mr. BURTON. You did not talk to him about that, in any of these phone calls?

Mr. HUANG. No, sir.

Mr. BURTON. Since there is no one here, I will yield myself 5 more minutes. Since the meeting began and we started asking you questions, we were told that you weren't very close to Charlie Trie. I mean, if he was chauffeuring you around and you were on the phone with him this much, it sounds like you were pretty close, and you said he was very helpful to you and you appreciated that. What do you mean by you weren't very close to him and you weren't his friend?

Mr. HUANG. Relatively speaking compared to some of the friends. I'm not saying he was not my friend. He was my friend. I believe he would consider me as his friend, since 1994, June 1994. But I knew him a little better because in 1996, my career with the DNC. I knew him much better that way, a little closer.

Mr. BURTON. When you would call him and talk to him for 15 minutes and 15 more minutes, you can't recall what you talked to him about then but when he picked you up and drove you around to these different places, like your brother-in-law's, his apartment, your father-in-law's, whatever it was, what did you guys talk about? If you can give me a rough idea. How much time did you spend together?

Mr. HUANG. Mr. Chairman, if I can best recollect on this, the topic of conversation all centered, the event happened on me at that time.

Mr. BURTON. Let me go on to the Hsi Lai Temple. Did you see Don Fowler at the temple on the morning of the event?

Mr. HUANG. Yes, he was there.

Mr. BURTON. He was the head of the DNC at the time?

Mr. HUANG. At Hsi Lai Temple, yes.

Mr. BURTON. Did he express any concerns to you about the location of the event?

Mr. HUANG. He did not.

Mr. BURTON. He didn't say that he was concerned about it?

Mr. HUANG. Not that I remember on that.

Mr. BURTON. Please give me a general description of the event. What did it look like, how did it take place? When did Vice President Gore arrive? What did he do, what did he say and that sort of thing?

Mr. HUANG. I will try my best. Hopefully I don't omit a key part to you. The temple is quite large, as you might have known already. There were a lot of followers in that temple. There were welcoming teams right outside the front gate of the temple. A high school band was there also in welcoming the Vice President's entourage at that time. Once he was escorted in, they would go to a small room first, like a holding room, and would follow inside the courtyard, doing a hosting, a welcoming session. Then he was more or less touring the whole compound. The compound looks like at least a few basketball courtyards on that.

Mr. BURTON. Do you recall the remarks, what kind of remarks he gave, what he said?

Mr. HUANG. During that tour and welcoming session, he did not really make any comments. More or less people were welcoming him. He was going through the temple to pay respects to the temple.

Mr. BURTON. Did the meal take place right after the tour and then before he spoke?

Mr. HUANG. The lunch? The lunch was afterwards, yes. The luncheon place, which is in the underground of the main temple.

Mr. BURTON. After the meal in the temple dining hall, there were a number of people who said a few words, right?

Mr. HUANG. Are you talking about at the meal?

Mr. BURTON. Yes.

Mr. HUANG. Yes.

Mr. BURTON. Did Congressman Matsui speak at the event?

Mr. HUANG. He did.

Mr. BURTON. Did he make any mention of how much money was going to be raised or would be raised at the event?

Mr. HUANG. I don't recall him mentioning that, sir.

Mr. BURTON. You don't recall that?

Mr. HUANG. I don't recall that.

Mr. BURTON. Did he make any statement to the effect that they had checked with the lawyers and that it was OK to have the event at the temple?

Mr. HUANG. I certainly don't remember he said something like that.

Mr. BURTON. Are you aware that several of the attendees at the event said that one of the speakers made comments to the effect, a number of people who were there said that one of the speakers said it was OK to have it there and that a lot of money had been raised. You don't recall anybody saying that?

Mr. HUANG. Certainly I don't recall anybody saying that.

Mr. BURTON. If someone said that, would they be incorrect or you just don't recall?

Mr. HUANG. I didn't say they were. I just don't recall that, sir.

Mr. BURTON. Did the Hsi Lai Temple pay for all the costs of the event?

Mr. HUANG. My best recollection is they were paying for all the costs for the event. But they were supposed to submit a cost breakdown. But somehow that thing did not come through in time.

Mr. BURTON. They in effect did pay for all of it?

Mr. HUANG. That is correct.

Mr. BURTON. Did you arrange for the temple to be paid for their expenses? Were you trying to arrange for them to be repaid for the expenses?

Mr. HUANG. I cannot remember exactly what I did, but as I just said, there is communication with them saying come up with a cost of the event, but that cost somehow was never—never came through to us.

Mr. BURTON. I see my time is expired. Mr. Waxman.

Mr. WAXMAN. Mr. Chairman, I will pass on this round of questions.

Mr. BURTON. The gentleman passes.

Let me read this here.

At the conclusion of the event on April 29, how much money had they raised?

Mr. HUANG. On that particular day, I do not really know.

Mr. BURTON. According to our records, it was around \$45,000.

Mr. HUANG. It was a small amount, yes.

Mr. BURTON. After the event, did you talk to Richard Sullivan about how much the event had raised?

Mr. HUANG. I did not remember I talked to him for the exact amount that had been raised.

Mr. BURTON. You didn't talk to him about how much money had been raised?

Mr. HUANG. However, he did expect me to conclude that and bring some money back.

Mr. BURTON. What did Mr. Sullivan say?

Mr. HUANG. To try to wrap it up, he needed me to go back, bring some money back. There was no specific amount at that time.

Mr. BURTON. But he said he wanted more money than that?

Mr. HUANG. No, I did not even mention to him about \$45,000 yet at that moment, I don't believe.

Mr. BURTON. Did you talk to anybody about how much had been raised?

Mr. HUANG. Not to anybody in the DNC, no.

Mr. BURTON. Anybody at all? I mean, did you talk to anybody besides people at the DNC?

Mr. HUANG. I, sir, don't recall. However, Mr. Chairman, there is a target goal for the fundraising for Vice President Gore's visit in southern California, L.A.

Mr. BURTON. What was the target goal?

Mr. HUANG. Somewhere around \$200,000, \$250,000.

Mr. BURTON. Did Sullivan tell you he was disappointed with the amount that you had raised at that event?

Mr. HUANG. Certainly he did not tell me in person. If I remember he made—I said, that's all I raised. He said, that's OK, you know.

Mr. BURTON. He did not tell you that he was disappointed?

Mr. HUANG. Not that I recall he ever said that, sir, in that language.

Mr. BURTON. Mr. Sullivan gave us a deposition, and he says—did he tell you that he was disappointed? You just don't recall that?

Mr. HUANG. I just don't recall that, sir.

Mr. BURTON. That's strange. Because, I mean, you were in charge of the event, and he was one of the key people at the finance department there. If he said he was disappointed, he wouldn't want to lose face, wouldn't you say something to him? You just don't remember.

Mr. HUANG. I still don't remember that, yeah.

Mr. BURTON. Did Sullivan tell you that he had expected more money from the event considering the trouble that you had had in arranging it at the temple?

Mr. HUANG. No, as I indicated, Mr. Chairman, there's target goals set it up earlier about \$200,000, \$250,000.

Mr. BURTON. Did he tell you that he wanted to make the DNC's end-of-the-month fundraising numbers look good and he wanted more money out of the event? And did he tell you that he expected more money from the event?

[Discussion off the record.]

Mr. HUANG. I sir, don't recall. I would assume I myself was not quite happy with the amount being raised.

Mr. BURTON. Mr. Sullivan said once again that he did tell you that. In his deposition he told us that. And he also said that in April he wanted to hit the ball out of the ballpark, so to speak, by raising a lot of money. Did Sullivan ask you if you had any contributions that had not yet come in that were outstanding and did he ask you to raise more? Did he say, is there more money coming in or—

Mr. HUANG. I believe I already raised—testified I would raise more money anyway.

Mr. BURTON. Did you do that at the temple? Did you tell him that at the temple?

Mr. HUANG. Not from the temple, no.

Mr. BURTON. So you didn't say anything to him at the temple about you would raise more money because it didn't reach what you wanted.

Mr. HUANG. Not that I recall. Mr. Sullivan was not there, by the way.

Mr. BURTON. Did you have a telephone conversation with him?

Mr. HUANG. I had a telephone conversation. That's afterwards, though.

Mr. BURTON. Was that from the temple?

Mr. HUANG. I don't believe so. It probably could have been from my home.

Mr. BURTON. As I understand it, according to Mr. Sullivan's testimony right after the event there was a telephone call and you two talked. You don't recall that?

Mr. HUANG. I do recall I talked to him, but I cannot place the time right at this moment, Mr. Chairman.

Mr. BURTON. You don't recall talking to him about the amount of money or the disappointment or any of that?

Mr. HUANG. Not in the exactly words you're saying, Mr. Chairman.

Mr. BURTON. Did Sullivan ask you to get some California money in and, if so, what did that mean to you? In other words, did he say get some money in from California? And, if he did, what did that mean to you?

Mr. HUANG. I don't know whether he did it or not, but what he means is try to bring as much money as possible back.

Mr. BURTON. Did he mean from Lippo connections in California or Asian Americans from California or do you know what he meant?

Mr. HUANG. Whatever the event I—transpired at that time, you know, whatever you can collect from the group over there.

Mr. BURTON. How did your discussion with Mr. Sullivan end on the telephone? Did you promise him on the telephone you would raise more money?

Mr. HUANG. I did say I'll bring a good sum of money back this time.

Mr. BURTON. Well, if you said that, why wouldn't you remember that he was disappointed in the amount of money that was raised?

Mr. HUANG. No, I just did not say—I didn't say that way, Mr. Chairman. I did not remember exactly what he was saying that way. But I do know all—for all intent and purpose we want to raise as much money as possible.

Mr. BURTON. OK. You'll have to excuse me. We have—I have to take about a 3-minute break here. I have to make an emergency phone call.

Would you care to take the Chair?

Mr. SHAYS. I would be happy to take the Chair.

Mr. BURTON. I'll let Mr. Shays take the Chair.

Mr. SHAYS. Just give me the gavel.

Mr. BURTON. Mr. Shays, it's your round.

Mr. WAXMAN. Mr. Chairman. I have a couple.

Mr. SHAYS. It is Mr. Waxman's time. I would be happy to give him time.

Mr. BURTON. I thought he had passed, but Mr. Waxman.

Mr. WAXMAN. At the previous round. I won't take much time. I'll let you get back to your questions. I want to clean up a few things.

Mr. SHAYS [presiding]. Do you want to hit the clock?

Mr. WAXMAN. Mr. Huang, on this Hsi Lai Temple event, did you look at it in terms of what's called a maintenance event? Have you ever heard that term, maintenance event? Community event to—

Mr. HUANG. The community event, yes.

Mr. WAXMAN. By a community event—or I have even heard this term maintenance event. It's an event not to raise money but to develop good will and reach out to the community, maybe in the hopes later of raising money from members there by establishing some positive contacts. Is that an accurate statement?

Mr. HUANG. That's accurate, yes.

Mr. WAXMAN. The other thing I wanted to mention, these conversations you had with Mr. Trie and Mr. Sullivan, those were over 3 years ago, weren't they?

Mr. HUANG. That's correct.

Mr. WAXMAN. You were being asked to remember details of those conversations. Mr. Trie was not a social friend of yours, as I believe you testified, is that right?

Mr. HUANG. However, he was—that time in 1996, you know, I was in D.C. working for the DNC. Certainly I have some more contact with him occasionally, many, many years prior.

Mr. WAXMAN. Thank you very much.

I just wanted to get those clarifications in there. Yield back the balance of my time.

Mr. SHAYS. Thank you.

I recognize myself for 5 minutes.

On September 26, 1994, you were working for the Commerce Department; and you were scheduled to meet with Miss Kristoff. Records indicate that you entered the White House compound at 5:42. Does Kristoff refer to Sandy Kristoff at the NSC?

Let me—maybe what we do is put up exhibit 174, which is just the White House visits. This would be 1 of the 43 times I'm assuming that you while employed with the Department of Commerce you met with the—in the White House. And it's on page 4 I think we want to put up. Could you get that for me. The question is, who is Kristoff?

[Exhibit 174 follows:]

## John Huang's Visits to White House

| DATE    | APPT. TIME<br>Actual Enter/Exit | VISITEE   | REQUESTOR  | LOCATION  |
|---------|---------------------------------|-----------|------------|-----------|
| 3/15/93 | 8:00 am<br>8:50/10:11           | Potus     | Spangler   | Residence |
| 3/24/93 | 10:30 am<br>10:31/no TOD        | Wee       | Wee        | OEOB 141  |
| 4/12/93 | 2:22 pm<br>2:22/no TOD          | Neel      | Spinning   | OEOB 274  |
| 4/13/93 | 1:50 pm<br>11:38/1:35           | Yee       | Yee        | OEOB 141  |
| 4/13/93 | 1:55 pm<br>No TOA or<br>POA     | Yee       | Yee        | OEOB 141  |
| 4/13/93 | 2:30 pm<br>2:02/no TOD          | Dickey    | Dickey     | East Wing |
| 4/16/93 | 2:30 pm<br>2:19/3:57            | Dickey    | Derricotte | East Wing |
| 4/19/93 | 10:45 am<br>10:44/no TOD        | Rubin     | McLaughlin | West Wing |
| 5/3/93  | 5:30 pm<br>4:32/no TOD          | Potus     | Dickey     | Residence |
| 5/21/93 | 4:00 pm<br>2:35/no TOD          | Potus     | Spangler   | Residence |
| 6/7/93  | 3:00 pm<br>3:22/no TOD          | Middleton | Johnson    | West Wing |
| 6/7/93  | 3:00 pm<br>No TOA or<br>POA     | Dickey    | Derricotte | East Wing |
| 6/11/93 | 1:30 pm<br>2:06/no TOD          | Johnson   | Johnson    | West Wing |





|          |                              |           |            |               |
|----------|------------------------------|-----------|------------|---------------|
| 6/21/93  | 10:30 am<br>No TOA or<br>POA | Middleton | Johnson    | West Wing     |
| 6/23/93  | 9:45 am<br>9:39/no TOD       | Dickey    | Dupyea     | East Wing     |
| 6/24/93  | 3:30 pm<br>No TOA or<br>POA  | Holt      | Holt       | East Wing     |
| 6/28/93  | 11:30 am<br>11:07/no TOD     | Johnson   | Johnson    | West Wing     |
| 6/28/93  | 3:00 pm<br>3:20/ no TOD      | Dickey    | Dickey     | East Wing     |
| 7/20/93  | 11:30 am<br>11:19/no TOD     | Middleton | Johnson    | West Wing     |
| 7/20/93  | 1:15 pm<br>1:58/4:49         | Dickey    | Derricotte | East Wing     |
| 8/2/93   | 1:30 pm<br>12:37/1:39        | Potus     | Fine       | Residence     |
| 9/24/93  | 11:00 am<br>No TOA or<br>POA | Dickey    | Derricotte | East Wing     |
| 9/24/93  | 11:00 am<br>No TOA or<br>POA | Quinn     | Hopkins    | OEOB 276      |
| 10/14/93 | 12:00 pm<br>6:06/no TOD      | Potus     | Griffin    | South Grounds |
| 11/3/93  | 5:30 pm<br>5:09/no TOD       | Potus     | Dickey     | Blueroom      |
| 1/5/94   | 6:30 pm<br>6:07 /12:28       | Potus     | Spangler   | East Wing     |
| 1/6/94   | 3:00 pm<br>3:44/7:32         | VP        | McAfee     | OEOB 474      |
| 1/21/94  | 3:30 pm<br>3:42/no TOD       | Riley     | Riley      | OEOB 94       |

|         |                             |           |           |               |
|---------|-----------------------------|-----------|-----------|---------------|
| 3/16/94 | 1:00 pm<br>1:00/no TOD      | Dickey    | Raines    | East Wing     |
| 3/16/94 | 2:30 pm<br>No TOA or<br>POA | Matsui    | Nishikawa | OEOB 122      |
| 3/16/94 | 3:00 pm<br>2:59/no TOD      | Middleton | Ewing     | West Wing     |
| 3/16/94 | 3:30 pm<br>No TOA or<br>POA | Matsui    | Nishikawa | OEOB 122      |
| 4/19/94 | 5:40 pm/ 8:15               | Potus     | Spangler  | Residence     |
| 4/20/94 | 3:00 pm<br>2:57/no TOD      | Matsui    | Nishikawa | OEOB 122      |
| 4/22/94 | 9:00 am<br>No TOA or<br>POA | Middleton | Ewing     | West Wing     |
| 5/4/94  | 4:30 pm<br>4:24/ no TOD     | Middleton | Ewing     | West Wing     |
| 5/10/94 | 2:30 pm<br>2:30/5:19        | Dickey    | Dickey    | East Wing     |
| 5/10/94 | 4:45 pm<br>4:50/no TOD      | Matsui    | Nishikawa | OEOB 122      |
| 5/20/94 | 9:30 am<br>10:03/no TOD     | VP        | Nishikawa | OEOB 272      |
| 5/20/94 | 9:30 am<br>9:26/no TOD      | Middleton | Ewing     | West Wing     |
| 5/20/94 | 2:00 pm<br>2:24/7:24        | Matsui    | Wexler    | OEOB 450      |
| 5/25/94 | 3:00 pm<br>3:06/no TOD      | Nishikawa | Nishikawa | OEOB 122      |
| 6/13/94 | 8:30 am<br>No TOA or<br>POA | Potus     | Dickey    | South Grounds |

|         |                              |           |            |            |
|---------|------------------------------|-----------|------------|------------|
| 6/21/94 | 4:30 pm<br>4:45/no TOD       | Middleton | Ewing      | West Wing  |
| 6/21/94 | 8:15 pm<br>6:50/7:31         | Potus     | Spangler   | South Lawn |
| 6/22/94 | 3:15 pm<br>2:57/3:10         | Middleton | Ewing      | West Wing  |
| 6/23/94 | 10:00 am<br>10:27/10:32      | Herman    | Wexler     | West Wing  |
| 6/23/94 | 10:30 am<br>No TOA or<br>POA | Weaver    | Weaver     | OEOB 131   |
| 6/24/94 | 12:00 pm<br>12:05/no TOD     | Middleton | Ewing      | West Wing  |
| 6/24/94 | 1:00 pm<br>No TOA or<br>POA  | Rubin     | McLaughlin | West Wing  |
| 6/25/94 | 9:15 am<br>No TOA or<br>POA  | Weaver    | Weaver     | OEOB 131   |
| 7/21/94 | 6:00 pm<br>6:17/no TOD       | Potus     | Carter     | OEOB 450   |
| 8/2/94  | 7:20 am<br>7:35/no TOD       | Lewis     | Lewis      | OEOB 474   |
| 9/10/94 | 9:15 am<br>No TOA or<br>POA  | Middleton | Middleton  | West Wing  |
| 9/22/94 | 10:00 am<br>No TOA or<br>POA | Potus     | Duryea     | South Lawn |
| 9/26/94 | 5:30 pm<br>5:42/no TOD       | Kristoff  | Wilson     | OEOB 230   |
| 9/27/94 | no TOA                       | Potus     |            | South Lawn |
| 9/27/94 | 11:00 am<br>11:02/no TOD     | Weaver    | Weaver     | OEOB 131   |

|          |                             |           |           |           |
|----------|-----------------------------|-----------|-----------|-----------|
| 10/5/94  | 8:00 am<br>8:16/no TOD      | Middleton | Middleton | West Wing |
| 10/14/94 | 10:00 am<br>10:04/no TOD    | Burget    | Burget    | NEOB      |
| 10/14/94 | 2:00 pm<br>No TOA or<br>POA | Kristoff  | Wilson    | OEOB 230  |
| 10/21/94 | 2:30 pm<br>No TOA or<br>POA | Cutter    | Smith     | OEOB 230  |
| 10/28/94 | 5:00 pm<br>No TOA or<br>POA | Kristoff  | Wilson    | OEOB 230  |
| 12/21/94 | 12:00 pm<br>11:50/no TOD    | Middleton | Middleton | West Wing |
| 2/6/95   | 2:15 pm<br>2:14/no TOD      | Eder      | Eder      | OEOB 476  |
| 2/14/95  | 12:00 pm<br>11:59/no TOD    | Middleton | Middleton | West Wing |
| 2/16/95  | 2:30 pm<br>2:47/no TOD      | Eder      | Shulman   | OEOB 474  |
| 3/22/95  | 1:35/no TOD                 | Arbuckle  |           | NEOB 2010 |
| 3/22/95  | no TOA                      | Woods     |           | NEOB 8002 |
| 3/22/95  | no TOA                      | Smith     |           | OEOB 165  |
| 3/22/95  | 3:02/no TOD                 | Smith     |           | NEOB 2010 |
| 3/23/95  | 1:29/no TOD                 | Woods     |           | NEOB 2010 |
| 3/30/95  | 4:00 pm<br>3:52/no TOD      | Matsui    | Shulman   | OEOB 476  |
| 4/2/95   | 2:05 pm<br>2:11/no TOD      | Weaver    | Weaver    | OEOB 131  |
| 4/5/95   | 10:04/no TOD                | Echols    |           | NEOB 2010 |
| 4/12/95  | no TOA                      | Echols    |           | NEOB 2010 |

|         |                              |           |           |            |
|---------|------------------------------|-----------|-----------|------------|
| 4/19/95 | 9:57/no TOD                  | Echols    |           | NEOB 2010  |
| 4/21/95 | 10:13/no TOD                 | Ramsey    | Ramsey    | OEOB 472   |
| 4/26/95 | no TOA                       | Smith     |           | West Wing  |
| 4/26/95 | 7:30 am<br>8:54/no TOD       | Kang      | Kang      | OEOB 474   |
| 4/27/95 | 4:00 pm<br>3:52/no TOD       | Eder      | Eder      | OEOB 122   |
| 5/2/95  | 3:00 /no TOD                 | Ramsey    | Claussen  | OEOB 476   |
| 5/11/95 | 4:00 pm<br>3:44/no TOD       | Eder      | Eder      | OEOB       |
| 5/19/95 | 2:00 pm<br>2:36/no TOD       | Matsui    | Shulman   | OEOB       |
| 5/30/95 | 2:00 pm<br>2:04/no TOD       | Swisshelm | Swisshelm | OEOB 423   |
| 6/7/95  | 8:00 pm<br>7:59/no TOD       | Weaver    | Weaver    | West Wing  |
| 6/21/95 | 4:00 pm<br>No TOA or<br>POA  | Barker    | Barker    | OEOB 474   |
| 7/10/95 | 4:00 pm<br>4:09 / 5:39       | Eder      | Eder      | OEOB 180   |
| 7/14/95 | no TOA                       | Saleh     |           | East Wing  |
| 7/27/95 | 10:30 am<br>No TOA or<br>POA | Potus     | Skinner   | South Lawn |
| 9/7/95  | 9:56/no TOD                  | POTUS     |           | South Lawn |
| 9/7/95  | 12:53/no TOD                 | Kamarck   |           | OEOB 474   |
| 9/13/95 | 5:15 pm<br>5:15/6:05         | Hernreich | Cameron   | West Wing  |
| 9/14/95 | 9:15 am<br>9:23 / 10:40      | Weaver    | Weaver    | West Wing  |

|          |                                       |           |           |            |
|----------|---------------------------------------|-----------|-----------|------------|
| 9/14/95  | no TOA                                | Weaver    |           | OEOB 145   |
| 9/14/95  | 12:00 pm<br>12:18 / 1:25              | Schiff    | Schiff    | West Wing  |
| 9/15/95  | 10:45 am<br>10:59 / 11:26             | Lindsey   | Dudley    | West Wing  |
| 10/2/95  | 3:22 /4:21                            | Ickes     | Sutton    | West Wing  |
| 10/10/95 | no TOA                                | Roth      |           | OEOB 493   |
| 10/16/95 | 3:30 pm<br>3:21/no TOD                | Kyle      | Blieberge | OEOB 227   |
| 10/17/95 | 10:15/no TOD                          | Bernstein |           | OEOB 423   |
| 10/26/95 | 5:00 pm<br>2:03 / 2:53<br>4:52 / 7:05 | Matsui    | Eder      | OEOB 122   |
| 11/2/95  | 8:00 am<br>No TOA or<br>POA           | Matsui    | Eder      | OEOB 474   |
| 11/2/95  | 8:30 am<br>8:32 / 9:29                | Eder      | Eder      | OEOB 122   |
| 11/6/95  | 5:00 pm<br>No TOA or<br>POA           | Matsui    | Eder      | OEOB 122   |
| 11/13/95 | 5:00 pm<br>5:22/no TOD                | Matsui    | Wyckoff   | OEOB 474   |
| 11/13/95 | 12:30 pm<br>12:30 / 1:24              | VP        | Thomas    | OEOB 476   |
| 11/13/95 | 4:20 pm<br>No TOA or<br>POA           | Flotus    | Skinner   | East Wing  |
| 12/16/95 | 9:15 am<br>9:39/no TOD                | Potus     | Cameron   | West Wing  |
| 12/16/95 | 7:30 pm<br>No TOA or<br>POA           | Potus     | Widdess   | State Room |

|          |                             |              |         |           |
|----------|-----------------------------|--------------|---------|-----------|
| 12/18/95 | 4:00 pm<br>3:56 / 5:29      | Matsui       | Eder    | OEOB 122  |
| 12/21/95 | 2:15 pm<br>2:22 / 3:04      | Scott        | Heistad | OEOB 115  |
| 12/22/95 | 4:30 pm<br>No TOA or<br>POA | Potus        | Cameron | West Wing |
| 12/23/95 | 9:15 am<br>No TOA or<br>POA | Potus        | Cameron | West Wing |
| 1/18/96  | 1:29/no TOD                 | Kohlenberger |         | OEOB 284  |
| 1/23/96  | 4:01/no TOD                 | Kohlenberger |         | OEOB 284  |
| 1/31/96  | 12:59/no TOD                | Kohlenberger |         | OEOB 286  |
| 1/31/96  | 5:20/no TOD                 | Shaw         |         | OEOB 260  |
| 2/9/96   | 5:00 pm<br>4:56 / 6:47      | Matsui       | Eder    | West Wing |
| 2/9/96   | 6:52/ no TOD                | Ulrich       |         | OEOB 284  |
| 2/10/96  | 11:17/no TOD                | Ulrich       |         | OEOB 284  |
| 2/11/96  | 10:08/no TOD                | Kohlenberger |         | OEOB 286  |
| 2/12/96  | 10:54/no TOD                | Ulrich       |         | OEOB 284  |
| 2/12/96  | 4:26/no TOD                 | Ulrich       |         | OEOB 284  |
| 2/13/96  | 3:42/no TOD                 | Smith        |         | OEOB 271  |
| 2/16/96  | 2:00 pm<br>2:08 / 3:21      | Matsui       | Eder    | OEOB 122  |
| 2/21/96  | 5:00 pm<br>No TOA or<br>POA | Matsui       | Eder    | West Wing |
| 2/26/96  | 12:39/no TOD                | Granger      |         | OEOB 87   |
| 2/27/96  | 3:30 pm<br>No TOA or<br>POA | Matsui       | Eder    | West Wing |

|         |                                         |          |          |           |
|---------|-----------------------------------------|----------|----------|-----------|
| 3/1/96  | 11:40 am<br>11:48 / 12:46               | Huynh    | Huynh    | OEOB 131  |
| 3/15/96 | 1:15 pm<br>1:11/2:15                    | VP       | Jones    | West Wing |
| 3/27/96 | 7:00 pm<br>6:49/8:39                    | Potus    | Spangler | Residence |
| 3/28/96 | 10:00 am<br>9:52 / 11:17                | Williams | Lewis    | OEOB 100  |
| 3/28/96 | 1:00 pm<br>1:04 / 2:40                  | Nash     | Eaglin   | OEOB 153  |
| 3/29/96 | 2:30 pm<br>2:16 / 4:10                  | Lewis    | Lewis    | OEOB 100  |
| 3/29/96 | 3:30 pm<br>No TOA or<br>POA             | Ickes    | Sutton   | West Wing |
| 4/1/96  | 12:47/no TOD                            | Kamarck  |          | OEOB 271  |
| 4/10/96 | 4:00 pm<br>3:50 / 4:28                  | Huynh    | Huynh    | OEOB 131  |
| 5/22/96 | 2:40/noTOD                              | Kamarck  |          | OEOB 271  |
| 5/28/96 | 2:17/no TOD                             | Matsui   |          | OEOB 122  |
| 5/29/96 | 1:16/no TOD                             | Matsui   |          | OEOB 122  |
| 5/29/96 | 2:17/no TOD                             | Matsui   |          | OEOB 450  |
| 5/30/96 | 4:15 pm<br>4:11 / 4:54                  | Huynh    | Huynh    | OEOB 131  |
| 5/30/96 | 5:00 pm<br>4:57 / 6:38                  | Matsui   | Eder     | West Wing |
| 6/5/96  | 9:00 pm<br>8:59 / 9:27                  | Weaver   | Weaver   | West Wing |
| 6/6/96  | 11:45 am<br>11:55 / 1:16<br>2:47 / 4:41 | Huynh    | Huynh    | OEOB 131  |



|         |                                       |                            |          |           |
|---------|---------------------------------------|----------------------------|----------|-----------|
| 6/13/96 | 5:00 pm<br>No TOA or<br>POA           | Matsui                     | Eder     | West Wing |
| 6/18/96 | 8:30 am<br>8:39 / 10:30<br>9:06/11:00 | Potus                      | Spangler | Residence |
| 6/27/96 | 11:45 am<br>12:17 / 1:47              | Weaver                     | Weaver   | OEOB 154  |
| 6/27/96 | 5:00 pm<br>5:34 / 6:40                | Matsui                     | Eder     | West Wing |
| 7/8/96  | 9:10 am<br>9:14/9:31                  | Huynh                      | Huynh    | OEOB 154  |
| 7/16/96 | 4:00 pm<br>No TOA or<br>POA           | Huynh                      | Huynh    | OEOB 474  |
| 7/18/96 | 2:00 pm<br>No TOA or<br>POA           | Matsui                     | Eder     | OEOB 450  |
| 7/22/96 | 10:03/ no TOD                         | Reeder                     |          | OEOB 145  |
| 8/1/96  | 5:00 pm<br>4:59/7:13                  | Gardenswartz               | Matsui   | West Wing |
| 8/9/96  | 1:30 pm<br>1:37 / 2:48                | Nash                       | Sheehan  | OEOB 153  |
| 8/20/96 | 2:00 pm<br>1:54 / 2:21                | Huynh                      | Huynh    | OEOB 154  |
| 8/22/96 | 10:57/no TOD                          | Reeder                     |          | OEOB 483  |
| 8/22/96 | 5:00 pm<br>5:26 / 6:50                | Matsui                     | Eder     | West Wing |
| 8/29/96 | 10:39/no TOD                          | Reeder                     |          | OEOB 145  |
| 9/5/96  | 5:00 pm<br>5:13 / 6:04                | Matsui                     | Eder     | West Wing |
| 9/5/96  | 6:10 pm<br>6:12 / 8:26                | Huynh [Pres.<br>Personnel] | Huynh    | OEOB 154  |

|         |                          |         |      |           |
|---------|--------------------------|---------|------|-----------|
| 9/23/96 | no TOA                   | Kamarck |      | OEOB 474  |
| 9/26/96 | 5:00<br>No TOA or<br>POA | Matsui  | Eder | West Wing |
| 10/3/96 | 5:07/7:09                | Matsui  | Eder | West Wing |

Mr. HUANG. That Kristoff could be Sandy Kristoff.

Mr. SHAYS. OK. Now tell me, did you meet with Sandy Kristoff on or about September 26, 1994?

Mr. HUANG. I'm quite surprised that name was there. I'm trying to trace my memory. I certainly don't recall I met with her personally on that occasion. However, Congressman Shays—

Mr. SHAYS. Let me just say that we can turn the chart over to the next page 5, and you are marked down at 2:00 and 5:00, but it looks like you didn't actually get there. But I would like to know if you did or not, whether the reports are not accurate or not.

Mr. HUANG. Before I answer this question, I'm trying to make a further explanations on that. There might be an interdepartment meeting with the White House during that period of time. The reason, if my name was mentioned over there, was because the person was in charge of the Asian Pacific affairs in IEP, namely Nancy Linn Patton, who is a director also, Deputy Assistant Secretary. She might not be able to go there.

Mr. SHAYS. What we have is we have three meetings, two of which are not marked down as having attended. But the one on September 26th, you're marked down as attending. So I'm assuming you were there.

Mr. HUANG. I was there. I was trying to explain to you probably it related to the interdepartment meeting. I was late also one occasion.

Mr. SHAYS. OK. OK. But, yeah, you were there. I just want to establish that. You're answering a question I haven't asked yet. You'll get a chance.

What was the purpose of your meeting now?

Mr. HUANG. Again, it was interdepartment meeting. I could not specifically remember what was it about now.

Mr. SHAYS. Did you discuss the United States-Thai Business Council with Miss Kristoff?

Mr. HUANG. Definitely not, no.

Mr. SHAYS. Now, did you represent on what basis you were having—that you were there? Was it clear as to why you were there?

Mr. HUANG. Congressman Shays, the only thing—the only time I have very strong impression is that one time is rainy day in late afternoon I was there very late. That's related to the interdepartmental meeting. People was already at the meeting. I came in very late. Probably the meeting was over. I really did not have any recollection have any more than one occasion met with Ms. Sandy Kristoff except—except in the State Department.

Mr. SHAYS. And when was that? Before or after?

Mr. HUANG. I couldn't specify. The reason I'm trying to say that is, at that time, the Assistant Secretary for the Asian Pacific Affairs for the State Department was—who was it? Sorry. He has regular meeting for interdepartment agencies. Any department has Asian Pacific Affairs units will have a routinely meeting with him.

Mr. SHAYS. Did you tell Pauline Kanchanalak—let me ask you—she was organizing the United States-Thai Business Council meeting. There was some meeting that was going to take place. You want to talk about that at all?

Mr. HUANG. It was taking place in the White House I think.

Mr. SHAYS. Now, Miss Kanchanalak was calling you at the Department of Commerce, but I want to focus the timeframe on September 1994. Around that time she was working on establishing the United States-Thai Business Council, is that correct?

Mr. HUANG. That is correct.

Mr. SHAYS. Did she discuss with you her plan to hold an inaugural meeting with the United States-Thai Business Council on October 6, 1994?

Mr. HUANG. I believe all about that time, that period of time.

Mr. SHAYS. But she talked to you about it.

Mr. HUANG. She did.

Mr. SHAYS. Was she planning to have the Prime Minister of Thailand attend the inaugural meeting?

Mr. HUANG. She did indicate that.

Mr. SHAYS. Was she also planning to have the President of the United States attend the meeting?

Mr. HUANG. She would like to have, yes.

Mr. SHAYS. Did she express to you any problems she was having in organizing the meeting?

Mr. HUANG. She couldn't get things done.

Mr. SHAYS. Pardon me?

Mr. HUANG. She could not get that done, at least at that period of time.

Mr. SHAYS. Get what done?

Mr. HUANG. Get this meeting accomplished.

Mr. SHAYS. OK. My time has run out.

Mr. BURTON [presiding]. Would you like some more time right now? I would be glad to yield to you 5 minutes.

Mr. SHAYS. Thank you.

I want you to be more specific as to what type of problems she had.

Mr. HUANG. She had some difficulty in getting things done. In other words, there's apparently political battles over there. I can only speak on the outside. I cannot really get into the detail for that.

Mr. SHAYS. Yeah.

Mr. HUANG. I understood the—Sandy Kristoff was the opponent, would not agree to have such an arrangement.

Mr. SHAYS. Arrangement meaning the President.

Mr. HUANG. That's right. To have in the White House.

Mr. SHAYS. Did she ask your help?

Mr. HUANG. She did.

Mr. SHAYS. What did she ask you to do?

Mr. HUANG. She expressed, you know, the dismay that this could not be done, you know. She asked me whether—anything I could do on that basis.

Mr. SHAYS. OK.

Mr. HUANG. But I did not really promise her and say I will do one, two, three, four. I did not. But I believe I—subsequently, I have a memo to Deputy Undersecretary Rothkopf.

Mr. SHAYS. So you did do something, and you expressed it in a memo.

Mr. HUANG. That's right.

Mr. SHAYS. Why don't we look at that? That's exhibit 192.

Now, Mr. Rothkopf is the—was Deputy Undersecretary when you were there. He was your superior. That's correct?

[Exhibit 192 follows:]

To: David Rothkopf  
 From: John Huang  
 Re: Thai PM's visit and establishment of U.S. Thailand Business Council  
 Date: September 30, 1994

I suggest that we first contact Sandy Kristoff of NSC to find out what is going on before we do anything else. I do not know her (in fact I never had a conversation with her before). Can you make this call?

Matter in this sort presents risks and opportunities.

We at the DOC (including Secretary) can look good and gain benefits if we could get this matter squared away. But we may not want to risk the relationship with Sandy/NSC especially if she strongly objects: doing the launch for this Council in the White House.

We don't want to contact the Thai Embassy on this either at this point. If we do that now, Thai ambassador will have expectation that we can pull this off for him. So far DOC is the neutral party especially we have not been even approached for the meeting between Secretary and Thai PM Chuan officially yet.

It is almost useless to contact Bob Driscoll at this stage. He will be very negative on this new Council anyway because it gets to his turf.

There are some distinguished members from this proposed Council who may contact Bob Driscoll to get this matter settled since many of them are probably also the members of US-ASEAN Council.

There are quite a few members in this proposed Council from Arkansas. They may want to utilize their contacts to get this matter squared away directly from the top even if they offend Sandy and NSC.

My personal observation is that President Clinton will be very upset if he finds out what's going on behind the scene. It could really damage his personal relationship between him and Prime Minister Chuan; and the relationship between US and Thailand if Prime Minister of Thailand cancels his visit to the US (I was told that PM Chuan had a press conference before he left Thailand in saying that he would come to meet with President Clinton and have this Business Council launched with President Clinton).



Mr. HUANG. That is correct.

Mr. SHAYS. Had you spoken with Mr. Rothkopf about the United States-Thai Business Council prior to writing this memorandum?

Mr. HUANG. I don't believe I spoke to him directly. I just have the memo to send it to him.

Mr. SHAYS. Did Mr. Rothkopf express any concerns about this proposed United States-Thai Business Council event?

Mr. HUANG. I don't believe that I have a direct conversation on—face to face on these issues. I thought I would just send a memo. That was it.

Mr. SHAYS. In the first paragraph of your memorandum to Ms. Rothkopf you suggest that you and Mr. Rothkopf contact Sandy Kristoff of NSC to find out what is going on before we do anything else. What did you mean by “find out what is going on?”

Mr. HUANG. As I indicated to you, Congressman, earlier, apparently there was some battle going on as to this proposed meeting, whether it could take place or not. Now, when I say we, doesn't mean Mr. Rothkopf and myself. Because Mr. Rothkopf is in a higher level than I do. I did not have any direct contact with Ms. Kristoff in any level. And Mr. Rothkopf has. We meaning probably from the Department of Commerce point of view or ITA's point of view.

Mr. SHAYS. In this memo, you expressed numerous concerns and troubles with hosting the launch to the United States-Thai Business Council. First, you stated a matter of this sort presents risks and opportunities. What were the risks and what were the opportunities?

Mr. HUANG. OK. Again, I want to thank you, Congressman Shays, to point out this thing in the memo. I have not read this, seen this.

Mr. SHAYS. I am happy to have you read it and take your time.

Mr. HUANG. The risks in my mind—at that particular moment, the Prime Minister from Thailand was coming over. And also to find out this thing was not done it may endanger some of the business opportunity or future relationship between United States and Thailand. Now, there was if this can be done then it could be bring up more opportunity for both countries. I guess that that was basically what I meant.

Mr. SHAYS. You also stated, we at the DOC, including the Secretary, can look good and gain benefits if we could get this matter squared away. But we may not want to risk relationship with Sandy slash NSC especially if she, Sandy, strongly objects doing the launch for this Council in the White House. How did you know that Sandy Kristoff would object to doing the inaugural meeting? Who spoke to her about it? Did Pauline Kanchanalak speak to her?

Mr. HUANG. This I learned from Ms. Kanchanalak.

Mr. SHAYS. So you're getting this from Ms. Kanchanalak?

Mr. HUANG. That is correct.

Mr. SHAYS. OK. What were the NSC objections?

Mr. HUANG. I learned again indirectly here.

Mr. SHAYS. Her, from Ms. Kanchanalak.

Mr. HUANG. The basic objection is coming from Mr. Driscoll. Mr. Driscoll is executive director for U.S. ASEAN Council. Now here, as you know very well, Thailand is one of a member of ASEAN na-

tions. So here is another person who coming out to set up United States-Thai Business Council. Apparently it's going to draw more members away. Maybe that was the politics behind that.

Mr. SHAYS. Did you mean that the Commerce Department was a neutral party?

Mr. HUANG. We were not involved for these direct contact.

Mr. SHAYS. Who were the parties involved?

Mr. HUANG. I believe it was NSC. Or Sandy Kristoff directly, yeah.

Mr. SHAYS. You also stated, "Quite a few members of this proposed council from Arkansas may want to utilize their contacts to get this matter squared away directly from the top even if they offend Sandy and the NSC."

What did you mean by getting this matter squared away directly from the top?

Mr. HUANG. The best I learned is that when the United States-Thai Business Council have some members, members coming from Arkansas, what I was trying to say—these people also was friends with Pauline Kanchanalak—maybe Pauline would be able to ask these people, go directly to the President to get that, that things done.

Mr. SHAYS. Who has time now, Mr. Chairman?

Mr. BURTON. Mr. Waxman. He's not here. Would you care to go forward?

Mr. SHAYS. A few more.

Mr. BURTON. We'll yield to the gentleman. It's your time.

Mr. SHAYS. Thank you.

"Squared away at the top," does not mean the President of the United States?

Mr. HUANG. It could be directly with the President.

Mr. SHAYS. Did you tell—did someone tell you that the United States-Thai Business Council members were planning on contacting Clinton, and did you speak with any of the members?

Mr. HUANG. I did not speak to any of the members, no.

Mr. SHAYS. Let me just conclude by saying, just this area, you also stated, "My personal observation is that President Clinton will be very upset if he finds out what's going on behind the scene."

Mr. HUANG. I'm sorry, I need to correct the statement to say would I contact any member on that. Pauline definitely was the member. Excluding her, I did not speak to anyone else.

Mr. SHAYS. Now, Pauline was the individual who gave \$268,000 that was from foreign sources that was basically declared illegal?

Mr. HUANG. That was the same person, yes.

Mr. SHAYS. Were you acting on her behalf because of the \$268,000?

Mr. HUANG. I didn't believe at that time she was giving that much. I did not, even though she gave that kind of money. I thought you mentioned the figure; it was a much later date when I was at DNC.

Mr. SHAYS. Thank you. Happy to have that clarified.

Just to conclude here, how did you know the President might be upset? Or why did you think he might be?

Mr. HUANG. Just my personal judgment on that, because the turf battle underneath. And just in case it would ruin the relationship



on the top, if that happen, I would assume the President might be upset. Still, I did not talk to President on this matter.

Mr. SHAYS. OK.

Thank you, Mr. Chairman. I yield back my time.

Mr. BURTON. If you don't mind, I'll use the rest of your time; then I'll use mine.

I want to go back to these phone calls that you made. We've talked about them a number of times. These are calls to Lippo organizations either in Indonesia or Los Angeles. On the 17th—or July 19th, you made two calls; the 27th, one; the 28th, one; August 8th, two; August 30th, one; October 4th, one; October 5th, two; October 6th, you made five; the 11th, one; 12th, one.

And then on the 18th you made 19 calls or 19 faxes, rather; 19 times you faxed to Lippo Pacific. These are from the Stevens Co. across the street. But if you look at all these faxes, there were never over four or five sent except on 1 day, October 18th.

Do you attach any significance to that?

[Discussion off the record.]

Mr. BURTON. That was all the way to Lippo Pacific.

Mr. HUANG. First of all, Mr. Chairman, I don't believe that was sent by me, No. 1. No. 2—

Mr. BURTON. But you did go across the street to the Stevens office on a regular basis to make phone calls and things like that?

Mr. HUANG. Yeah, I do not deny that. Yes.

Mr. BURTON. But you don't believe these faxes are yours.

Mr. HUANG. By the way, the second answer is—let me finish, Mr. Chairman.

I believe there was attempt to sending a fax did not go through, it just constantly resend and resend and resend.

Mr. BURTON. Nineteen times?

Mr. HUANG. Probably that was it. My personal experience in the past, the line to Indonesia may not be there as easily getting through.

Mr. BURTON. I know. That's why we go from July all the way through May of the next year. So for 10 months the most times they ever tried to fax something over there was five times; most of the time it was two or one. In fact, there were only two occasions when they tried five times.

But this 1 day there were 19, and you don't recall anything about that?

Mr. HUANG. No. Not on this one, no.

Mr. BURTON. OK. Let me go back to the temple.

Now, at the end of your conversation on the phone with Mr. Sullivan, you said you would raise more money.

Mr. HUANG. I try to bring more money, yes.

Mr. BURTON. Yeah. What did you do after your conversation with Mr. Sullivan? Did you speak to Maria Hsia?

Mr. HUANG. I did.

Mr. BURTON. What did you tell her?

Mr. HUANG. Basically I said I only get this much money, and then also Vice President were here in the event. I really need to bring back some money to Washington, DC, on this trip back.

Mr. BURTON. How much money did you tell her you needed to get?

Mr. HUANG. I needed to get about \$100,000. At least this trip bring back \$100,000.

Mr. BURTON. You raised \$45,000, so you needed \$55,000 more.

Mr. HUANG. In my mind was that—was that—my setting was that.

Mr. BURTON. Uh-huh.

Mr. HUANG. OK.

Mr. BURTON. According to the testimony from the monks who have been immunized and the nuns at the Buddhist temple, the day after the event Maria Hsia called Man Ho and told her that you needed \$55,000 and needed it before you left for Washington that evening. Is that what you told Maria Hsia?

Mr. HUANG. That's her exact language, but the concept is the same, yes.

Mr. BURTON. Do you know if Maria Hsia told this to Hsing Yun?

Mr. HUANG. That I don't know. I left it to her.

Mr. BURTON. According to the testimony of the immunized monks and nuns from the temple, Man Ho then met with Yi Chu, the bookkeeper for the temple, and told her that they needed to make \$55,000 in contributions very quickly. Yi Chu then asked the first 11 monks that she saw to write a \$5,000 contribution to the DNC. All 11 of these monks were reimbursed for their contributions by the temple.

Did you have any knowledge that Maria Hsia had asked the monks to make \$55,000 in contributions by the time that you came to the temple on that evening?

Mr. HUANG. I did not, sir.

Mr. BURTON. She didn't mention anything to you about that?

Mr. HUANG. No.

Mr. BURTON. Did she give you the checks?

Mr. HUANG. She did.

Mr. BURTON. Didn't you ask her where those checks came from?

Mr. HUANG. I did not. I thanked her.

Mr. BURTON. She gave you \$55,000 in \$5,000 checks and you didn't ask her a thing?

[Discussion off the record.]

Mr. HUANG. Mr. Chairman.

Mr. BURTON. It's my turn now, so I yield myself 5 minutes. Go ahead.

Mr. HUANG. Mr. Chairman, the step-by-step situation, I went to the temple on the way to airport. And Maria Hsia was there, she hand me an envelope indicating there was about 100,000 there. And I thank her for it.

Mr. BURTON. I know. The night before or right after the temple event, you got \$45,000. You were concerned about that. You talked to Mr. Sullivan. And you told him you would try to get more money.

You then talked to Maria Hsia and said, hey, we're \$55,000 short, we ought to get \$100,000 from this event. I'm not putting words in your mouth, but that's the gist of what you said. You leave.

The next day she talks to the head of the monastery and says we've got to get \$55,000 more. She's a member of the temple. She gets 11 monks or nuns to write checks for \$5,000 each, and they're

reimbursed by the temple. You come back on your way to the airport to get the \$100,000 which is in an envelope, and you don't even ask her where the extra \$55,000 came from?

I mean, she got that in just a matter of hours. Weren't you even curious?

Mr. HUANG. No, I did not. Because she was the main person that maintain contact on the other side. And I just mentioned to her I would like to have a chance to bring back \$100,000 this trip with me in Washington, DC.

I did not really ask her. I thank her for it. That's it.

Mr. BURTON. So you walked into the temple the day before it was \$45,000, she gives you an envelope says here's \$100,000 and you just say thanks.

Mr. HUANG. That is correct. I even thank—later on Man Ho came out; I said thank you very much.

Mr. BURTON. Why did you say thank you to Man Ho?

Mr. HUANG. For all the events this time she will put out, because she was handling general affairs.

Mr. BURTON. She was the one that was in charge of the finances for the temple, wasn't she?

Mr. HUANG. That I did not—didn't know. I do know she was in charge of the general affairs to arranging everything.

Mr. BURTON. Uh-huh.

See, Man Ho met with Yi Chu, who was the bookkeeper, and asked her to get the \$55,000 out through the monks. And so you said you thanked Man Ho for her help. But you didn't thank her for the \$55,000.

Mr. HUANG. No. She came out; as a courtesy I say, thank you. I just say that.

Mr. BURTON. But you didn't know the money came from the temple?

Mr. HUANG. I did not.

Mr. BURTON. What time did you arrive at the temple on the evening of April 30th? Do you know what time it was? You said you were on the way to the airport.

Mr. HUANG. I normally take the red eye back, so must be around 7, 8, around that time, sir.

Mr. BURTON. Uh-huh. And the only two you met with were Maria Hsia and Man Ho? Did you meet with any of the monks?

Mr. HUANG. I couldn't quite recall it was additional persons in that room or not. There might be a person was there reading newspaper, I don't know who that person was.

Mr. BURTON. You didn't see other monks or nuns?

Mr. HUANG. I did not.

Mr. BURTON. So the only two that you recall are Man Ho and Maria Hsia?

Mr. HUANG. Right. In sequence, Maria came out first and then Man Ho later.

Mr. BURTON. Did someone give you the 11 checks that had been written—well, I've already asked you that and you said that was already in the envelope with the other, all the \$100,000 was in one envelope.

Mr. HUANG. That's all combined.

Mr. BURTON. You didn't open the envelope or look in it at all?

Mr. HUANG. No, I just had to dash to the airport.

Mr. BURTON. Ten of the 11 checks are exhibits 403 to 412. Did you know that these checks were—you did not know, you said, that they were written by monks or nuns?

[Exhibits 403, 404, 405, 406, 407, 408, 409, 410, 411, and 412 follow:]

SEOW FONG COOL

4.30-1976

497

PAID TO THE ORDER OF Dr \$15,000.00

Five Thousand Only DOLLARS

Bank of America  
 Federal Reserve Bank  
 450 Main Street, 9th Floor  
 San Francisco, CA 94105

Check Tracking Form

(All information must be provided before entry)

Name/Contact SEOW FONG COOL

Company/Employer \_\_\_\_\_

Home/Company Address (circle one) \_\_\_\_\_

City/State/Zip \_\_\_\_\_

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|-----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|

Event: 4/29/96 VPSRE - LA EVENT Source Code: VPLA

DNC Contact: TOMMY HUANG Fundraising Code: 821

Solicitor: MARIA HSIA

PRT  DR  PRT  CHRP  DR  PREC  
 PAC  TRANS  GR  MAXPAC

EXHIBIT  
403

DNC 3192969

HSIU CHU LIN 0702  
 14-7106/2220  
 4-30-96  
 Pay to the Order of DNC \$ 5,000  
Five thousand Only  
 EAST WEST BANK  
 13436 Coloma Rd., Rowland Heights, CA 91748  
 For \_\_\_\_\_

Check Tracking Form  
 (All information must be provided before entry)

Name/Contact HSIU CHU LIN  
 Company/Employer \_\_\_\_\_  
 Name/Company Address (circle one) \_\_\_\_\_  
 City/State/Zip \_\_\_\_\_

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Event: 4/29/96 VP GORE - LA. GOVT Source Code: VPLA  
 DNC Contact: JERRY HUANG Fundraiser Code: 821  
 Solicitor: MARIA HSIA

Revenue Code:  P01  P02  P03  P04  P05  P06  P07  P08  P09  P10  
 (do not complete) P11  P12  P13  P14  P15  P16  P17  P18  P19  P20

EXHIBIT  
 404

DNC 3192970



MAN YA SHIH 9-92 0509  
 4-20-1996 25-2/11/96  
 Pay to the order of DNC \$ 5,000  
Five thousand Dollars  
**NationsBank** U.S.A.  
 Member FDIC  
 For Man Ya Shih

**Check Tracking Form**  
 (All information must be provided before entry)

Name/Contact: MAN YA SHIH  
 Company/Employer: \_\_\_\_\_  
 Home/Company Address (circle one): \_\_\_\_\_  
 City/State/Zip: \_\_\_\_\_

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Event: 4/29/96 VPSORE-LA. EVENT Source Code: VPLA  
 DNC Contact: JIMM HUANG Fundraiser Code: 821  
 Solicitor: MARIE HSIA

Referred Code:  FBI  B00  P00  PART  N01  COMP  N00  P00  N00  N00  
 (do not complete)  P02  PAC  P04  TRANS  N02  GEN  N04  NAZPAC

**EXHIBIT**  
 406







SUH-JEN WU

121

5-1 1996

DNC

Five thousand only

QUAKER CITY FEDERAL SAVINGS AND LOAN ASSOCIATION

MARKET RATE ACCOUNT

Suh Jen Wu

Check Tracking Form  
(All information must be provided before entry)

Name/Contact: SUH-JEN WU

Company/Employer: \_\_\_\_\_

Name/Company Address (circle one): \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

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Event: 4/29/96 VP BOE-LA 2/2007 Source Code: VPLA

DNC Contact: TOM HUANG Fundraiser Code: 821

Solicitor: MORIA HSIA

Revenue Code:  P01  P02  P03  P04  P05  P06  P07  P08  P09  P10

(Do not complete) P02  P03  P04  P05  P06  P07  P08  P09  P10

EXHIBIT

408

DNC 3192965

PI HSIA HSIAO 195  
 4-30-96  
 DVC  
 Five allowed only  
 General Bank  
 MONTREY PARK OFFICE  
 101 S. GILBERT & CO. MONTREY PARK, CA 91768  
 714-141-1774

**Check Tracking Form**  
 (All information must be provided before entry)

Name/Contact: PI HSIA HSIAO

Company/Employer: \_\_\_\_\_

Name/Company Address (circle one): \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

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Event: 4/30/96 VP SORE - L.A. Source Code: VPLA

DNC Contact: JOHN HSIAO Fundraiser Code: 821

Solicitor: MARIA HSIAO

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| Revenue Code      | FB1 <input checked="" type="checkbox"/> | FB2 | FB3   | FB4 | FB5 | FB6 | FB7 | FB8 | FB9 | FB10 |
| (do not complete) | PAC                                     | PAC | TRANS | REN | REN | MAJ | PAC |     |     |      |

**EXHIBIT**  
 409

DNC 3192964

BOR YUN JENG  
 [REDACTED]  
 D. N. C.  
 Five Thousand Only  
 \$ 5,000.  
 Sumitomo Bank of California  
 NATIONAL HEIGHTS OFFICE  
 1987 SOUTH AZULSA AVE., PACHENGA HEIGHTS, CA 91768  
 MONEY MARKET PREMIUM ACCOUNT  
 Bor Yun Jeng

Check Tracking Form

(All information must be provided before entry)

Name/Contact: BOR YUN JENG  
 Company/Employer: \_\_\_\_\_  
 Name/Company Address (circle one): [REDACTED]  
 City/State/Zip: [REDACTED]

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| Telephone: [REDACTED]<br>Work: [REDACTED]<br>Home: _____<br>FAX: _____<br>Alternate: _____ | Program:<br>MTR _____<br>TMS _____<br>DC _____<br>NPC <input checked="" type="checkbox"/> _____<br>WLF _____<br>SC _____<br>LG _____<br>GTH _____ | Demographic:<br>Title: _____<br>DED _____<br>SSN _____<br>Spouse: _____<br>SSN: _____<br>SSN: _____ |
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From: 46996 VP GORE-LA 8/20/97 Source Code: VPLA  
 DNC Contact: John Huang Postmaster Code: 821  
 Collector: HARIA Hsia

Revenue Code: F01  IND F03 PART F01 CORP F02 IND F05 RECI  
 (do not complete) F02 PAC F04 TRANS F02 GEN F04 MAJ/PAC

EXHIBIT  
 410

DNC 3192963

HSIU LUAN TSENG  
 [Redacted] 5-6-96 140  
 88-102/1213  
 PAY TO THE ORDER OF DNC \$ 500.00  
Five thousand only DOLLARS  
**Bank of Hawaii**  
 HAWAII 831 BRANCH, HONOLULU, HI 96828  
 HENC H. L. Tseng

**Check Tracking Form**  
 (All information must be provided before entry)

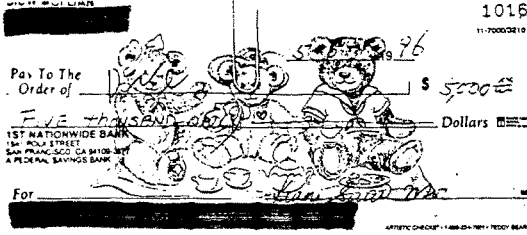
Name/Contact HSIU LUAN TSENG  
 Company/Employer \_\_\_\_\_  
 Home/Company Address (circle one) [Redacted]  
 City/State/Zip [Redacted]

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| <b>Telephones:</b><br>Work _____<br>Home _____<br>FAX _____<br>Alternate _____ | <b>Program:</b><br>MTR _____<br>TRM _____<br>DC _____<br>NPC <input checked="" type="checkbox"/><br>WLF _____<br>SC _____<br>LC _____<br>OTM _____ | <b>Demographics:</b><br>Title _____<br>DOB _____<br>SSN _____<br>Spouse _____<br>SCSN _____<br>CCN _____ |
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Event: 4/29/96 GORE - L.A. EVENT Source Code: VPLA  
 DNC Contact: JUDY HUANG Fundraiser Code: 821  
 Solicitor: MARIA HSIA

Revenue Code: F01  IND F03  PART N01  COMP N03  IND N05  NEIC  
 (do not complete) F02  PAC F04  TRANS N02  GEN N04  MAJ PAC

**EXHIBIT**  
 411



**Check Tracking Form**  
(All information must be provided before entry)

Name/Contact: SIUW MOI LIAN

Company/Employer: \_\_\_\_\_

Home/Company Address (circle one): \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

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| <b>Telephones:</b><br>Work _____<br>Home _____<br>FAX _____<br>Alternate _____ | <b>Program:</b><br>MTR _____<br>TRM _____<br>DC <input checked="" type="checkbox"/> _____<br>NFC _____<br>WLF _____<br>SC _____<br>LC _____<br>OTH _____ | <b>Demographics:</b><br>Title _____<br>DOB _____<br>SSN _____<br>Spouse _____<br>SDOB _____<br>SSSN _____ |
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| Event: <u>4/29/96 GORE - L.A. EVENT</u> | Source Code: <u>VPLA</u>      |
| DNC Contact: <u>JOHN HUANG</u>          | Fund-raiser Code: <u>82.1</u> |
| Solicitor: <u>MARLA HSIA</u>            |                               |

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| Revenue Code      | F01 <input checked="" type="checkbox"/> F02 | F03 <input type="checkbox"/> PART | F04 <input type="checkbox"/> TRANS | F05 <input type="checkbox"/> CORP | F06 <input type="checkbox"/> GEN | F07 <input type="checkbox"/> MAXPAC | F08 <input type="checkbox"/> F09 | F10 <input type="checkbox"/> F11 | F12 <input type="checkbox"/> F13 |
| (do not complete) |                                             |                                   |                                    |                                   |                                  |                                     |                                  |                                  |                                  |

**EXHIBIT**  
 412

Mr. HUANG. I did not.

Mr. BURTON. And you never questioned where she got the extra \$55,000 in a few short hours.

Mr. HUANG. I did not question that either, no.

Mr. BURTON. You didn't have any questions in your mind about where the money came from, you just took it and left.

Mr. HUANG. That is correct.

Mr. BURTON. You didn't question where the extra \$55,000 came from.

Mr. HUANG. No, I did not, sir.

Mr. BURTON. OK. Well, obviously this event you know has received a lot of public scrutiny. But now that you're cooperating, it's worth reviewing some of the public statements that you've made about the event. Right after news of this event became public, Maria Hsia's then-lawyer, Peter Kelly, stated that this event was a Huang show, and that all that Maria Hsia did was make a few phone calls.

Is that right? He said it was your event and all Maria Hsia did was just make a few phone calls, but it was Huang's show.

Mr. HUANG. I was with the DNC, you know. I certainly work with Maria Hsia in getting things done. I did not have any direct contact with the temple. I'm not even a Buddhist follower.

Mr. BURTON. So that statement would not be true, then? It was totally your event?

Mr. HUANG. I was part of a coordination on the DNC side. The other side basically all through—

Mr. BURTON. But she's the one that did all the fundraising?

Mr. HUANG. No, no, I didn't say that she did the fundraising. I also did some too myself.

Mr. BURTON. For the event?

Mr. HUANG. For the event.

Mr. BURTON. For people other than members who were the temple?

Mr. HUANG. That is correct.

Mr. BURTON. All right. Another Vice President Gore aide is cited in the press as saying that the event was intended to raise the Vice President's profile in the Asian American community and not to raise money. Was that true? I mean, was this specifically supposed to be to raise his profile with Asian Americans or was it to raise money?

[Discussion off the record.]

Mr. HUANG. I really need to spend a little time to explain to you, Mr. Chairman and also members of this committee, about these things. As I alluded yesterday, there was supposed to be two separate functions. One is really a fundraising at the Harbor Village Hotel in Monterey Park, originally set for that. And basically on the Hsi Lai Temple was really geared to the community function so people will come over—Vice President will come over to the largest Buddhist temple in the West Coast, and in fact the head of the temple, you know, whom he met prior in prior years. So basically that was supposed to be in the Hsi Lai Temple a community type of event. But due to the scheduling issues and also the distance between the Monterey Park and the Hacienda Heights, the schedule just basically would not allow to have a Vice President going from

one place to the other. So the event of fundraising event was totally basically canceled in the Monterey Park, that restaurant. But however the motion in try to raising money started going. So some people were being contacted, so some people might be interested in coming in and knew about Vice President coming in over there. So in light of that situation, we were sort of more or less put both things together on that.

So the whole thing, the community event was carried on as original planned as well, and people were welcoming the Vice President coming in. Afterwards then the luncheon will be follow on that.

Mr. BURTON. So you just added them together at the temple.

Mr. HUANG. All together in temple. You know to fit into that schedule. Now, during that luncheon event, I didn't believe anybody was speaking, say we're going to raise the money to do that. I didn't believe I collect any checks or anybody's sitting in the front collect the money. In terms of these participants quite a lot of people are just there as honored guests coming over. Without any doubt some people had made a commitment prior to that switching of the places. They were coming in, they were making certain kind of commitments. So some of the money might have been collected ahead of time, but some of the money probably being collected afterwards. So that's how they came about for this events, Mr. Chairman.

Mr. BURTON. I will come back to this in my next round because I want to ask you a couple questions about it.

Mr. Waxman.

Mr. WAXMAN. Mr. Huang, I asked you about—this seems like yesterday but it might have even been the day before—with regard to the Hsi Lai Temple. Vice President Gore has claimed that he didn't know this was a fundraising event. And in fact, as I understand it his speech was not a request for money but more of a generic speech about everybody being able to participate in government. You now know and had a chance to look at everything about the Hsi Lai Temple—things you knew about then, things you know about now. Do you have any information that would say that Vice President Gore did anything wrong?

Mr. HUANG. From my point of view, Asian American was very grateful, a person with that kind of status the first time coming over to our community, in particular coming to a religious group which is not a majority. Basically this country is a Christian basically. In fact, Mr. Waxman, I was asked by Vice President's staff members to the question is what Vice President should speak about during the luncheon. And I said well, maybe your Vice President was a major in religion in Harvard University, he will be very qualified to talk about religious tolerance and things in that direction. I believe most of the speech he was talking about is inclusiveness and the participation, about religious tolerance, things in that nature.

Mr. WAXMAN. The other part of my question to you is not just what he had to say, but now that you know everything that he did—he said he was there, he didn't know it was a fundraiser, he gave a speech to reach out to the Asian American community—do you think that Vice President Gore did anything wrong?

Mr. HUANG. No, I didn't. Absolutely not, no.



Mr. WAXMAN. Thank you. I yield back the balance of my time.

Mr. BURTON. Mr. Shays, do you want to go now or would you—

Mr. SHAYS. Do you want to finish?

Mr. BURTON. If you wouldn't mind I would like to while I still have got this fresh in my mind.

If you received checks in advance and I believe you did, and this was the only event, how could it not be called a fundraiser? Didn't you get checks in advance?

Mr. HUANG. I did receive checks in advance.

Mr. BURTON. So you knew that it was a fundraiser because you already had checks in your hand.

[Discussion off the record.]

Mr. HUANG. As I report to you, Mr. Chairman, I had the plan as a fundraiser in the restaurant earlier. That motion was going. So any checks I had received—I didn't remember how many of them, very probably few. I did receive the checks.

Mr. BURTON. You knew the two were going to be consolidated into one event because of the timeframe so you knew there was going to be a fundraiser at the temple, is that not correct? I mean you've already said you knew they were going to be combined into one event.

[Discussion off the record.]

Mr. HUANG. Mr. Chairman, as I stated, the original plan fundraising event was canceled. And I didn't recall anybody at that luncheon as raising money and collecting money. I do know with such opportunity later on I would be able to inspire more people to give me more money.

Mr. BURTON. Did any of the people that gave you money get special seating at the event? Did they sit up front?

Mr. HUANG. Some of the people willing to making a more commitment, yes, they were.

Mr. BURTON. So this definitely was known as a fundraiser because you were giving them preferential seating; you did not give the checks back so you knew this was what was going on.

Now, the—after the meal in the temple dining hall I'm going back to that, there were some statements made by some people that there was actual discussion by some of the speakers about raising money. And we've got people who said, testified to that event, that, you know, there were there that said yeah we heard people say yeah we want to raise some money for the Vice President. You don't recall that?

Mr. HUANG. Mr. Chairman, you were saying right after that luncheon?

Mr. BURTON. That's what it says, yes.

Mr. HUANG. OK. The reason for that is my dash off to the airport to go to San Jose right away.

Mr. BURTON. You know, I know you know you're under oath and everything. But you said that this was not really a fundraiser. You did say that they were combined and then you said that these people got special treatment by sitting up in front where the Vice President was going to be. I mean you knew this was going to be a fundraiser at the temple.

[Discussion off the record.]

Mr. HUANG. Mr. Chairman, I know your characterization about the event but I repeat I did plan the fundraising in different places. Some people did give money but people were invited for that event. But I did not really collect the money in that event.

Mr. BURTON. But they did get special seating and everything. OK. I see my time has expired. Let me take 5 minutes since I'm next on the list. Mr. Waxman is not here. Then I'll yield to my colleague because I have to rush out and make a phone call and I'll be right back.

Another Vice President Gore aide is cited in the press as saying that the event was intended to raise the Vice President's profile in the American community. I think I already asked that question. But was that the purpose at the temple originally just to raise his profile with the Asian American community?

Mr. HUANG. That's one of the purposes.

Mr. BURTON. What was the other purpose?

Mr. HUANG. As I indicate to you earlier, Mr. Chairman, this is the first time a very high ranking government official is Vice President coming to our community. And also can inspire a lot of religious following in the Buddhist sect, you know, to recognize the fact that somebody is really paying attention to us. Certainly that will raise the profile of Mr. Gore.

Mr. BURTON. In an interview the Vice President said, "I did not know that the money was being contributed at the time. The people with me did not know. Obviously something, someone did not handle it right." Now, is that true? Did none of the people that were accompanying the President like Don Fowler or David Strauss, did—or yourself, I mean, did any of them know that money was being collected?

[Discussion off the record.]

Mr. HUANG. To answer your question it's not true. I believe Mr. Fowler knows about that. And also Mr. Strauss probably knew about that as well.

Mr. BURTON. So they knew it was a fundraiser, you knew it was a fundraiser, Maria Hsia knew it was a fundraiser, Don Fowler knew it was a fundraiser, but the Vice President who was with all of you did not know it was a fundraiser.

[Discussion off the record.]

Mr. HUANG. Mr. Chairman, I can only state that Mr. Fowler knows about it, knew about it and Mr. Strauss knew about it. I really can't say anything further about what more than that.

Mr. BURTON. When you talked to the Justice Department did they ask you if any of the contributors got special treatment at the temple? Did they ask you if they got special seating, did the Justice Department ask you that?

[Discussion off the record.]

Mr. HUANG. Mr. Chairman, I do remember I went over the seating charts with the Justice Department for the detail.

Mr. BURTON. Did they ask you if the people who contributed got special seating?

Mr. HUANG. I think they asked everyone I could identify.

Mr. BURTON. But did they ask you if people who contributed got special seating?

[Discussion off the record.]

Mr. HUANG. Some yes, but some of the people did not even contribute was also there.

Mr. BURTON. But the Justice Department did ask you if the people—

[Discussion off the record.]

Mr. BURTON. But the Justice Department did ask you if there was special seating for the contributors?

[Discussion off the record.]

Mr. HUANG. Mr. Chairman, might not be exactly words that you're saying but I was asked who are these people, why they were sitting there.

Mr. BURTON. What did you tell them? What did you tell the Justice Department?

Mr. HUANG. Whatever the truth was is—for instance some of the guests—all the guests is not necessarily sitting on the table were designated by me.

Mr. BURTON. What I want to ask you is this: When the Justice Department asked you who these people were there and why they were there, did you say these people in the front row or these people were contributors, did you tell them that? What did you tell the Justice Department?

Mr. HUANG. Not all of them. Some of them were.

Mr. BURTON. Did you tell the Justice Department that?

Mr. HUANG. I believe I did.

Mr. BURTON. You did tell the Justice Department that?

Mr. HUANG. I believe I did.

Mr. BURTON. That some of the people listed when they asked you about it were—

Mr. HUANG. Contributors or potential contributors.

Mr. BURTON. If I might ask one followup question real quickly. Was that in the 302's? We'll check that out. Thank you.

Mr. Waxman.

Mr. WAXMAN. Mr. Huang, you've been asked this over and over again. There was a fundraising event that was canceled and then there was the community event at the temple. And as much as the chairman would like to make you say it was a fundraising event, it's your testimony that it wasn't a fundraising event. He may not believe you, but it just seems to me to ask the question over and over again to try to make you say something that you don't want to say, is going too far. It's asking the question over and over and over again.

Now, I don't know what to make of the fact that if people were going to contribute to go to a fundraiser that was canceled but they contributed for that fundraiser when they went to the community event—why they shouldn't be given any kind of prominent attention. Were people given prominent attention as you indicated who didn't give any money?

Mr. HUANG. I don't think Mr. Knabe, Don Knabe the supervisor, gave any money. He was a very prominent figure sitting on the head table as well.

Mr. WAXMAN. He also happens to be a Republican as best I know.

Mr. HUANG. Right.

Mr. WAXMAN. So I don't see what the—what we're getting into by having the chairman ask you this question over and over again. It seems to me almost to the point of—certainly redundancy but almost harassment. Your testimony is that there was a community event at the Hsi Lai Temple and there was another fundraising event but the fundraising event was canceled, is that an accurate statement?

Mr. HUANG. That is correct.

[Discussion off the record.]

Mr. HUANG. Mr. Waxman, through all these exercises we just did a little bit earlier, to be fair, I would not deny there was some checks being collected, you know, through such a process there. I mean through this event I'm talking about afterwards or before event we certainly did not collect any money right at that site.

Mr. WAXMAN. By the way, the chairman asked you about the questions from the Justice Department. These were FBI inquiries, weren't they?

Mr. HUANG. Yes. Largely related to that, yeah.

Mr. WAXMAN. Because as I understand that you were interviewed by the FBI about all these questions and the chairman asked you were you asked by the Justice Department whether some of the contributors were at the head table, that question would have come from the FBI agents that interviewed you, wouldn't it?

[Discussion off the record.]

Mr. HUANG. Not necessarily though.

Mr. WAXMAN. Because you were interviewed by both FBI and Justice.

Mr. HUANG. That's correct, yes. Simultaneously.

Mr. WAXMAN. Simultaneously. So different people at the questioning would be FBI and others were Justice and they would take turns asking you questions or they were all asking you questions at the same time.

Mr. HUANG. I think mostly they were coming from the FBI though.

Mr. WAXMAN. It was one meeting.

Mr. HUANG. That's correct, all sitting at one table.

Mr. WAXMAN. And different people there were asking questions.

Mr. HUANG. That's correct.

Mr. WAXMAN. And you didn't ask now that question is from the man from the Justice Department or that question is from the employee of the FBI.

Mr. HUANG. No.

Mr. WAXMAN. You responded to the question.

Mr. HUANG. That's right, sir.

Mr. WAXMAN. Well, I just wanted to clarify that point. I have some time left over. I would be pleased to yield to Mr. Shays. He's here to pursue questions and he can add it on to his round.

Mr. SHAYS [presiding]. Thank the gentleman. Actually I'll take my own time. I appreciate that. But I'll take my own 5 minutes.

Mr. WAXMAN. Then I yield back the balance of my time.

Mr. SHAYS. Thank you. It's just that this way I control the time and I appreciate that. And it relates to this issue. I don't think the chairman was badgering you at all. I think he was trying to under-

stand something. I learned something new that I didn't know before and I'm happy he asked the question. What I learned was that some money was collected before and some money was collected after. I also learned that you told Mr. Gore's people, the people that were with him, that there was going to be a certain area in which financial contributors or potential financial contributors were going to sit. Isn't that true?

Mr. HUANG. That's true.

Mr. SHAYS. OK. So you weren't badgered, you told us something that I didn't know and I don't think the committee knew and maybe the public didn't know. See, I have two ways to view Mr. Gore's issue. I can view him that he is extraordinarily incompetent and so are his people to have him go to an event that's a major fundraising event and he didn't know it, or that he knew it and found himself in a very awkward situation, maybe he wasn't happy about it at the end but it was in fact an event.

It's kind of like when Mr. Gore made calls from public buildings and he said well there's no controlling authority. It was an embarrassing event. He knew it shouldn't have happened. And by saying no controlling authority he was probably implying it was soft money, therefore it might be legal because soft money is not called campaign money. But then the DNC and others rerouted the funds to hard money contributions that then did make it illegal.

Now, there was an article in the New York Times of June 12th and the article, what I want to read to you says,

And White House aides are now upset that the reimbursement scheme will be a central point of the prolonged criminal investigation and prevent Mr. Gore from putting the episode behind him. Officials at the Democrat National Committee said this week that they also felt betrayed by Mr. Huang's varying accounts of the event, especially after questions were first raised about its propriety last fall. He kept insisting it was just community outreach and that he had never ever billed it as a fundraiser, said one Democrat official who insisted on anonymity. And of course, that is far from the truth. We just feel completely misled by him.

Evidently Republicans aren't allowed to criticize you but Democrats are. Was this a fair criticism of you?

Mr. HUANG. The answer is no.

Mr. SHAYS. Right. Because in fact if you had misled them you would have been breaking the law and you would have been disagreeing with the very thing that you told us you hadn't. You had stopped breaking the law after 1994. So I'm going to—as you know my distinguished ranking member is willing to give you the credibility to say you're under oath and you're telling us the truth. And you've told us the truth. They were informed. They knew it.

Mr. HUANG. [Witness nodded.]

Mr. SHAYS. So the only thing we have going now is you didn't directly tell the President, Vice President, directly, is that true? You didn't speak to the Vice President?

Mr. HUANG. Absolutely not.

Mr. SHAYS. So you didn't tell the Vice President but you told his people. Is that true?

Mr. HUANG. Or his people knew about it, yes. The same, yeah.

Mr. SHAYS. OK.

Mr. WAXMAN. Would the gentleman yield to me?

Mr. SHAYS. Happy to yield.

Mr. WAXMAN. The point that I think you're missing is Mr. Huang said the event was not a fundraising event. And I wanted to point that out to you. So I yield back.

Mr. SHAYS. Is that what you said, it is not a fundraiser?

[Discussion off the record.]

Mr. SHAYS. Mr. Huang, I just want to say to you, I don't want to put words in your mouth. I don't want Mr. Waxman to put the words in your mouth. But I am going to demand that we be precise in this in every instance.

Mr. HUANG. I will try to say—thank you very much, Mr. Shays. At the time because I planned a fundraiser, the fundraising event was canceled. The place was canceled. So trying to—the event over there in my mind was not really a fundraiser. We did not really collect the money, did not even have people stay in the front to collect the money. However, with all these months, years going on, I was not really, you know, sure, you know, that—

Mr. SHAYS. I'm uneasy by your response. I feel uneasy about your response. I feel you have given us two answers.

I would ask the chairman, my time has run out. Could I have a little more time to pursue this?

Mr. BURTON. Am I next?

Mr. SHAYS. Yes. When that's over with.

Mr. BURTON. I will yield to Mr. Shays. You may have my time when yours is over.

Mr. HUANG. You know, it is getting to a legal definition on that. At the time, it was not really my thinking. Right now, I'm not really sure how it's being categorized. It has to be done through legal terms.

Mr. SHAYS. Let's be real clear. I was really eager to go on to something else, but you testified to the chairman that money was raised before the event and after the event, correct?

Mr. HUANG. That's correct.

Mr. SHAYS. You also testified to the chairman that you let people know in the Vice President's entourage that there was a certain area where contributors were sitting, and both who had contributed and potential contributors, is that not correct?

Mr. HUANG. That's correct.

Mr. SHAYS. And it would be unfair for anyone in the President's entourage—Vice President's entourage to mischaracterize that confusion. You did do that?

Mr. HUANG. That's correct, yes.

Mr. SHAYS. And this in fact was a fundraising event? Money was raised?

Mr. HUANG. Well, I had difficulty, you know, in drawing lines, Mr. Shays, on that.

Mr. SHAYS. But it in fact was a fundraising event; is that correct?

Mr. HUANG. There was money, whether before or after it, being raised, yes.

Mr. SHAYS. I go to fundraising events. The money comes in before, it comes in after, but while I'm speaking they don't hand out the money.

Before you answer, Mr. Huang, I also want to say, your job at the DNC was fundraising?

Mr. HUANG. Absolutely, yes.

Mr. SHAYS. That was your job, and you were doing your job.

Mr. HUANG. Right.

Mr. SHAYS. Some are criticizing you, Democrats, for this confusion. I think you might have been criticized unfairly. What is your answer?

Mr. HUANG. To your earlier questions?

Mr. SHAYS. Yes. Was this a fundraiser event?

Mr. HUANG. I'm not really in a position try to argue with you, your points, Congressman Shays. I wanted to state there was some money being collected prior to the event and also the money being collected after the event, but there's no—based on my knowledge, there's no money collected at the event. At the time I think—the whole event, the—mostly happened was in the front part, a lot of people coming to welcome him. It was in my view it was a community, basically, event.

Mr. SHAYS. Is it true that some people came to the event expecting that they should make a contribution?

Mr. HUANG. Yes, yes.

Mr. SHAYS. Thank you very much.

I want to ask you this. Has anyone prior to your testimony asked you to not characterize this as a campaign event or a fundraising event?

Mr. HUANG. Nobody, nobody.

Mr. SHAYS. You know what I'm going to do? I have another line of questioning, but I'll yield back my time on this.

Mr. BURTON. Mr. Waxman.

Mr. WAXMAN. Just to put this whole thing to rest, there was a fundraising event scheduled. Money was being collected for that fundraising event. That fundraising event—without a doubt a fundraising event—it was an event to raise money exclusively—was canceled. And some of the people who were going to come to the first event joined with other people in the Hsi Lai Temple community event. Is that exactly where things are?

Mr. HUANG. That's correct, sir.

Mr. WAXMAN. So now whether the Hsi Lai event was a fundraising event seems to me something that Mr. Shays and Mr. Burton are trying to put into your mouth. If an event is an event for the purposes of raising money, that's a fundraising event, as was the event that you were working on that was canceled. People can go to a community event and when they go to the community event you as a fundraiser or any of us as candidates trying to raise money might talk to people before the event and after the event and urge them to give money. But it doesn't make it an event, a community event—a community meeting doesn't become a fundraising event because there may be fundraising before and after that event.

Mr. HUANG. That is correct.

Mr. WAXMAN. I just want to pin that down, and I hope we've put this issue to rest. I have no other questions so I'm going to yield back the balance of my time and maybe we can move on and get into other areas and complete this very, very lengthy interrogation of you.

Mr. SHAYS. Mr. Chairman, could you just yield to me for a second?

Mr. BURTON. I would be glad to yield to my colleague.

Mr. SHAYS. We want to put it to rest. I don't understand why you said yes. He said it doesn't make it a fundraising event. Doesn't the fact that you raise money at the event make it a fundraising event? It may mean that you for some reason didn't think of it as a fundraising event, but the dang thing was a fundraising event. He just didn't know—the President is saying he didn't know it was a fundraising event.

Mr. HUANG. Mr. Shays, it's very, very difficult for me to answer that.

Mr. SHAYS. It wasn't difficult for you to answer Mr. Waxman. You seemed very quick to answer that. That's what concerned me. If you had hesitated and said, well, Mr. Waxman, this part is true, this isn't. But you were really willing to say yes to his entire statement, and that's what concerns me. It seems like you're—you have conflicting testimony before us.

Mr. HUANG. As the time goes on, you thinking back on the thing. I wasn't sure about my state of mind at that particular time. That's what I want—really want to stay.

Mr. SHAYS. We weren't talking about your state of mind. He was talking about whether it was a fundraising event or not. It turned out it was. The question is, did he know it or not? Then Mr. Burton gave every indication that you should have known because you had people sitting at the event who had contributed for this event and others who were going to contribute because of the event. That's about as big an example of a fundraiser you can get.

Mr. HUANG. Congressman Shays, I can understand the different perspective people view this as a fundraiser or not fundraiser event on that. In my mind at that time basically it was a community event because Mr. Gore was so much welcomed by the community people and going in.

Mr. SHAYS. I have this time, and I'll just say to you it is true you testified that you let the White House know you wanted a section of people to sit who were contributors and potential contributors to this event.

Mr. HUANG. That is correct, absolutely right, Mr. Shays.

Mr. BURTON. I don't want to prolong this. I think the record will speak for itself. But I want to make sure that we nail one point down and that is that the people with Vice President Gore clearly knew that money was being contributed. Mr. Fowler did, you said. Mr. Strauss did, you said. You did, and Maria Hsia did. And you stated that very clearly, and I just wanted to make sure that's clearly stated for the record.

Mr. HUANG. I believe they knew the money had been contributed prior to the event, and I also knew the money being collected after the event. That's the statement I want to address to Mr. Chairman on that.

Mr. BURTON. Now, during the Senate hearings on this matter there was testimony that a number of the temple nuns and monks destroyed and altered records once news stories about the event became public. Do you have any knowledge of this beyond the press reports? Did you—anybody talk to you about them destroying documents?

Mr. HUANG. No, Mr. Chairman.



Mr. BURTON. Had nothing to do—

Mr. HUANG. Nothing to do with this.

Mr. BURTON. Didn't know anything about it?

Mr. HUANG. I did not know anything about it, sir.

Mr. BURTON. Did you ever talk to Maria Hsia about that, about those documents being destroyed or should she talk to the people at the temple about having them destroyed?

Mr. HUANG. No, not on that subject, no.

Mr. BURTON. Were you ever in contact with Maria Hsia or staff on how to respond to press inquiries about the Hsi Lai Temple event?

Mr. HUANG. No, sir.

Mr. BURTON. Were you ever in contact with Maria Hsia's staff or anyone from the Hsi Lai Temple about destroying or altering evidence? I think you already answered that. You said no.

Mr. HUANG. No, sir.

Mr. BURTON. On June 10, 1996, there was a fundraiser at the home of Lew Wasserman in California. Did you help organize that event?

Mr. HUANG. June 10, 1996.

Mr. BURTON. Yes. It was at Lew Wasserman's home.

Mr. HUANG. I do know Mr. Wasserman, but I don't remember I ever set foot in that one.

Mr. BURTON. So you don't recall soliciting any money for that event?

Mr. HUANG. Let me see. I just need to have a little more information to make sure.

Mr. BURTON. Why don't you look at exhibit 439?

[Exhibit 439 follows:]

*fundraising - DNC*

*tlj*

June 8, 1996

**DINNER FOR THE DEMOCRATIC NATIONAL COMMITTEE**

**Date:** Monday, June 10, 1996  
**Location:** Home of Edie and Lew Wasserman  
  
**Time:** 7:00 p.m. - 9:15 p.m. (P.S.T.)  
**From:** Doug Sosnik, Political Affairs

**I. PURPOSE**

The purpose of this dinner is to raise funds for the Democratic National Committee.

**II. BACKGROUND**

This is a fundraising dinner for the Democratic National Committee. The guests are key supporters of the Clinton/Gore Administration and the National Democratic Party in the Los Angeles business and political community.

**III. PARTICIPANTS**

There will be 250 guests in attendance. (Please see attached guest list.)

**IV. SEQUENCE OF EVENTS**

You will be greeted by dinner hosts, Edie and Lew Wasserman, and grandchildren, Casey and Carol Wasserman upon arrival;

You will then proceed to the cocktail reception on the terrace and stage for the photo receiving line with dinner guests;

You will then proceed to the dining area to the head table;

Lew Wasserman will deliver welcoming remarks and introduce Don Fowler, National Chairman of the Democratic National Committee;

Don Fowler will deliver brief remarks and introduce Senator Christopher Dodd, General Chairman of the Democratic National Committee;

Senator Dodd will deliver brief remarks and will introduce Commerce Secretary Mickey Kantor;

**PERSONAL  
INFORMATION  
REDACTED**

COMMITTEE



EOP 003964

Secretary Kantor will deliver brief remarks;

Lew Wasserman will then introduce you;

You will deliver brief remarks;

Upon conclusion of remarks, you will then depart residence.

**IV. PRESS**

Closed Press.

**IV. REMARKS**

To be provided by speechwriting.

**Los Angeles Wasserman Dinner participants:**

**Johnny Chung - Johnny is the president & CEO Automated Intelligent System. He was very involved in freeing activist Henry Wu from China.**

**NON-RESPONSIVE  
MATERIAL  
REDACTED**

**COMMITTEE ACCESS**

**EOP 003966**

NON-RESPONSIVE  
MATERIAL  
REDACTED

COMMITTEE ACCESS

EOP 003967

**John Huang and wife, Jane-** Mr. Huang is the former Deputy Assistant Secretary for International Economic Policy at the Department of Commerce and is a key activist in the California Asian community. He played a key role in the successful Asian-American fundraiser attended by the Vice President in April.

**Dr. Ray Irani and wife, Ghada -** Dr. Irani is the chairman, president & CEO of Occidental Petroleum Corporation.

NON-RESPONSIV  
MATERIAL  
REDACTED

COMMITTEE ACCESS

EOP 003968

**James Riady and wife, Aileen** - Riady is the vice chairman of the Lipco Bank. The Riady's are guests of John and Jane Huang.

**NON-RESPONSIVE  
MATERIAL  
REDACTED**

**COMMITTEE ACCESS**

**EOP 003969**

NON-RESPONSIVE  
MATERIAL  
REDACTED

COMMITTEE ACCESS

EOP 003970



NON-RESPONSIVE  
MATERIAL  
REDACTED

COMMITTEE ACCESS

EOP 003971

Mr. HUANG. Thank you, Mr. Chairman.

Mr. BURTON. Exhibit 439.

Mr. HUANG. Thank you for allowing me to read the things.

I did not plan that event. It was not hosted by me. I believe I was there.

Mr. BURTON. You were there?

Mr. HUANG. I was there, yes.

Mr. BURTON. Did you solicit any money for that event?

Mr. HUANG. I think there might be some checks being contributed to there. I think Congressman LaTourette or Congressman Souder was talking about a number of the several checks I had control in my hand. Some—part—might have a part of those money going to DNC.

Mr. BURTON. Did you solicit that money or were you just the recipient of it? Did you just receive it?

Mr. HUANG. No, the checks basically was in my control. Whoever went to that event, I just, you know, executed and give the money to the DNC.

Mr. BURTON. But did you solicit the money? Did you ask for the money?

Mr. HUANG. From other people?

Mr. BURTON. Uh-huh. Did you ask people to contribute to the event?

Mr. HUANG. Except that particular item, no.

Mr. BURTON. You and the Riadys were there; is that correct?

Mr. HUANG. That's correct.

Mr. BURTON. Why were the Riadys at that event in the United States and did they travel to the event with Xiaoming Dai?

Mr. HUANG. No.

Mr. BURTON. They came by themselves?

Mr. HUANG. They came by themselves, I believe.

Mr. BURTON. Exhibit 440, which is right next to that, is a commit list for the June 10 event. On page 2 of the exhibit, you're listed as pledging \$10,000 for the event. Is that accurate? And if so, did you pledge to raise that or did you just contribute it yourself?

[Exhibit 440 follows:]

JUN 03 '96 11:05AM

P.18/14

## SENATOR 6/10 COMMIT LIST AS OF 06/03/96

| LAST          | FIRST                               | Pldg       | Rec'd      | Due        |
|---------------|-------------------------------------|------------|------------|------------|
| Abner         | Olivia and<br>Dwart                 | GUEST      | GUEST      | GUEST      |
| Adelson       | Merv and Thea                       | \$10000.00 | \$0.00     | \$10000.00 |
| Bava          | Lucie and<br>Gordon                 | GUEST      | GUEST      | GUEST      |
| Belz          | Gary and Shelly                     | \$10000.00 | \$0.00     | \$10000.00 |
| Blackmore     | Charles                             | \$5000.00  | \$0.00     | \$5000.00  |
| Blau          | Louis                               | \$5000.00  | \$0.00     | \$5000.00  |
| Boles         | Dr. Joe                             | \$5000.00  | \$0.00     | \$5000.00  |
| Broad         | Eli and Edythe                      | \$20000.00 | \$20000.00 | \$0.00     |
| Broidy        | Robin and<br>Elliott                | \$10000.00 | \$0.00     | \$10000.00 |
| Bronfman, Jr. | Clarissa and<br>Edgar               | \$10000.00 | \$10000.00 | \$0.00     |
| Brown         | Kathleen                            | \$5000.00  | \$5000.00  | \$0.00     |
| Brown         | Kelly and Allan                     | \$10000.00 | \$10000.00 | \$0.00     |
| Bryson        | Louise and John                     | \$10000.00 | \$0.00     | \$10000.00 |
| Burkle        | Darius Anderson<br>and Jan          | GUEST      | GUEST      | GUEST      |
| Carson        | Alexis and<br>Johnny                | \$10000.00 | \$10000.00 | \$0.00     |
| Chung         | Johnny                              | \$5000.00  | \$0.00     | \$5000.00  |
| Cole          | Natalie                             | \$10000.00 | \$0.00     | \$10000.00 |
| Cooks         | Diana and John                      | \$10000.00 | \$0.00     | \$10000.00 |
| Corday        | Ken and Sherry                      | \$10000.00 | \$0.00     | \$10000.00 |
| Corwin        | Toni and Bruce                      | \$10000.00 | \$10000.00 | \$0.00     |
| Daly          | Carole Bayer<br>Sagar and<br>Robert | \$20000.00 | \$0.00     | \$20000.00 |
| Davis         | Barbara and<br>Marvin               | \$20000.00 | \$20000.00 | \$0.00     |
| Dodd          | Senator<br>Christopher              | GUEST      | GUEST      | GUEST      |
| Emerson       | John                                | GUEST      | GUEST      | GUEST      |

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DNC 3088330

JUN 83 '96 11:06AM

P.11/14

## WASHEDDAN DINNER 6/10 COMMIT LIST AS OF 06/03/96

| LAST       | FIRST                           | Pldg       | Rec'd      | Due        |
|------------|---------------------------------|------------|------------|------------|
| Fargo      | Brian                           | \$5000.00  | \$0.00     | \$5000.00  |
| Fisher     | Maryanna and David              | \$10000.00 | \$10000.00 | \$0.00     |
| Forsythe   | John                            | \$100.00   | \$100.00   | \$0.00     |
| Fowler     | Chairman Don                    | GUEST      | GUEST      | GUEST      |
| Fowler     | Linda and Mike                  | GUEST      | GUEST      | GUEST      |
| Gallagher  | Susanne and Tom                 | GUEST      | GUEST      | GUEST      |
| Gold       | Fran and Matthew                | PAID       | PAID       | PAID       |
| Goldenberg | Paul                            | \$5000.00  | \$0.00     | \$5000.00  |
| Goldsmith  | Elaine and Bram                 | \$10000.00 | \$10000.00 | \$0.00     |
| Gordy      | Christin Burton and Berry       | \$30000.00 | \$30000.00 | \$0.00     |
| Green      | Jude and Leonard                | \$20000.00 | \$20000.00 | \$0.00     |
| Greenspun  | Robin and Daniel                | \$10000.00 | \$0.00     | \$10000.00 |
| Hadl       | Jana and Robert                 | \$2000.00  | \$2000.00  | \$0.00     |
| Hale       | Eugene                          | \$10000.00 | \$10000.00 | \$0.00     |
| Hansy      | Mary Alice                      |            |            |            |
| Harman     | Sidney Harman and The Hon. Jane | \$10000.00 | \$10000.00 | \$0.00     |
| Housefield | Cynthia and Scott               | \$10000.00 | \$10000.00 | \$0.00     |
| Huang      | Jane and John                   | \$10000.00 | \$0.00     | \$10000.00 |
| Hyman      | Linda and Anne                  | \$10000.00 | \$10000.00 | \$0.00     |
| Irani      | Ghada and Dr. Ray               | \$10000.00 | \$0.00     | \$10000.00 |
| Jacobsen   | Kan                             | \$5000.00  | \$0.00     | \$5000.00  |
| Kahan      | Robert                          | \$10000.00 | \$0.00     | \$10000.00 |
| Kanter     | Jay and Kit                     | \$10000.00 | \$10000.00 | \$0.00     |
| Katzberg   | Marilyn and Jeffrey             | \$0.00     | \$0.00     | \$0.00     |

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DNC 3088331

JUN 03 '96 11:05AM

P.12/14

## WASHINGTON DINNER 6/10 COMMIT LIST AS OF 06/03/96

| LAST         | FIRST                             | Pldg       | Rec'd      | Due        |
|--------------|-----------------------------------|------------|------------|------------|
| King         | Bob Madden and<br>Michael         | \$10000.00 | \$10000.00 | \$0.00     |
| Kiphas       | Dorthea and Irv                   | \$10000.00 | \$0.00     | \$10000.00 |
| Klein, M.D.  | Arnold                            | \$5000.00  | \$0.00     | \$5000.00  |
| Kurt         | Fred and<br>Barbara               | \$10000.00 | \$5000.00  | \$5000.00  |
| Kreyoy       | Brad                              | \$5000.00  | \$0.00     | \$5000.00  |
| Ladd Jr.     | Cindra and Alan                   | \$10000.00 | \$10000.00 | \$0.00     |
| Lander-Simon | Neil Simon and<br>Diane           | \$10000.00 | \$10000.00 | \$0.00     |
| Lanabury     | Peter Shaw and<br>Angela          | GUEST      | GUEST      | GUEST      |
| Lawrence     | Allan                             | \$5000.00  | \$5000.00  | \$0.00     |
| Lee          | Mike Abrams, D.<br>Choi and Frank | \$15000.00 | \$0.00     | \$15000.00 |
| Leno         | Mavis and Jay                     | GUEST      | GUEST      | GUEST      |
| Little       | Wallace                           | \$5000.00  | \$0.00     | \$5000.00  |
| Maratt       | Kathy and<br>Charles              | \$20000.00 | \$0.00     | \$20000.00 |
| Manrella     | Jenny McCarthy<br>and Ray         | \$10000.00 | \$10000.00 | \$0.00     |
| Markovsky    | Michael                           | \$5000.00  | \$0.00     | \$5000.00  |
| MCA, Inc.    |                                   | \$15000.00 | \$15000.00 | \$0.00     |
| McClain-Hill | Cynthia                           | \$5000.00  | \$0.00     | \$5000.00  |
| Mayer        | Kelly Chapman<br>and Ron          | \$5000.00  | \$5000.00  | \$0.00     |
| Mondale      | Eleanor                           | \$5000.00  | \$5000.00  | \$0.00     |
| Morton       | Tariton and<br>Peter              | \$0.00     | \$0.00     | \$00.00    |
| Murdoch      | Anne and Rupert                   | \$20000.00 | \$20000.00 | \$0.00     |
| Nichols      | Mark and<br>Virginia              | \$10000.00 | \$0.00     | \$10000.00 |
| Nicita       | Paula Wagner<br>and Richard       | \$10000.00 | \$0.00     | \$10000.00 |

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DNC 3088332

JUN 83 '96 11:06AM

P.12/14

## WASSERMAN DINNER 6/10 COMMIT LIST AS OF 04/03/96

| LAST        | FIRST                                | Pldg       | Rec'd      | Due        |
|-------------|--------------------------------------|------------|------------|------------|
| Olson       | Ronald                               | \$5000.00  | \$5000.00  | \$0.00     |
| Oppenheimer | Gerald                               | \$5000.00  | \$5000.00  | \$0.00     |
| Owens       | Edna Anderson<br>Owens and<br>Curtis | GUEST      | GUEST      | GUEST      |
| Panic       | David Calef and<br>Milan             | \$15000.00 | \$0.00     | \$15000.00 |
| Park        | Richard and Ki<br>Rwa                | \$10000.00 | \$0.00     | \$10000.00 |
| Patterson   | Joan and<br>Charles                  | \$10000.00 | \$0.00     | \$10000.00 |
| Paul        | Van Fletcher<br>and Charles          | \$20000.00 | \$0.00     | \$20000.00 |
| Payden      | Joan & Bill                          | \$10000.00 | \$10000.00 | \$0.00     |
| Potter      | Earl Potter and<br>Deborah Dosier    | \$10000.00 | \$0.00     | \$10000.00 |
| Raskin      | Fydelle                              | \$100.00   | \$100.00   | \$0.00     |
| Rainer      | Michale Singer<br>Reiner and Rob     | \$20000.00 | \$20000.00 | \$0.00     |
| Riady       | Aileen and<br>James                  | \$15000.00 | \$0.00     | \$15000.00 |
| Rich        | Andrea                               | \$5000.00  | \$5000.00  | \$0.00     |
| Robbins     | Becky and<br>Anthony                 | \$10000.00 | \$0.00     | \$10000.00 |
| Rosen       | Rickki and Fred                      | \$10000.00 | \$0.00     | \$10000.00 |
| Ruenack     | Narsha and Bill                      | \$10000.00 | \$10000.00 | \$0.00     |
| Sandrich    | Linda and Jay                        | \$10000.00 | \$10000.00 | \$0.00     |
| Sassoon     | Ronnie and<br>Vidal                  | \$10000.00 | \$0.00     | \$10000.00 |
| Shainberg   | Lorraine and<br>Sid                  | GUEST      | GUEST      | GUEST      |
| Simon       | Diane Meyer<br>Simon and Herb        | \$10000.00 | \$10000.00 | \$0.00     |
| Spelling    | Aaron and Candy                      | \$10000.00 | \$10000.00 | \$0.00     |
| Spielberg   | Kate and Steven                      | \$0.00     | \$0.00     | \$0.00     |

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JUN 23 '96 11:05PM

P.14/14

WASSERMAN DINNER 6/10 COMMIT LIST AS OF 06/03/96

| LAST       | FIRST                          | Pldg        | Rec'd       | Due         |
|------------|--------------------------------|-------------|-------------|-------------|
| Stone      | Sharon                         | GUEST       | GUEST       | GUEST       |
| Stralsand  | Barbra                         | \$10000.00  | \$10000.00  | \$0.00      |
| Stringer   | Howard                         | \$5000.00   | \$0.00      | \$5000.00   |
| Szu        | Henry                          | \$10000.00  | \$0.00      | \$10000.00  |
| Tiech      | Jamie Alexander<br>and Steven  | \$0.00      | \$0.00      | \$00.00     |
| Tomich     | Rosemary                       | \$10000.00  | \$0.00      | \$10000.00  |
| Valenti    | Mary Margaret<br>and Jack      | GUEST       | GUEST       | GUEST       |
| Van Buren  | Jeanne Phillips<br>and Abigail | \$10000.00  | \$10000.00  | \$0.00      |
| Vind       | Richard                        | \$5000.00   | \$5000.00   | \$0.00      |
| Vitto      | Gloria                         | \$5000.00   | \$0.00      | \$5000.00   |
| Wasserman  | Edie and Lew                   | \$100000.00 | \$0.00      | \$100000.00 |
| Wartheimer | Ellie and Tom                  | \$10000.00  | \$10000.00  | \$0.00      |
| Winfield   | John                           | \$10000.00  | \$0.00      | \$10000.00  |
| Wintrob    | Wendy and Jay                  | GUEST       | GUEST       | GUEST       |
| Yorkin     | Cynthia and Bud                | \$10000.00  | \$10000.00  | \$0.00      |
| Yorkin     | Peg                            | \$5000.00   | \$5000.00   | \$0.00      |
| Zappa      | Gail                           |             |             |             |
| Total:     |                                | \$947200.00 | \$437200.00 | \$510000.00 |

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 DNC 3088334

Mr. HUANG. I was not contributing myself. I just used the money that I had control—remember the checks I told you, used that as a contribution.

Mr. BURTON. I see.

Mr. Waxman.

Mr. Waxman passes.

Let me go ahead and conclude, and then I'll come back to you, Mr. Shays.

On page 4 of that exhibit, it lists the Riadys as having pledged \$15,000 for that event. Did the Riadys pledge to give money to that event?

Mr. HUANG. No.

Mr. BURTON. They did not pledge to give money to that event?

Mr. HUANG. No.

Mr. BURTON. Why does it say that?

Mr. HUANG. I wouldn't know because the—Mr. Chairman, I mentioned to you there is a \$25,000 check probably was given for that event. That probably explain to you one is \$10,000 the other is \$15,000. Total is \$25,000.

Mr. BURTON. So \$10,000 was coming from you and \$15,000—but where did the \$25,000 come from? Who did that come from?

Mr. HUANG. From Arief. Remember Arief, Soraya. Remember I have control of the checks in hand.

Mr. BURTON. So you attributed that to you and to the Riadys.

Mr. HUANG. That is correct.

Mr. BURTON. But you didn't give and the Riadys didn't give?

Mr. HUANG. That is correct.

Mr. BURTON. So it was somebody else's money, but it was given in their name?

Mr. HUANG. That's correct.

Mr. BURTON. Staff just informed me that the Wiriadinatas' money was pledged the day before at another event and not for this event. So where did the \$10,000 and \$15,000 come from if it was not from—

Mr. HUANG. My recollection is I did not have any other control of the money except the Soraya and Arief.

Mr. BURTON. We'll have to check that because—

Mr. HUANG. I'd like to know. I certainly would like to explain to your question as well and fully. If there is information I'd be glad to explain this.

Mr. BURTON. We'll look it up.

So it's—well, I think—

Mr. HUANG. Mr. Chairman—

Mr. BURTON. Just 1 second, please.

Here we have an event for Dianne Feinstein for Senator, and the check from the Wiriadinatas was June 15 for \$25,000, and it shows that money going to the Diane Feinstein event. So the event at Lew Wasserman which was the next day or—this was—this check was dated the 5th, and the event was the 9th, so the next day on the 10th there was another fundraiser at the home of Mr. Wasserman's. The \$25,000 from the Wiriadinatas went to Diane Feinstein's event. So where did the \$10,000 from you and the \$15,000 from the Riadys come from at Wasserman's?



Mr. HUANG. My best recollection is I did not give the money, \$10,000 or \$15,000. Mr. Riady did not give that money either. My best recollection there was Wiriadinatas' money, whether Soraya or Arief's, because both of them were giving the checks in my control. Could be one from Arief, the other one coming from Soraya on that basis.

Mr. BURTON. So they each gave \$25,000, and what you're saying is it may have been his money that was given at this other one instead of hers, right?

Mr. HUANG. My best recollection, that might have been the case right now.

Mr. BURTON. We'll check that. Why was Riady's name on anybody's list? Why did you show that the Riadys gave \$15,000 because they weren't eligible to give at all? Even if it wasn't their money, why would you put the money in their name if they were not eligible?

Mr. HUANG. I think the list is indicating is the Riadys attended. I don't know why you interpreted as that they were giving the money, though.

Mr. BURTON. I'll get back to that later. We're going to talk this over. I don't want to bother you with it at this point.

Would you like to take a break for about 10 minutes? Would you feel that you need that?

Mr. HUANG. No, I'm OK, Mr. Chairman.

Mr. BURTON. Anybody else need a break? If not, we'll press ahead.

Mr. SHAYS.

Mr. SHAYS. I think it's Mr. Waxman.

Mr. BURTON. Mr. Shays, did you want to go ahead? I yield you the rest of my time, and then you can have yours.

Mr. SHAYS. Thank you. We're not at the temple now. We're back at—we're back trying to understand the United States-Thai Business Council meeting. And Mr. Rothkopf, either in a deposition or testimony before the Thompson Committee, testified that neither he nor Under Secretary Garten nor Sandy Kristoff, who is national Security Council, supported launching the United States-Thai Business Council from the White House with the President attending. Yet the event did in fact take place in the White House and the President did attend; isn't that correct?

Mr. HUANG. My recollection, it probably happened just briefly, yes.

Mr. SHAYS. And the President did attend that event?

Mr. HUANG. My recollection, yes.

Mr. SHAYS. Do you attribute the success of that event, in part, to your efforts?

Mr. HUANG. I don't think so.

Mr. SHAYS. I don't mean it sarcastically; I mean it sincerely.

Mr. HUANG. No, I don't think so.

Mr. SHAYS. Did you keep Pauline Kanchanalak apprised of your efforts during that—

Mr. HUANG. If I did, the most I just sent a memo to Mr. Rothkopf. That's all I did.

Mr. SHAYS. Right. But you were in contact with her. That part is true?

Mr. HUANG. Right.

Mr. SHAYS. Do you know if Ms. Kanchanalak was in contact with anyone at the DNC regarding this event?

Mr. HUANG. She might have, but I don't know who she did.

Mr. SHAYS. Now, the event took place on October 6. Do you think it's a coincidence—

Mr. BURTON. I yield you my time, Mr. Shays.

Mr. SHAYS. Do you think it's a coincidence that Ms. Kanchanalak's sister-in-law, Georgie Kronenberg, contributed \$12,500 to the DNC?

Mr. HUANG. I would have no knowledge on that.

Mr. SHAYS. Do you think it would be a coincidence that 14 days later Mrs. Kanchanalak contributed \$32,500 to the DNC?

Mr. HUANG. Again, I would not know.

Mr. SHAYS. Are you aware of any government official, beside yourself, who thought this was a smart thing for the President to do?

Mr. HUANG. I don't know about anybody else beside myself who wrote the memo.

Mr. SHAYS. Let me get to questions on security which we kind of touched on. I'd asked you yesterday and I'm going to say to you again, I did go to the committee, the Cox committee, and I didn't find anything that would have been more damning than their statement; and frankly there wasn't a lot of support material as it relates to—everything is a coincidence.

It's speculation on what—you had clearance, you were friends with the Riadys, and you had contacts; that's the extent of it. We have no damning memos there, nothing that would—could be used, to my knowledge. I didn't see any material.

But what was of interest to me was that you had stated that you really didn't have any interest in having a clearance; is that correct?

Mr. HUANG. The clearance to get my job, that clearance has to be done, though.

Mr. SHAYS. You had an interest because you had to do it for your job. So you got it because that's what the job required you to have. You needed the clearance to do your job; is that what your testimony is?

Mr. HUANG. That's what I understood, yes.

Mr. SHAYS. You were given an interim Top Secret and then you were given a full Top Secret and you did not ask for the SCI, the compartmentalized aspect of security. It's of interest to me that you were briefed 37 times by Dickerson, and he estimates that you saw between 10 and 15 pieces of intelligence per briefing, or what he refers to as 370 to 500 separate pieces of intelligence, and we attributed—it's called—the great bulk of material that you saw was what we call "field reporting," and I use the words "raw intelligence," and this type of intelligence is considered extremely sensitive, mostly because it contains sources and methods.

Now, the feeling I get, to date, is you had these briefings, but they didn't interest you all that much; is that correct?

Mr. HUANG. I shouldn't say I was not interested in it. That's part of my job and I have to read them.

Mr. SHAYS. You got your Top Secret briefing on October 25, 1994. You had been working there for how long by then?

Mr. HUANG. October 24, 1994, that would be around 3 months.

Mr. SHAYS. It was the 25th. But October 1994?

Mr. HUANG. About 3 months, sir.

Mr. SHAYS. You already testified before this committee the SCI clearance you declined. I speculated that you might have declined because there might have been further investigation of your background and you might have been concerned that they might look at the illegal contributions to the Riadys. Is that a fact, sir?

Mr. HUANG. That is not a fact, no.

Mr. SHAYS. And you were briefed regularly? About every 2 weeks you received a briefing? That's what it amounted to?

Mr. HUANG. Approximately. By—mainly by Mr. Dickerson, I believe.

Mr. SHAYS. That's the Office of Intelligence Liaison?

Mr. HUANG. That is correct, sir.

Mr. SHAYS. Did you ever sit down with Charles Meissner or any of your superiors at ITA and discuss what your intelligence briefings should cover?

Mr. HUANG. Commissioner Shays, basically the way it went Mr. Meissner would process the clearance for me, and later on Mr. Dickerson was asking me what area you'll be interested to know.

Mr. SHAYS. Wouldn't he have tried to tell you the kind of areas that you should know, based on your job responsibilities?

Mr. HUANG. The areas I'd be interested in, yes. When I say the areas interested in, Mr. Meissner basically have some informal, not an assignment of division in certain territory with—his background basically was in Europe, South America, and particularly in Japan, and he was working with World Bank before working on Japan. He used to be a banker and also State Department official previously.

He thought I have quite a few years in Asia and he and I will cover Asia so we both will be able to have a—cover most, if not all, the territory in the world. So the Asia basically, except probably Japan, was assigned to me.

Mr. SHAYS. I'll go through these questions when my time comes back.

Mr. BURTON. Mr. Waxman.

Mr. WAXMAN. Mr. Huang, did you have any ulterior motive in getting a clearance or not getting a clearance?

Mr. HUANG. No.

Mr. WAXMAN. Did you do anything improper with any information you received as a result of getting it, because you had a clearance?

Mr. HUANG. No, sir.

Mr. WAXMAN. That's really what we want to know. I asked and you answered it.

Mr. HUANG. That's right.

Mr. WAXMAN. What we're doing now is going through a lot of elaboration.

Mr. SHAYS. I'm sorry. I didn't hear the gentleman.

Mr. WAXMAN. That's the essential question we want to know, and I've asked it and he's answered it, and everything else seems to be dancing around that issue.

Mr. SHAYS. Would the gentleman yield?

Mr. WAXMAN. You want me to yield to you? Sure.

Mr. SHAYS. Are you suggesting I shouldn't be asking these questions?

Mr. WAXMAN. I'm not making any suggestion. I wanted to get this on the record. That's my question of Mr. Huang.

Mr. SHAYS. If the gentleman will further yield, I know a person can say yes or no. I just want to know the particulars to be able to judge the validity of his answer.

He is a convicted felon in front of us. Just because he said he didn't do something illegal doesn't mean I should say OK.

I happen to think you're a very good man, but I want to ask these particular questions, and I thank the gentleman for letting me make that point.

Mr. WAXMAN. I want the gentleman from Connecticut to know I'm not questioning his motives. I wanted to get this question on the record and answered on the record. That's exactly what we've done, and I think that's the essential question that we need to know about, did he get a security clearance because of some ulterior motive? His answer is no.

Mr. HUANG. No.

Mr. WAXMAN. And did he get some information because of the clearance that he acted improperly with, and his answer is no.

Mr. HUANG. No.

Mr. WAXMAN. I yield back the balance of my time.

Mr. BURTON. Let me just followup on that real briefly.

I think all of us have had staff members try to get clearances, because it's very important that we keep government secrets and classified information classified; and it takes 3, 4, 5, 6 months. I've had some people go 7 months and longer because you have—the FBI has to question them. They have to go out in the hinterlands and ask their neighbors, find out what their background is, all kinds of things.

Mr. Huang didn't go through any of that. Zippo. And I think that's why Mr. Shays is asking those questions, why was there special treatment given for the security clearance for Mr. Huang? Now, let me go on to this Riady thing real quickly. The Wiriadinatas who were not well off, at least from the appearances here in the United States, did have a wealthy father, at least Ms. Wiriadinata did, Hashim Ning.

He wired illegally \$450,000 to them to give to the DNC. They gave that money through you, Mr. Huang, much of it to the DNC.

Now, in the DNC records, and I bring your attention—I'd like to call your attention to—what page is that? Exhibit 440, it says clearly that Aileen and James Riady pledged \$15,000. Now, this was under your watch and you no longer were, you say, taking illegal contributions; but it does show that they made that kind of a pledge, and you're saying that the Wiriadinatas gave that money and you just divvied it up between the \$10,000 that was attributed to you and the \$15,000 attributed to them.

The records don't show that. The records show that the Riadys pledged and gave \$15,000. Now, that needs to be clarified. That needs to be clarified because they were not legally entitled to give that money.

So the burden of proof is on you to show that they didn't give that money. You said the money came from the Wiriadinatas, which is illegal in the first place.

Mr. HUANG. Again, the report, Mr. Chairman, was not my report, No. 1. And then the report, if I can read the report, it say they did not really give money, nothing being received by them, though.

Mr. BURTON. Yes, that's right. It says it was pledged.

Mr. HUANG. There's no money being received. They didn't contribute money, though.

Mr. BURTON. This document is dated June 3 before the event. We don't have the documents after that. We'll check that.

Let me go on to another subject.

Did you take part in a DNC trip to Asia and Hawaii in December 1991?

Mr. HUANG. I did go to Taiwan and Hong Kong, but I did not go to Hawaii.

Mr. BURTON. Did the Justice Department ask you any questions about that trip when they interviewed you?

Mr. HUANG. We're talking about 1991?

Mr. BURTON. Yes.

Mr. HUANG. No.

Mr. BURTON. They did not. Do you know who asked you to participate in that trip?

Mr. HUANG. I believe I was invited by—to come along by Melinda Yee at that time.

Mr. BURTON. She was over at the DNC?

Mr. HUANG. She was over at DNC.

Mr. BURTON. Do you remember what the purpose of that DNC trip was to Asia?

Mr. HUANG. I think it—Chairman Ron Brown was making a trip over to Taiwan and Hong Kong.

Mr. BURTON. Exhibit 11 shows the DNC's budget for the trip. It says the Lippo Bank is paying for the DNC's hotels, meals, and transportation in Hong Kong. Did you arrange for the Lippo Bank to pay for that?

[Exhibit 11 follows:]

570

TO: Brian Foucart  
FR: Melinda Yee *MY*  
RE: Revised Budget for Asia Trip  
DATE: December 2, 1991

This is the revised budget for the Asia Trip to the memo I submitted to you on November 20, 1991. The one addition is for gifts to Taiwan officials/business leaders.

Airline

Provided by KMT (The Ruling Party) of Taiwan

Taiwan, December 5-9

Regent Hotel - Provided by KMT  
Major Meals - Provided by KMT and Private Business  
Transportation - Provided by KMT

|          |               |                  |           |
|----------|---------------|------------------|-----------|
| Expenses | Telephone     | \$250 x 4 days = | \$1000    |
|          | Other Meals   | \$150 x 4 days = | \$ 600    |
|          | Miscellaneous | \$100 x 4 days = | \$ 400    |
|          | Gifts         |                  | \$676.79  |
|          | TOTAL         | =                | \$2676.79 |

Hong Kong, December 10

Mandarin Oriental Hotel - Provided by Lippobanc  
Major Meals - Provided by Lippobanc  
Transportation - Provided by Lippobanc

|          |               |                 |        |
|----------|---------------|-----------------|--------|
| Expenses | Telephone     | \$250 x 1 day = | \$ 250 |
|          | Other Meals   | \$150 x 1 day = | \$ 150 |
|          | Miscellaneous | \$100 x 1 day = | \$ 100 |
|          | TOTAL         | =               | \$ 500 |

Hawaii, December 11-12

Ala Moana Hotel - Provided by Governor of Hawaii  
Major Meals - Provided by Governor, Labor, and Private Business  
Transportation - Provided by Governor

|          |               |                  |        |
|----------|---------------|------------------|--------|
| Expenses | Telephone     | \$250 x 2 days = | \$ 500 |
|          | Other Meals   | \$150 x 2 days = | \$ 300 |
|          | Miscellaneous | \$100 x 2 days = | \$ 200 |
|          | TOTAL         | =                | \$1000 |

TOTAL ANTICIPATED EXPENSES = \$4,176.79  
=====

cc: Chairman Brown  
Alexis Herman



||||| DNC 0856802

Mr. HUANG. Mr. Chairman, the Lippo Group is not Lippo Bank by the way.

Mr. BURTON. It was the Lippo Group.

Mr. HUANG. Yes, I did arrange for that.

Mr. BURTON. You arranged for him to pay for that?

Mr. HUANG. To take care of the hotel, yeah, and transportation.

Mr. BURTON. Mr. Shays has the time now. He would like to take a 10 to 15-minute break, so we'll take a break now and be back in about 15 minutes.

The Chair stands in recess.

[Recess.]

Mr. BURTON. We'll recall the committee to order. Mr. Shays and, I'm sure, Mr. Waxman will be back shortly. Let me go ahead and start.

When you went to Hong Kong, you said you arranged for the Lippo Bank to pay for the hotels and meals and transportation for the DNC's group, right?

Mr. HUANG. Lippo Group, yes, in 1991.

Mr. BURTON. Did you agree to raise money for the DNC while in Hong Kong?

Mr. HUANG. I did not promise that, no.

Mr. BURTON. You did not promise that. Were you asked about it?

Mr. HUANG. I would ask my colleague to, you know, invite some businessmen. I was not asked to—I did not promise that.

Mr. BURTON. Did you ask anybody to raise money?

Mr. HUANG. No.

Mr. BURTON. You didn't ask for any contributions?

Mr. HUANG. No.

Mr. BURTON. Exhibit No. 109. That exhibit is a memo from Melinda Yee to DNC Chairman Ron Brown. Ms. Yee said you offered to host an event in Hong Kong with a goal of \$50,000; is that correct?

[Exhibit 109 follows:]

*Frank Green*  
*cc. Alexis*

TO: RHB  
FR: Melinda Yee, *MY*  
RE: Revised Schedule for Asia Trip  
DATE: October 22, 1991

Here is the proposed revised schedule for the Asia trip. Please note that after further conferring with Governor Waihee's top political and financial strategists, they believe that it would be better if we go to Hawaii after the Pearl Harbor events. Because the \$\$ aspect is very important to your visit, they felt that your visibility and the \$\$ delivered would be maximized if you are the total focus of attention. As you can imagine, the attention would not be fully focused on you during the Pearl Harbor events.

As I mentioned in my October 15 memo to you, between Hong Kong and Hawaii, we should be able to bring home at least \$100,000, broken down as follows:

John Huang has offered to host an event in Hong Kong with a goal of \$50,000.

Nora Lum, Governor Waihee's chief fundraiser has personally guaranteed \$25,000. With the Governor's active support (and we need to have you call him in a few days), we can at least double that figure. *☆*

Maria Hsia will identify key donors to give to us directly during the Taiwan portion of the trip. She did not want to guarantee anything until she had made some initial inquiries with her business contacts in Taiwan.

- December 5 Travel to Taiwan (leave Friday a.m. - lose a day)
- December 6 Travel/arrive in Taipei (late p.m.)
- December 7 Taipei
- December 8 Taipei
- December 9 Taipei
- December 10 Taipei/Hong Kong (depart p.m.)
- December 11 Hong Kong
- December 12 Hong Kong/Hawaii (depart afternoon - gain a day)
- December 12 Hawaii (arrive a.m.)
- December 13 Hawaii/Travel (depart early p.m.)
- December 14 Washington, D.C. (arrive a.m.)

For planning purposes, all parties would be most grateful if we can try to come to closure on committing to the trip by the end of this week.

THANK YOU!!!

cc: Alexis Herman  
Brian Foucart  
Cheri Carter  
Dalia Traynham

*lots good pending confirmation for weeks, Hawaii, Hong Kong*  
*BB*

OCT 23 1991



DNC 0856814



Mr. HUANG. The memo indicated that way. I did not really offer that \$50,000.

Mr. BURTON. Why would she say that, I wonder?

Mr. HUANG. I don't know.

Mr. BURTON. She was an official at the DNC at the time, wasn't she?

Mr. HUANG. I believe she was working on Asian American—Asian Pacific American affairs for DNC.

Mr. BURTON. For the DNC?

Mr. HUANG. That's correct.

Mr. BURTON. She was involved in fundraising?

Mr. HUANG. I'm not sure she was or not. At least on the political side she was.

Mr. BURTON. But that memo to Ron Brown from Melinda Yee says that you offered to host an event in Hong Kong for \$50,000, and you're saying that's not true?

Mr. HUANG. I never promised that.

Mr. BURTON. You never promised that. Did you say that you would consider it? Did you say you would do it?

Mr. HUANG. She has proposed that I could do that.

Mr. BURTON. What did you say?

Mr. HUANG. I said, no, I could not promise you on that, and I would round up some businessmen to welcome Chairman Brown at that time to come over and have a lunch and dinner meeting with the people, having speak at this event. That's all. I could not promise—

Mr. BURTON. Did you say anything like, well, I can't promise I'll raise \$50,000, but I'll get a group of men together that you can talk to?

Mr. HUANG. Something in that line, yes.

Mr. BURTON. But the indication was that you might be able to raise some money from them?

Mr. HUANG. I believe that's her interpretation, but deep down in my mind I was never, never committed.

Mr. BURTON. You did not commit, but you did get the people together?

Mr. HUANG. I did arrange it because the chairman of the Democratic party was there, yes.

Mr. BURTON. When you arranged it, did they raise any money at that event?

Mr. HUANG. Not that I know of, sir.

Mr. BURTON. Not what?

Mr. HUANG. Not that I know of. I don't think in Hong Kong they raised any money.

Mr. BURTON. So no money was raised. They got the people together that you said you would get together and she wanted to raise \$50,000 but to your knowledge no money was raised?

Mr. HUANG. I didn't even think there was any words of raising money in Hong Kong that happened.

Mr. BURTON. But you did get them together?

Mr. HUANG. That's correct.

Mr. BURTON. Exhibit 13 is an itinerary for the DNC while in Hong Kong. Did the Lippo Group host a lunch and dinner for the DNC in Hong Kong?

[Exhibit 13 follows.]

ASIA/HAWAII SCHEDULE  
Page 3

10:10 P.M.  
ARRIVE HONG KONG  
Check in to the Mandarin Oriental Hotel  
5 Connaught Road  
Central GPO  
Hong Kong  
Tel: (852) 522-0111  
Fax: (852) 810-6190  
Hotel accomodations compliments of LippoGroup.

Tuesday, December 10, 1991

10:00 A.M. TO 10:45 A.M.  
PRIVATE TIME

11:00 A.M. TO 12:00 NOON  
MEETING WITH VICTOR FUNG, CHAIRMAN, TRADE DEVELOPMENT COUNCIL

12:30 P.M. TO 2:00 P.M.  
LUNCHEON (\$\$) HOSTED BY LIPPOGROUP (JOHN HUANG)  
AT MANDARIN ORIENTAL HOTEL

4:00 P.M. TO 4:45 P.M.  
MEETING WITH U.S. CONSULATE GENERAL RICHARD WILLIAMS

5:00 P.M. TO 5:30 P.M.  
MEETING WITH SIR DAVID WILSON, GOVERNOR OF HONG KONG  
AT GOVERNOR'S OFFICE  
ACCOMPANIED BY RICHARD WILLIAMS, STEVEN RIADY, DEPUTY CHAIR,  
LIPPOGROUP, J.P. LEE, DIRECTOR, LIPPOGROUP

7:00 P.M. TO 9:00 P.M.  
DINNER (\$\$) HOSTED BY LIPPOGROUP (JOHN HUANG)  
AT GRAND HYATT HOTEL

Wednesday, December 11, 1991

10:15 A.M.  
LEAVE HONG KONG VIA CHINA AIRLINES #602

11:40 A.M.  
ARRIVE TAIPEI

2:30 P.M.  
LEAVE TAIPEI VIA CHINA AIRLINES #018



||||| 0856796

Mr. HUANG. For lunch and dinner for Chairman Brown in Hong Kong, yes.

Mr. BURTON. Do you know why the lunch and dinner by the Lippo Group have money signs next to them? There's money signs next to them. What does that mean?

Mr. HUANG. I have no idea. That was not my memo at that time. If you want to ask what I mean, Mr. Chairman, is what I say.

Mr. BURTON. But it did have dollar signs by it, didn't it?

Mr. HUANG. It did. It did.

Mr. BURTON. I wonder why those were there.

Mr. BURTON. Were those lunches and dinners fundraisers?

Mr. HUANG. No.

Mr. BURTON. Even though there were dollar signs beside the notations?

Mr. HUANG. No, sir.

Mr. BURTON. How much money did you raise, if any, in Hong Kong?

Mr. HUANG. Zero.

Mr. BURTON. Did the Riadys give any money in Hong Kong?

Mr. HUANG. No.

Mr. BURTON. You're sure about that?

Mr. HUANG. I'm very sure about that.

Mr. BURTON. You're fairly sure of that.

Mr. HUANG. I'm very sure.

Mr. BURTON. Oh, you're very sure.

Mr. HUANG. I'm very sure on that.

Mr. BURTON. Did any Lippo employees or Lippo companies give any money?

Mr. HUANG. No, sir.

Mr. BURTON. So there was no money that was given that you know of?

Mr. HUANG. No.

Mr. BURTON. Did Maria Hsia raise any money while in Taiwan on that trip?

Mr. HUANG. I do not know for sure. At least she was trying to but I don't know whether she did or not.

Mr. BURTON. She was trying to?

Mr. HUANG. Right.

Mr. BURTON. How did you know that?

Mr. HUANG. She was getting a lot of businessmen together. I was with her on the trip. I don't know if she did anything or not.

Mr. BURTON. But you knew she was trying to raise money and she told you that?

Mr. HUANG. I believe she was asked by Melinda to do so.

Mr. BURTON. Were any funds—you weren't in Hawaii. You didn't go to the Hawaii part of that trip?

Mr. HUANG. Mr. Chairman, I did not go to Hawaii, no.

Mr. BURTON. Do you know if any money was raised during the Hawaii part of that trip?

Mr. HUANG. From the news account in recent years talking about that episode, the news accounts indicated it might be what; \$100,000 being raised? That's to what extent I know.

Mr. BURTON. But you didn't know at that time?

Mr. HUANG. I did not know at that time, no.

Mr. BURTON. Mr. Waxman, I think I'll go ahead and yield to you if you're ready. You want to pass?

Mr. WAXMAN. I'll pass.

Mr. BURTON. We'll go ahead. Did you attend a September 27, 1993, fundraising event with Vice President Gore in Los Angeles?

Mr. HUANG. Yes, I did.

Mr. BURTON. Did you bring the chairman of China Resources Shen Jueren and his assistant to the Gore dinner?

Mr. HUANG. Yes, I did.

Mr. BURTON. Who is Shen Jueren?

Mr. HUANG. He was the chairman of the Chinese resources at that time in Hong Kong.

Mr. BURTON. Is China Resources an equal partner in the Hong Kong Chinese Bank with the Riady family?

Mr. HUANG. I'm not sure exactly percentage ownership when you say the—

Mr. BURTON. Very close though.

Mr. HUANG. Very close to 50—I don't know the detail at that time. Could be even less than that.

Mr. BURTON. But they both owned stock and owned part of the bank?

Mr. HUANG. The China Resources had invested in Hong Kong Chinese Bank, yes.

Mr. BURTON. Do you know if he Riadys are still partners with China Resources?

Mr. HUANG. Well, since they have a joint ownership in the bank, yes, the answer is yes.

Mr. BURTON. Were you aware that China Resources has been identified as an intelligence gathering operation with ties to the People's Liberation Army?

Mr. HUANG. Mr. Chairman, I was not aware then but in recent event of going through all these investigations being told by the authorities.

Mr. BURTON. You know that now but you didn't know it then?

Mr. HUANG. Right.

Mr. BURTON. Did you arrange any meetings for Mr. Shen while he was here in the United States?

Mr. HUANG. Yes.

Mr. BURTON. What kind of meetings were those?

Mr. HUANG. I think I brought him and his assistant visit the White House and tour the White House. I believe through Mr. Mark Grobmyer arranged a meeting for them to meet with Mr. Jack Quinn. I think he was the chief of staff there and was with the Vice President.

Mr. BURTON. Did you meet with the Vice President?

Mr. HUANG. Only in the fundraising event. No, excuse me. I take it back. During the meeting we had with Mr. Jack Quinn, apparently there was separate meeting that Mr. Ron Brown and also Mr. Gore was in another bigger room. They came out just to shake hand. That was the first encounters.

Mr. BURTON. So you met him in the White House with Jack Quinn and Ron Brown. Did you meet with him later that day?

Mr. HUANG. Not in that day. The second encounter will be in Los Angeles.

Mr. BURTON. Well, I guess the records must be incorrect. They said you met with Vice President Gore twice on September 27. You don't recall that?

Mr. HUANG. Not separate occasions. Only in—the Vice President's office is one room. Jack Quinn. The other is bigger room. There's only once at that time.

Mr. BURTON. Now, you had a fundraiser. I guess there was a fundraiser that day for the Vice President; is that right?

Mr. HUANG. No. Mr. Chairman, let me come back a little bit. When the 27th—was the 27th the date in Los Angeles?

Mr. BURTON. The 27th of September.

Mr. HUANG. Was Los Angeles or in Washington, DC?

Mr. BURTON. In Los Angeles.

Mr. HUANG. Los Angeles two times.

Mr. BURTON. You did meet with him twice.

Mr. HUANG. But in Washington, DC, only once.

Mr. BURTON. How much money did you raise at that event in Los Angeles?

Mr. HUANG. The event was partially participated by my effort. In aggregate probably around \$100,000, \$105,000.

Mr. BURTON. Were all of these contributions from Lippo employees or Lippo companies?

Mr. HUANG. I believe so, yes.

Mr. BURTON. So this was money that came from Lippo employees that was ultimately reimbursed from the Lippo companies in Indonesia?

Mr. HUANG. I believe so, yes.

Mr. BURTON. You told the Justice Department that you were asked to help in a bigger way for that event; is that correct?

Mr. HUANG. As early stage, right.

Mr. BURTON. How much more did you raise after being asked to help in a bigger way?

Mr. BURTON. I was first being approached by the representative of DNC to raise something like \$300,000.

Mr. BURTON. Did you make any extra contributions so Mr. Shen and his assistant could attend the event?

Mr. HUANG. No.

Mr. BURTON. Did Mr. Shen or China Resources pay or reimburse any of these contributions?

Mr. HUANG. No.

Mr. BURTON. You sure about that?

Mr. HUANG. At least not to me, no.

Mr. BURTON. You told the Justice Department that you did not discuss reimbursements for this event with Mr. Riady; is that correct?

Mr. HUANG. Mr. Chairman, may I trouble you to repeat it.

Mr. BURTON. Sure. You told the Justice Department that you did not discuss reimbursements for this event with Mr. Riady; is that right?

Mr. HUANG. I did not discuss with Mr. Riady on the reimbursement for that particular event, no.

Mr. BURTON. How did you get the money from the Lippo Group in Indonesia to come into the country to—

Mr. HUANG. Except the routine replenishment request which we do almost monthly or——

Mr. BURTON. So this was just a routine thing that would come in?

Mr. HUANG. Right. Whatever checks we pay went, sent it back as a report and then money coming in.

Mr. BURTON. You didn't have to talk to James or——

Mr. HUANG. We did not have to talk to them, no.

Mr. BURTON. Just the standard operating procedure.

Mr. HUANG. That's correct.

Mr. BURTON. Mr. Waxman.

Mr. WAXMAN. I'll pass.

Mr. BURTON. Mr. Shays, would you like me to continue on this?

Mr. SHAYS. Yes, please continue.

Mr. BURTON. How do you know that Mr. Shen did not reimburse or pay for any of the contributions?

Mr. HUANG. I said it did not go through me.

Mr. BURTON. But he could have through another source but you're not aware of it?

Mr. HUANG. I'm not aware of it, no.

Mr. BURTON. Let me make sure—I don't want you to make a misstatement here. It did not come through you. Do you know of any other source that money came through?

Mr. HUANG. I do not know.

Mr. BURTON. Any source?

Mr. HUANG. No.

Mr. BURTON. Did you serve as the head of a fundraising committee in Los Angeles in 1993?

Mr. HUANG. For that particular event?

Mr. BURTON. Yes, for that event.

Mr. HUANG. As I said, the DNC's representative earlier tried to do—asked me to host event to raise \$300,000. I could not quite do that.

Mr. BURTON. But you were the head of the event there or you did not host an event?

Mr. HUANG. I was not really the main host of the event. There were some other mainstream people were host. I just join in.

Mr. BURTON. Can you look at exhibit No. 64. It's a memo from Vida Benavides to Laura Hartigan at the DNC.

[Exhibit 64 follows:]

580



Democratic National Committee

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cc: Mary

## MEMORANDUM

TO: Laura Hartigan  
 FR: Vida Benavides  
 RE: Asian Pacific American Los Angeles Fundraiser

Background

There is a Los Angeles Asian Pacific American fundraiser tentatively scheduled for September 28, 1993 with Vice-President Gore and Chairman Wilhelm.

DNC Treasurer, Bob Matsui will not attend.

Finance Role

Darius Anderson, Western Finance Director, has been responsible for organizing this event. He has been in contact with key APA Fundraisers such as John Huang, DNC Trustee. John Huang committed to the goal of \$200,000.00. Mr. Huang is the Chair of the local fundraising committee and this committee had met with Darius & Ken Levy of DNC Finance office to discuss financial contributions, issues, and plans for the fundraiser.

APA Constituency Director's Role

I was informed through a memo from Mr. Anderson's office that a fundraiser is tentatively scheduled from the LA APA community to be held late September. I was only informed and requested by the DNC LA Finance Office to submit names/list to be contacted by their office for invitation purposes.

I attended the meeting with the local fundraising committee and DNC Finance Committee (Darius, Ken and Porter) last August 20th at Lippo Bank in Los Angeles.

My role was to update the committee with the affairs and issues relating to DNC APA Political Affairs office and to answer any questions. Members of the committee raised one issue: Asian Pacific American political appointments, specifically from California.

Thus far, my role is to inform the DNC Finance office the political ramifications in regard to :

- 1) White House appointments of APA's
- 2) Bob Matsui, DNC Treasurer (his role or lack of)

Help in anyway possible to avert political damage that have arised or may arise due how this fundraising is being organized.



Democratic National Committee

VICE-PRESIDENT'S DINNER WITH ASIAN PACIFIC COMMUNITY

GENERAL BRIEFING AND GOALS

BACKGROUND

Since the end of the campaign the Administration has talked a great deal about reaching out to minority communities and plugging them into the political process. Since January, however, many national and international concerns have overshadowed this outreach effort and the Administration has been tardy in its action. It is important that both the Democratic National Committee and the Clinton Administration address crucial issues that effect the community.

EVENT

The DNC's Western States Office will be hosting a Vice Presidential Dinner in Southern California with the Asian Community in late September. Our outreach effort will concentrate on the state of California, as well as, reach into several national communities with large Asian populations. In Southern California, there are six major Asian communities that we will target: Chinese, Vietnamese, Koreans, Japanese, Indians, and Phillipinos.

The Vice President will visit a local Asian community and meet with local business leaders and community representatives. In addition, Representative Bob Matsui will hold an issue briefing during lunch the day of the V.P. Dinner. The Dinner will feature keynote speakers Vice President Al Gore, DNC Chairman David Wilhelm, and Representative Bob Matsui. The dinner will be preceded by a 45 minute reception with music and an open bar.

CO-HOSTS

The Chair of this event is John Huang. Possible Co-hosts include Richard Park, Richard Choi, Steve Chang, Govind Vanghashia, Rajan Anand, and March Fung Eu. Not only will the Co-Host be looked to for input on the event, but they will take an active leadership role in networking within their individual communities and raising funds for the Vice President's Dinner.

STAFF

We will need both DNC staff and volunteers to help see this event to fruition. I anticipate that two DNC staffers will work full time on this event and that we will need the assistance of close to 8 volunteers.

The unique nature of this event may require the assistance of fund-raising consultant David Lang, who was a the top fund-raiser for former Los Angeles mayorial candidate Michael Woo. David has developed a strong network throughout California's Asian population and also may be able to reach into other parts of the nation.

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Democratic National Committee

VICE PRESIDENT'S DINNER WITH ASIAN COMMUNITY

SCHEDULE OF EVENTS

**LUNCH BRIEFING**

Co-Hosts will meet with Representative Robert Matsui for a lunch the day of the Vice President's Dinner. This lunch will include an issue briefing to discuss the Asian community and the status of U.S. international relations with Asia.

**VIP RECEPTION WITH VICE PRESIDENT GORE**

Co-Hosts and Sponsors will be invited to attend a reception prior to the Vice President's Dinner. Cocktails will be served during this time and donors will have the opportunity to mingle with the Vice President and other guests. In addition, attendees will have the opportunity to be photographed with the Vice President. The VIP reception is a social occasion during which donors may personally meet Vice President Gore before the Dinner begins.

**VICE PRESIDENT'S DINNER RECEPTION**

All contributors will be invited to the Dinner Reception which will immediately precede the Vice President's Dinner. Cocktails and hors d'oeuvres will be served.

**VICE PRESIDENT'S DINNER**

All contributors will be invited to the Vice President's Dinner. This meal centers around a three course meal and several speakers will address attendees at a podium at the front of the room. Shortly after the first course our Chair will speak briefly and introduce Chairman David Wilhelm. The Chairman will speak on the direction of the DNC and its minority outreach efforts and introduce Vice President Al Gore.

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VICE-PRESIDENT'S DINNER WITH ASIAN-PACIFIC COMMUNITYCONTRIBUTION LEVELS1. CO-HOST

Contribution: \$25,000

Events: Lunch Briefing with Bob Matsui (Four Guests)  
 VIP Reception with the Vice President (Two Guests)  
 Dinner Reception (Ten Guests)  
 Vice President's Dinner (Ten Guests)

Other: \* Each Co-Host will receive membership into the DNC's Business Leadership Forum, regardless of whether the donation is written from a personal or corporate account.  
 \* Photographs will be taken at VIP Reception with Vice President.  
 \* Co-Hosts will receive one table at the Vice President's Dinner, which accommodates 10 guests.

2. SPONSORS

Contribution: \$10,000

Events: Lunch Briefing with Bob Matsui (Two Guests)  
 VIP Reception for Vice President's Dinner (Two Guests)  
 Dinner Reception (Six Guests)  
 Vice President's Dinner (Six Guests)

Other: \* Each Sponsor will receive membership into the DNC's Business Leadership Forum if the donation is written from a personal account.  
 \* Photographs will be taken at VIP Reception with Vice President.

3. PATRONS

Contribution: \$1,000

Events: Dinner Reception (One Guest)  
 Vice President's Dinner (One Guest)

Other: A Patron will be entitled to one seat at the Vice President's Dinner.

\* Guest number includes Donor. (I.E. Two Guests' means the Donor and one additional person).

EOP 052755

P-2  
LA APA Fundraiser

Political Concerns

I. White House Appointments

The major concern for the LA APA Fundraising committee are Asian Pacific American appointments. There have been significant APA appointments, but key APA Democratic leaders from California have not yet been appointed by the administration.

March Fong Eu, Gloria Ochoa, Dale Shimisaki, Paula Bagasao, Yvonnee Lee, Jocelyn Yap, Lan Nguyen, T.S. Chung, Shan Thever, Lon Hatamiya, Ron Wakabayashi, Mike Woo, ...etc..

The names just listed played key roles during the Clinton/Gore campaign and thus far, their appointment track have been ... delayed or not have been dealt with in an expeditious manner.

As an observer during the first meeting (Aug. 20), several committee members felt hessitant with committing donations without a guarantee that there will be appointments made by the time fundraiser will take place. Other policy issues came into the conversation such as the future APEC Conference and APA involvment, immigration, ..etc.

Richard Choi Bertsch (Korean American Democratic Council) brought the issue of appointments and DNC hires of APA's. He questioned Darius whether or not APA's will play a visible role during this fundraiser (advance, organizer helpers..etc.)

David Lai (March Fong Eu's staffer) was also present and has communicated Ms. Eu's concerns that she has yet to be contacted by the White House and update her on her appointment. She has to know real soon whether or not she will be appointed and if not, begin her campaing to remain Secretary of State.

Many were reluctant to commit to a figure but did so to show in good faith that they are committed to the party and to the APA community of Los Angeles.

p.3  
LA APA Fundraiser

A. Political Perception

1. My concern is that if the WH made significant appointments too close to the fundraiser, the perception is that the APA from California were "buying" off appointments.  
  
There is no guarantee from the WH these appointments will be made in September. It will be politically embarrassing for those involved if no appointments come or just before the fundraiser.
2. The WH Principals have not yet done any substantive issue events with the Asian Pacific American community. To have the Vice-President do a fundraiser without an issues/public event will set off the wrong message.
3. DNC Treasurer Bob Matsui's schedule is in conflict with the tentative event. Congressman Matsui is disappointed that he was not consulted during the conception stages of this fundraiser. His absence at the first APA Constituency Fundraiser in his home state will be perceived in the negative. He is the only APA in the DNC Executive Committee and to have him absent during the Vice-President's & Chairman's visit with the APA community will be create discomfort for all involved. He should always be consulted whenever an Asian Pacific American fundraiser will be organized.
4. DNC Western State Finance staff should be careful of their financial demands from the APA community. To prematurely underestimate the APA's financial capability could backfire. Initial goal was \$200,000.00. It was raised to \$300,000.00. On August 26, the DNC Finance staff requested the goal of \$ 500,000.00.(half a million from a community that has not yet seen the benefits of their contributions to the campaign/Administration)

Many members of the local committee have expressed the "arrogance" from the "young staffers" requesting a commitment that high and this early. The members are wondering if there are fundraisers scheduled with other constituency groups.

p.4  
LA APA Fundraiser

Monday, Aug. 30 at 1:00 pm (West Coast), John Huang and Darius will be meeting today and discuss the issues further. I am waiting for their calls.

Below are recommendations I hope that will work toward working this event out:

Recommendations

- A. Have the VP do a public event/issues hit with the APA community during his visit (before the scheduled event).  
(Gore's office/Darius/Marcy/Tom E. get all involved)
- B. Press the WH/John Emerson to push CA. APA Appointments.  
(Martha Phipps is waiting for Maria Haley's phone call)
- C. Have WH call March Fong Eu's office and update her on the status of her appointment. WH has to make series of calls. John Emerson will have to make the call.
- D. Ask Bob Matsui's AA/Tom Keany what role he would like to play. (ie.. accompany VP to events)
- E. Have Chairman make a call to DNC Treasurer Bob Matsui to further clarify roles and concerns.

Few of the recommendations are contingent on the meeting Darius will have with John Huang. I will be meeting with Maria Haley/WH Office of Personnel to discuss the appointment track of APA's from California tomorrow.

Please be advised that Bob Matsui office and I should be consulted before the idea of holding a fundraiser in the APA community. There are a lot of political considerations before a fundraising meeting should take place within the Asian Pacific American community and consulting with each other would help future communications between political and finance.

cc: Martha Phipps, Minyon Moore, Marcy Sandoval

Mr. HUANG. Yes.

Mr. BURTON. On page 2 of that memo, if you'll read it, it says that you originally pledged to raise \$200,000 for that event; is that correct?

Mr. HUANG. At least—

Mr. HUANG. Maybe that's the amount. I'm not sure about that amount. I reported to, Mr. Chairman, earlier their representative did come to me, ask me whether I could raise \$300,000 and I could not really commit that.

Mr. BURTON. It says here on page 2 that you pledged to raise \$200,000. Did you say you'd do that?

Mr. HUANG. I couldn't really be sure whether I did or did not to pledge that.

Mr. BURTON. Do you recall a second meeting with Darius Anderson on August 30, 1993.

Mr. HUANG. I don't know whether the second meeting but Darius Anderson was a person initially contacted me.

Mr. BURTON. Did you present Mr. Anderson with a list of demands at that meeting?

Mr. HUANG. A list of?

Mr. BURTON. Demands, asking him for something?

Mr. HUANG. I certainly don't recall that, no.

Mr. BURTON. You don't recall?

Mr. HUANG. I don't recall I gave him any demand on that.

Mr. BURTON. Exhibit No. 65, if you could look at that, is another memo from Vida Benavides. It says you committed \$100,000 if Vice President Gore met with local business and political leaders. Is that true? Said if he would meet with local business and political leaders, that you would raise \$100,000. Is that true?

[Exhibit 65 follows:]



TO: Martha Phipps  
 Kent Markus  
 Minyon Moore  
 Laura Hartigan  
 Marcy Sandoval

FR: Vida Benavides

RE: John Huang's Compromise Proposal  
 LA Fundraiser

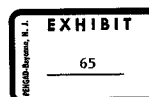
=====

John Huang's Proposal  
 =====

- 1) downpayment commitment of \$100,000.00.
- 2) have key/local business & political leaders meet with Gore for the \$100,000.00 event instead of the 200,000 fundraiser.  
 Requesting a small reception and dialogue time with Gore (1 hour)
- 3) commit 300-400,000 dollars at a later event once significant appointments are named and if the administration are useful of APA's during the APEC Conference in Seattle.  
 \* our finance committee raised the goal to \$500,000 without really consulting or exploring the possibility of raising that money from the local committee.

Reasons:  
 =====

- 1) receiving indication from local fundraising committee that Administration appointments have not gone far enough.  
 Committee members are not "activist", they are all major fundraisers: Richard Park (raised over 250,000) Richard Choi ( 100,000) Rajen Anand (25,000) March Fong Eu (100,000 +-)  
 The above mentioned are on appointment track either a job or commission or board.
- 2) They have mentioned the issues of appointment and lack of action from the administration during the first and 2nd meeting finance had with the local committee. (Ask Ken Levy..point person for Darius Anderson)
- 3) Since John Huang himself is up for an appointment, his early commitment of 200,000 would be perceived as a buy-off.
- 4) These fundraisers would like to help in the future by going back to their fundraising base but would look foolish if they themselves commit to give without a guarantee of a possible appointment. Their own credibility will be questioned...regardless if their "activist" or not. WE should not assume that APA fundraisers lack political integrity.



SOLUTIONS  
=====

- 1) Accept John Huang's proposal , on the condition that the next fundraiser will raise \$900,000 to a total of \$ 1million dollars when Clinton comes to LA in December.

These must happen:

- 1) appointments by December
- 2) involvement of APA's during APEC Conference
- 3) in good faith.....by word that APA's will have to raise this by '94 due to the fact that DNC will not be raising money in the State for that year
- 4) aggressive political and outreach efforts to attract the funds from key fundraisers from all over ( MI, HI, NY)

OUTLOOK  
=====

Appointments will be made by December.

Making lists of all APA's that are involved with Asia/Pacific Rim issues to be involved in APEC's public events.

Must work with the WH to include APA's from the Administration to be present at the APEC Conference.

Seek the funds from other sources to make LA fundraiser an all out California & DNC APA Friends from all over to make the \$900,000 mark.

(David Lang, former fundraiser for Mike Woo/responsible of raising \$2 mil is on DNC Contract...key player)

Set structure for DNC APA Finance Advisory Council that will be part of the overall new APA structure DNC will develop.

Mr. HUANG. Mr. Chairman, probably I made a commitment for that but this is tied in to the evening fundraising event together, this additional request I want to make on behalf of the community.

Mr. BURTON. So you said I think I can raise \$100,000 if you'll meet with some business and political leaders.

Mr. HUANG. That is correct from our community.

Mr. BURTON. Did you get a small—did you get a small reception with the Vice President in addition to that fundraiser? Did you have a small reception in addition to the fundraiser?

Mr. HUANG. There was not a reception, just a group meeting in the round table, probably 30 or 35 of Asian Pacific American community business leaders was having opportunity to meet with Vice President Gore.

Mr. BURTON. Was Mr. Shen a part of that meeting?

Mr. HUANG. Yes.

Mr. BURTON. The memo also says you committed to raising \$300,000 to \$400,000 more for the DNC if significant appointments are made. Is that true?

Mr. HUANG. I cannot be very specific about a number but the general direction is I want to get message across from community point of view cannot really continuously give money without having anything coming back to the community.

Mr. BURTON. Well, that's pretty important. It sounds like there's a quid pro quo where you're saying look, if you'll give some appointments to some people and maybe you had some specific people in mind in the Asian American community, we'll raise \$300,000 to \$400,000. Is that about what it was?

Mr. HUANG. No, my—the concept basically is Asian community has been let down for so many years, just being constantly being tapped on the money. The community, political people, they have little concern about—one hand of the people, the business side continues giving money. Then political side will complain saying the issue is never addressed.

Mr. BURTON. You were not getting anything for the hard working money you were giving as a community.

Mr. HUANG. From community point of view, as a whole.

Mr. BURTON. The schedule says I'm next so I guess I'll go ahead.

Were you talking about a possible appointment for yourself there?

Mr. HUANG. No, sir.

Mr. BURTON. But you were later appointed to the Department of Commerce.

Mr. HUANG. That is correct, yes.

Mr. BURTON. The memo says since John Huang himself is up for an appointment, his early commitment of \$200,000 would be perceived as a buyoff. Did you tell the DNC that?

Mr. HUANG. Definitely not.

Mr. BURTON. But it does say that in the memo? You have the memo there in front of you?

Mr. HUANG. That's right.

Mr. BURTON. So they may have thought if the money was given, it might look like you were trying to buy a position?

Mr. HUANG. If what the memo says that way, they are totally misunderstood my intention.

Mr. BURTON. I see. The memo also says these fundraisers would look foolish if they themselves commit to give without a guarantee of a possible appointment. Let me go through that again. The memo also says these fundraisers would look foolish if they themselves commit to give money without a guarantee of a possible appointment. Did you say anything like that to the DNC?

Mr. HUANG. As I said already, something has to come to the community I believe I said along the line but I don't know exactly words what it says here.

Mr. BURTON. That was their interpretation evidently. Exhibit No. 67 if you could look at that. Do you have that in front of you, sir?  
[Exhibit 67 follows:]



Secretary of State

1230 J STREET  
SACRAMENTO, CALIFORNIA 95814

GA + JTR  
7c x drc  
file

September 23, 1993

John Huang, Vice Chairman  
Lippo Bank  
711 W. College Street  
Los Angeles, California 90012

Dear John:

As you may have read in the newspaper, White House sources have confirmed that I will be nominated as the United States Ambassador to Micronesia following routine clearances. I apologize that you may not have heard it from me first!

I want you to know how much I appreciate your support in this lengthy appointment process. I am truly honored to have had the benefit of your endorsement. It means more to me than you will ever know.

Having the opportunity to play a key role in the development of United States foreign policy in the Asian/Pacific region is one that I relish. Thank you for helping to make it happen.

As always, please don't hesitate to let me know if I can ever be of assistance. In the meantime, I send my warm regards.

Sincerely,

*March*

MARCH FONG EU



Mr. HUANG. Yes.

Mr. BURTON. It's a letter from March Fong Eu to you, John Huang. This letter is dated 4 days before the September 27 fundraiser and it says, "White House sources have confirmed that I will be nominated as United States Ambassador to Micronesia." Was this a type of action that you were expecting from the administration?

Mr. HUANG. I was hoping to at least something in that nature, yes.

Mr. BURTON. So that is accurate?

Mr. HUANG. In terms of getting appointment for Asian American community people, that was accurate.

Mr. BURTON. It's a letter from March Fong Eu to you saying this letter—it says the White House sources have confirmed I will be nominated. Ms. Eu will be nominated as Ambassador to Micronesia. That's essentially the kind of thing you were talking about. I'm sorry.

Mr. HUANG. Seems to be good news to me, yes.

Mr. BURTON. On the top of the letter it reads copy to JTR. Is that James Riady?

Mr. HUANG. That's correct.

Mr. BURTON. That is correct?

Mr. HUANG. Yes.

Mr. BURTON. Was James Riady getting his friends appointed to the administration in positions, was he involved in that in any way?

Mr. HUANG. My best recollection is probably Ambassador March Fong Eu was trying to lobby everybody possible to get things done. I would not be surprised that Mr. Riady was contacted as well.

Mr. BURTON. Now, James Riady met with then Governor of Arkansas in the back of the limousine in California when he pledged to give \$1 million. We don't know what the conversation was but did you ever hear anything like that he was asking to get more appointments for people in the Asian American community appointed to positions if he was elected President?

Mr. HUANG. During 1992, sir?

Mr. BURTON. Yes.

Mr. HUANG. I did not, no.

I did not.

Mr. BURTON. You don't know whether that was brought up or not?

Mr. HUANG. No, I don't.

Mr. BURTON. Was James Riady in any way involved in the two events with Vice President Gore on September 27?

Mr. HUANG. He was not. I was.

Mr. BURTON. You were involved in those?

Mr. HUANG. I was involved, yes.

Mr. BURTON. Let me come back to one other issue real quick. As I understood just a minute ago, you said that March Fong Eu kind of lobbied Riady for an appointment. You think he may have lobbied—

Mr. HUANG. He was trying to get everybody in the community, for instance, writing letters, making calls for that process.

Mr. BURTON. Do you know if James Riady did write a letter to the President trying to get him appointed?

Mr. HUANG. I would not know, sir. I would not know.

Mr. BURTON. Do you know if he talked to the President or the Vice President or anybody about getting Ms. Eu appointed?

Mr. HUANG. The reason I hesitate, I'm trying to search my long memory, Mr. Chairman.

I'm not quite certain whether he did direct me to Mr. Clinton or not, but I do know he did not talk to Mr. Gore.

Mr. BURTON. He did not talk to Mr. Gore.

Mr. HUANG. Right.

Mr. BURTON. But he may have talked to the President?

Mr. HUANG. I'm saying it is possible he talked to Mr. Clinton but I'm more sure he might have talked to Mr. Clinton's staff member, if he talked to anybody.

Mr. BURTON. Are you talking about Mr. Riady now?

Mr. HUANG. Mr. Riady, yes.

Mr. BURTON. Mr. Riady at that time had been out of the country for 3 years. He wasn't a permanent resident, didn't even have a green card. But he may have talked to one of the assistants to the President. Do you have any idea who that assistant might have been?

Mr. HUANG. First of all, Mr. Riady did not really be out for 3 years. He was continually in and out, in and out for the latter part of 1992, beginning of 1993.

Mr. BURTON. I know we're splitting hairs here. He had a home in California but he was living, as you said before, almost entirely in Indonesia. Anyhow, go ahead.

Mr. HUANG. The reason why I'm hesitating was I believe I learned that Dr. March Fong Eu has asked probably Mr. James Riady to help out, like she would try to ask a lot of other people, including myself, to do that. I don't know where I get the information, Mr. Chairman, and I learned that Dr. March Fong Eu indicated she has talked to James Riady to solicit his help as well.

Mr. BURTON. I will come back to this in a minute. Mr. Waxman.

Mr. WAXMAN. Mr. Chairman, maybe we can avoid having to come back to it. As I understand the testimony, and I want to have it clarified, you don't know whether March Fong Eu talked to Mr. Riady; you are speculating that she might have because she talked to a lot of other people?

Mr. HUANG. Right.

Mr. WAXMAN. You don't know whether she talked to him and you don't know whether Mr. Riady actually talked to Mr. Clinton or Mr. Clinton's staff person about her appointment; is that accurate?

Mr. HUANG. That's basically a fair statement on that. I don't know for sure. But as I reported to Mr. Chairman earlier, from Dr. March Fong Eu, she indicated she has contacted Mr. Riady whether he might be able to help.

Mr. WAXMAN. But to your knowledge—all you can do is testify about your knowledge—you don't know whether she talked to Mr. Riady or Mr. Riady talked to President Clinton or one of his staff?

Mr. HUANG. That is correct, basically.

Mr. WAXMAN. I have known March Fong Eu for many, many years and I know that she was talking to a lot of people about her

interest in that appointment which she eventually got. So I wouldn't be surprised if she talked to you or other people as well. But I don't know, and so I could not tell you that she did or didn't, and I gather what you're saying is you can't tell us whether she did or didn't.

Mr. HUANG. That's correct.

Mr. WAXMAN. But we both know her well enough to speculate that she probably did because she was pretty thorough.

Mr. HUANG. That's right.

Mr. WAXMAN. I yield back.

Mr. BURTON. If my colleague will bear with me, I just have a couple of more.

Mr. SHAYS. Mr. Chairman, I'm happy to let you do what you need to and then I will do what I need to.

Mr. BURTON. Let me conclude with this. You talked to her and she talked to you about an appointment, a possible appointment. You think she talked to a lot of other people and she indicated that she had talked to Riady as well.

Mr. HUANG. I think so, yes.

Mr. BURTON. Did anybody, did she or James Riady or anybody that you know indicate that Mr. Riady contacted anybody at the White House about her appointment? Anybody?

Mr. HUANG. I really can't recall any specifics on that, sir.

Mr. BURTON. You don't know of anybody that Mr. Riady talked to by Mr. Riady about her appointment?

Mr. HUANG. I don't. By the way, Mr. Chairman, this is really a lower appointment.

Mr. BURTON. I understand.

Mr. HUANG. From a community point of view. Actually Dr. March Fong Eu would like to have a much higher regional place.

Mr. BURTON. We all would like to have higher appointments.

Let's go back to these events. Was James Riady involved in getting any of his friends appointments to the administration that you know of, any appointments whatsoever?

Mr. HUANG. If there is any connection with myself and other persons from the Lippo Group—

Mr. BURTON. Or anybody.

Mr. HUANG. Possibly there was another person who asked me to submit certain things to the White House personnel but nothing ever materialized. If anything ever materialized related to the Lippo Group, it is myself and also the other person is called Charles De Queljoe who was appointed to an advisory committee in the U.S. Trade Representative, one of the advisory committees. Not on a full-time basis, on a regular meeting type.

Mr. BURTON. Was that along with Charlie Trie? Wasn't Charlie Trie appointed to that too?

Mr. HUANG. No, that's a separate committee, definitely separate and also at a different time, Mr. Chairman.

Mr. BURTON. Could you look at exhibit 68? On page 2, No. 39. It says, James Riady working with John Huang on an Asian event. If that is not September 27, do you know what Asian event that refers to?

[Exhibit 68 follows:]



## MEMORANDUM

TO: Laura Hartigan  
 FR: Darius Anderson  
 RE: CA Trustee Status  
 DT: August 25, 1993

As we discussed, this is the current standing of all the Trustees in California.

1. Merv Adelson - has been asked to contribute 100K to December event. A letter has been sent requesting his support. We will be following up next week.
2. Phil Angelides - Running for Lt. Governor. Will not maintain his Trustee status.
3. Eli Broad - Has been placed on the target list for the December event.
- 25K 4. David Geffen - Has contributed 25k this year and is committed to an additional 75k by year's end which will be donated in conjunction with the December event.
- 25K 5. Ron Burkle - Has contributed 25k this year and is committed to an additional 75k by year's end which will be donated in conjunction with the December event.
6. Al Checchi - Has been placed on the target list for the December event.
7. John Cooke - Has been asked to contribute 50k to the December event.
8. Barry Diller - Will be one of David Geffen's 100k requests for the December event.
- 5K 9. E & J Gallo Winery - Have donated 5k this year.
- 25K 10. Leonard Eber - Has donated \$25K to date which represents his trustee membership for the Year (this deal was agreed upon prior to the new amounts).
11. Larry Ellison - Has been targeted for the December event.
12. John Friedrich - Has been targeted for the December event.
- 25K 13. Leonard Green - Has donated \$25K thus far this year. Additional \$50K requested for the Orange County event.
- 25K 14. Luke Ellis - Wrote \$10K and raised additional \$15K this year.
15. Ted Field - Targeted for December event.
16. Dennis Gilardi - Does all money through Bill Lerach. No requests made thus far.
17. Peter Guber - Targeted for December event.
18. Robert Gumbiner - Requested \$50K for Orange County.
19. Stanley Hirsch - Requested \$100K for December event.



88/26/93 17:26 92:14 05:28  
 DEMOCRATIC NATIONAL COMMITTEE - DEMOCRATIC NATION

DNC 3447877

- 20. John Huang- Committed \$200K for Asian event.
- 21. Jeff Katzenberg- Targeted for December event.
- 22. Bob Keamore- Requested \$50K.
- 23. Madeline Haas-Russell- No requests made to date this year.
- 24. Jim Hornel- \$25K donated. Additional monies may be requested in December. *ZSK*
- 25. George Ishiyama- Turned down SF event.
- 26. B.D. Keltz- Turned down SD event. Another request will be made in December for December event.
- 27. John Koza- \$5K written for SF event. Will be targeted for December event. *SK*
- 28. Larry Lawrence- Turned down SD event. Will not participate due to Ambassadorial appointment.
- 29. Bill Lersch- Raised \$300K. *300K* *MTR*
- 30. Sol Lizerbran- Requested \$50K. Working out details.
- 31. Bob McDonough- Will request \$50K for Orange County event.
- 32. Stu Moldaw- Wrote \$5K. Will request additional monies for December event. *SK*
- 33. Michael Lee- Requested \$50K for Orange County event.
- 34. Leo McCarthy- Will not be involved with the DNC.
- 35. David Mixner- No requests made thus far.
- 36. Peter Morton- \$100K committed. \$25K given to date. *ZSK*
- 37. Peter Norton- Money will be requested in December.
- 38. George Pia- Requested \$50K for Orange County event.
- 39. James Riady- Working with John Huang on Asian event.
- 40. Mark Robinson- Will request \$50K for Orange County event.
- 41. Walter Shorenstein- Raised \$300K. *300K* *MTR*
- 42. Jon Peters- Targeted for December event.
- 43. Kirk Raab- Donated \$50K thus far this year. *TR*
- 44. Sandy Robertson- Donated \$50K this year. *TR*
- 45. Margaret Schink- \$10K given. Will be targeted for December event. *10K*



- 46. Bruce Stern- Will be targeted for December event.
- 47. Dick Swig- Will not donate in 1993.
- 48. Harry Thomason- Targeted for December event.
- 49. Angel Tsakopoulos- Will not donate in 1993. Committed to \$50K in 1994.
- 50. Lew Wasserman- Will be targeted for December event.
- 51. Katherine Strassberg- Turned down SF event. Will be targeted for December event.
- 10K 52. Marge Tabankin- \$10K written thus far. Will be targeted for December event.
- 53. Susie Tompkins- Turned down SF event. Will be targeted for December event.
- 54. Marc Turteltaub- Will do money through New Jersey.
- 55. Larry Weisberg- Turned down SF event. Will be targeted for December.
- 5K 56. Alejandro Zaffaroni- Wrote \$5K for SF event. Will be targeted for December event.



Mr. HUANG. There was no Asian events. The only Asian event around that time would probably be a September 1.

Mr. BURTON. Do you know if James Riady was involved in getting Charlie Trie appointed to the committee he served on?

Mr. HUANG. That would be a surprise to me.

Mr. BURTON. You don't know about that?

Mr. HUANG. No.

Mr. BURTON. Mr. Huang, I'm going to read to you some statements made in the Senate Governmental Affairs Committee campaign fundraising report. These statements are based on classified, secret information that we cannot talk about here. However, the information is a distillation or a condensation of a variety of sources that the committee was authorized to make public. The report states, "A single piece of unverified information shared with the committee indicates that Huang himself may possibly have had a direct financial relationship with the PRC Government."

Is that true? Did you have a direct financial relationship with the PRC government?

Mr. HUANG. Absolutely not.

Mr. BURTON. Mr. Huang, you worked for the Riady family for nearly 10 years, right?

Mr. HUANG. That is correct, sir.

Mr. BURTON. Even after you stopped working for them, you have remained in contact with them, correct?

Mr. HUANG. That's correct.

Mr. BURTON. In fact, over the last several years while you have not been working, you haven't been working for them, they gave you close to \$40,000, \$18,000 one time and \$20,000 another time as a gift?

Mr. HUANG. That is correct.

Mr. BURTON. So you would consider yourself a close friend of the Riady family?

Mr. HUANG. The friendship remains, yes.

Mr. BURTON. The Senate report stated the following relating to Mr. Riady. The committee has learned from recently acquired information that James and Mochtar Riady have had a long-term relationship with a Chinese intelligence agency. The relationship is based on mutual benefit, with the Riadys receiving assistance in finding business opportunities in exchange for large sums of money and other help. Although the relationship appears based on business interests, the committee understands that the Chinese intelligence agency seeks to locate and develop relationships with information collectors, particularly persons with close connections to the U.S. Government.

Is that true?

Mr. HUANG. Mr. Chairman, despite the fact I implicated Mr. Riady during this process, I personally really have a very high regards for the Riady family, in particular Mr. Mochtar Riady. I have no reason to believe they would do things of that nature, sir.

Mr. BURTON. They do have very close ties with many entities within the Chinese Government.

Mr. HUANG. Yes. But for different reasons.

Mr. BURTON. Then you would say the findings of the Senate Governmental Affairs Committee would be incorrect? I will read to you again what it says.

Mr. HUANG. Mr. Chairman, based on my relationship or the working relationship with the Riady family, and also understanding the visionary philosophy of Mr. Mochtar Riady, the family has been so evangelical, I seriously doubt—I don't have any reason to believe that.

Mr. BURTON. Let me end up with this and then I will yield to my colleagues. Oh, I am next? Then I will go ahead. Here is a quote that I have used a couple of times in the hearings already by Senator Lieberman from the Democrat party. It says, "Nonpublic evidence presented to the committee demonstrates a continuing business intelligence relationship between the Riadys and the People's Republic of China Intelligence Service."

That is consistent with what they had in their report, but you still don't believe that is the case?

Mr. HUANG. Sir, I don't.

Mr. BURTON. Do you have any explanation of where this information could have come from? For instance, do the Riadys have business relationships with the Government of the People's Republic of China? They do have business relationships with the People's Republic of China, don't they?

Mr. HUANG. No, I don't know where the information is coming from, Mr. Chairman.

Mr. BURTON. China Resources Holding.

Mr. WAXMAN. Mr. Chairman, could you yield to me?

Mr. BURTON. Sure I will yield to you.

Mr. WAXMAN. We did go over all of this within the last several days. He has been asked and he has answered to his knowledge about all of these points. I don't know what interest it serves to go over them all again. You may not agree with his answers but those are his answers and they are on the record. We have already put them on the record.

Mr. BURTON. There is a reason why we're doing this, Mr. Waxman, I assure you.

China Resources Holding associated with the Peoples Liberation Army owns a 50 percent interest in a Hong Kong Chinese bank with the Riadys. So there is a connection there financially with government entities. You worked closely with both the Riadys. Do you have any information that would show that the Riady family has any relationship with the PRC intelligence gathering agency?

Mr. HUANG. No.

Mr. BURTON. In any of the 232 phone call contacts that you had with the Lippo entities while you were working at the Department of Commerce, did you ever discuss your work at the Department of Commerce with them?

Mr. HUANG. Mr. Chairman, I don't believe I had 232 phone calls with the Lippo Group on that, but the number indicated from the report was, to answer your question, I don't believe I have anything to do with those things.

Mr. BURTON. If it is all right with you, Mr. Shays, I am going to yield the balance of my time and I will come back to this later in the day. I have an emergency phone call. I will yield to you.

Mr. HUANG. Thank you, Mr. Chairman.

Mr. SHAYS [presiding]. I want to say where I come down on this issue and I realize we all can disagree. But when I read the Cox report, it is kind of guilt by association in one sense. Because whoever does business in China is going to deal with some government entity, and in order to do business in China, you have to participate with some business entity in China which in most cases is governmental. It could be they are security people, it could be they are military people, because they all seem to own businesses there. So I am just more comfortable being on the record by saying that it just suggests tremendous need for vigilance, but I probably could take almost any U.S. Government business that does something in China and then connect them somehow to the military or intelligence.

I am not going to say that as a result of that, it means that we don't have to be concerned. I just want to say that I have made a determination that I can't on the face of it feel comfortable saying because there is this relationship, therefore, they are somehow tied with the military or the intelligence.

Mr. HUANG. Thank you, Congressman.

Mr. SHAYS. But I do want to say, it requires tremendous vigilance, because the fact is those government—every business, almost every business has a government relation, and the government then gets involved in intelligence and military and so on.

I want to get back to just concluding the issue of your security clearance, and I am going to introduce it by saying to you that Ike Skelton, probably one of the most respected, not probably, one of the most respected Members of Congress on the Armed Services Committee asked GAO to do a report. It was entitled Inadequate Personnel Security Investigations Pose National Security Risk. In this report to Mr. Skelton it says, at the end of fiscal year 1998, about 2.4 million DOD active duty military, civilian and contract employees held personnel security clearances; 96,000 employees held confidential clearances; 1.8 million held secret clearances; and 524,000 held top secret clearances.

From 1982 through September 1999, 80 Federal employee contract personnel, 68 of whom were employed, were convicted of committing espionage against the United States. The point is a whole host of people have a security clearance. We have learned that there are approximately 700,000 people who have clearance who are past due for review that haven't been looked at. Over 700,000. In this report, we learned that duty personnel security investigations are incomplete and not conducted in a timely manner. As a result, they pose a risk to national security by making DOD—I'm sorry, the time has ended. Mr. Waxman, you have the floor.

Mr. WAXMAN. Go ahead and complete your sentence.

Mr. SHAYS. Thank you. Mr. Waxman passes and I'll take the time.

Mr. WAXMAN. No, I'm yielding you—

Mr. SHAYS. No, I don't want to be yielded.

Mr. WAXMAN. Then I'll just pass.

Mr. SHAYS. Thank you. I mean no disrespect, Mr. Waxman, it just means that you can reclaim the time if you don't like something I'm saying.

Mr. WAXMAN. Mr. Shays, it is all yours.

Mr. SHAYS. You're passing.

Mr. WAXMAN. I'm giving it all to you.

Mr. SHAYS. You're passing and I'm claiming the time, my time. Thank you.

In the 530 cases we reviewed, DOD granted clearance notwithstanding that 92 percent of the 530 investigations were deficient in that they did not contain the information in at least one of the nine investigative areas required by the Federal standards for granting clearance, which include confirming that subjects' residency, birth, citizenship and employment records, check-in records for prior criminal history, divorce and financial problems, and interviewing character references. Seventy-seven percent of the investigations were deficient in meeting Federal standards in two or more areas and 16 percent of the investigations identified issues that the Defense Security Service did not pursue pertaining to individuals' prior criminal history, alcohol and drug use, financial difficulties and other problems that could be cause to deny a security clearance.

You were given an interim clearance, and we learned from—and this isn't a complaint against you, it is a complaint against the system, but I want to understand why you—I want to understand your view of your responsibilities. Scott Kaminsky, a former investigator reviewer at OPM looked at your case, before the committee. It says Kaminsky told the committee that when he learned Huang still traveled frequently to Asia and had a number of contacts there, including at least one bank account, he made a character level E notation on his reviewer action sheet for Huang. The E notation signified a potential security problem and was used to alert Commerce OS officials who nevertheless failed to act upon it. After the OPM report was forwarded to Congress, neither Burns nor Busker returned the file to OPM to request an overseas check. Hence the overseas check did not happen and Huang was granted a final top secret clearance on October 25, 1994.

Based on records of your travel overseas, not any potential national background but your travel overseas, that notation was not followed through.

I would like to just know some questions in regards to classification. Without going into any classified information, would you tell us what types of information you were briefed on?

Mr. HUANG. Congressman Shays, I hope you can appreciate a lot of these things probably I cannot disclose on that. But the only general direction basically will be largely public involving economics or some of the potential business projects on that basis, sir.

Mr. SHAYS. What regional areas were you briefed on?

Mr. HUANG. Basically I was briefed on Taiwan, the big China region, which is including Taiwan, Hong Kong and China.

Mr. SHAYS. It has been suggested in some of the documents I have looked at that you had a particular interest in China. Can you explain your particular interest in China?

Mr. HUANG. I haven't finished that. Also maybe some of the material relating to South Korea and also maybe Southeast Asia on that.

Now I am going to answer the question of particular reasons on China. It may take a few minutes to do that. Am I OK?

Mr. SHAYS. You have the time.

Mr. HUANG. The knowledge I learned from the schooling and all the experience is that the whole world is based on the division of labor concept. In other words, in the free enterprise system, whoever has ability to do a certain thing the best should be able to do that, or should be allowed to do that. It should not be a person, say, like a jack of all trades. You have got to be a barber, a banker, a doctor or be a seamstress. If any person starts doing that, nothing is going to be done right.

So the situation is, you will find out after the Second World War, maybe around 50 percent of the manufacturing, the goods certainly around the world were made in the U.S.A. And nowadays probably it is around 15 percent. That doesn't mean the United States is going backward, it is just a matter of the pie is becoming larger. I'm not talking about geographic area is larger, but the economy, the size is becoming bigger, the GNP of various countries becomes larger, and the back world countries become more prosperous and moving forward on that basis.

Over that process, some of the things, for instance, we did in the 1960's, in the textile industries, we gradually had to give it up. So Japan started picking it up. Gradually you find our steel industry, they are going to pick it up. Then gradually going downwards, Japan could not hold onto the textile and steel industries, it has gradually gone to Southeast Asia, Taiwan, Hong Kong, and gradually gone to Southeast Asia, Sri Lanka, Vietnam, Burma, all these. Do you want to switch your light off first?

Mr. SHAYS. Who has the time? Mr. Burton. He passes. Mr. Waxman?

Mr. WAXMAN. Let him finish his sentence.

Mr. HUANG. May I?

Mr. SHAYS. Yes.

Mr. HUANG. During this transition, it becomes a challenging situation for the country or region holding on the top position. You are facing a country with a top-notch position, facing are we going to carry off the textile industry and how are we going to replace that with something better that the other people did not do in order to maintain No. 1 in the world. This is my concept behind this thing. However, during the process in giving up, how do you handle with the people in those kind of industries, so-called gradually going to sunset an industry, you cannot have people say, here are the pink slips, go home and—because you are dealing with a social issue. Afterwards if they go home, they don't find a job, they don't get skilled, who is paying for it? The taxpayer is still going to pay for it. The government is going to give them unemployment compensation. They are going to fall into the welfare line. All these things are going to happen.

My concept was Americans should identify a certain industry we can do best and always trying to do the best so the rest of the world is always going to come to us. If they want that kind of thing, they have to buy from us or secure from us or they have to pay a good, decent price, a value for those things. But in the meantime, whatever we can produce, invent it, our ingenuity—



Mr. SHAYS. Whatever we can produce?

Mr. HUANG. Whatever we do best, the product we command at the top, very soon can be duplicated by the other people.

Mr. SHAYS. Overseas?

Mr. HUANG. Overseas, or the other economies. For instance, as I have said, the steel industry was No. 1 and gradually shifting over to the developing country, go to South Korea, go to Korea, South Korea, in Brazil. Right now Russia and China are going over there. Now, as you know very well, in light of that sector, despite we are developing new things, trying to be No. 1, for instance right now we go to high tech, if we go to the film industry, not necessarily has to be high tech in the film industry, nobody is making the best film as we do here in the United States. If you want to enjoy a movie, they have to get it from the United States. For those industries being imitated or duplicated from us, that becomes the biggest threat to us because they are going to take that business away from us.

Then how do we handle that, especially on those industries has a tremendous amount of employment impact to our economy. For instance, let me mention the automobile industry. I think virtually it is about 20 percent of our economy, I hope I am right, is tied in somewhat with the automobile industry. Assuming this automobile industry being totally shifting over to a foreign nation, how do we handle the employment situation here in this country? On one hand, you have capital investment into this industry already which is set, and then you have a labor industry. You cannot have the labor and say in order for all of us to compete with Japan making automobiles, Koreans making automobiles, you guys have to lower your wages.

Mr. SHAYS. Tell me what you are attempting to ultimately answer in my question.

Mr. HUANG. What I am trying to say is in order to continue, maintain this very large sector of the people continuing to enjoy a high standard of living, the only way is to expand your market shares overseas. Because your unit cost for your investment for that kind of industry, by selling more cars overseas will gradually go down. So people in the United States can continue to enjoy the continued high wages, high living standard. So China becomes one of the emerging markets, which is the Asia Pacific American region. India is another one. Korea is another one. These are the markets I would be very interested in seeing what they would do.

Mr. SHAYS. You were responding to the question, why was your focus more on China?

Mr. HUANG. China is one of the potential largest markets. I like to see any projects being given by China to somebody, a joint venture—I like to see there is a chance of giving it to the Americans.

Mr. SHAYS. Mr. Waxman, you have the floor.

Mr. WAXMAN. I'm going to pass, because I want those who are holding this hearing to complete their interrogation because we have been here a long time. But I thought that was an excellent statement of free trade as a way to improve the economy not only of the United States but other places in the world. I was going to suggest you should go to the Department of Commerce, but you have already worked there and it looks like you have a pretty solid

grasp of what you think our international interests are in terms of trade as it relates to us and other places in the world as well. I thank you for that response.

I don't want us to get into a philosophical discussion because this interrogation ought to be about whatever the Republicans want to ask you, I hope not more than five or six times—get it pinned down, get your answers, get the record—and then we should let you go home, because you have been here an extraordinary, almost 20 hours. I don't think I have ever in 25 years in the U.S. Congress sat through a hearing with one person being put thorough so many detailed questions and answers for this long a period of time. I commend you for your stamina. I yield back the balance of my time.

Mr. SHAYS. If the gentleman yields back the balance of the time, I claim 5 minutes. Interrogation is a strong word. I think we have been very respectful of you. We will be here tomorrow if we don't finish tonight, so we hope we finish tonight, but we don't want you to go longer than you want to and you will need to let us know when that time comes.

Mr. WAXMAN. Mr. Chairman, I assume you're acting as the chairman at the moment. Why don't we narrow the questions down and get to new areas instead of repeating old areas, rather than threatening this witness that he is going to be here tomorrow, because I don't think it would be fair to ask him to be here tomorrow and have to answer over and over and over again questions that have already been asked, and questions—maybe you believe it is respectful, I don't think it has been disrespectful, but these are certainly questions that I would call a fishing expedition, over and over and over again.

Mr. SHAYS. Does the gentleman yield back his time? Can we start over again?

I will take the time. That is the fact, we will be here and we will try to be very respectful of your time. I just would love that we had been able to do this, ask all our questions after our committee had asked you questions and then we could have asked more targeted, but that is not the way it is so we'll just deal with it and we will go on with it.

The question I had is Ronald Reagan would have been proud of that answer and I mean that sincerely, but it doesn't explain why you were focused on China when your superiors didn't believe China was your area of attention.

Mr. HUANG. Congressman Shays, as I alluded to here this morning or yesterday, there are some political turf battles going on in the Commerce Department. My direct superior was Mr. Meissner, the Assistant Secretary who has all the responsibility for the geographic areas for the whole Commerce Department in the historical sense. But his territory was taken away. Under his guidance, he is trying very hard to gain those things back. So he has asked me to look into these areas. That's what I fulfilled my duty to do that.

Mr. SHAYS. The sad thing is we have 1.8 million who hold secret clearance and a half a million who hold top secret clearance. That is a lot of people. And to justify your basically getting involved over a turf battle to make sure—it is not a complaint on you, Mr. Huang, but it sure is a complaint of the system. I think your an-

swer to the question what type of information you requested was basically economic. Once you signed—my understanding is that besides having 34 briefings, that you received cables from 25 to 100 that were delivered daily to you. Is that correct?

Mr. HUANG. Congressman Shays, I think by the notes here, I received 37 briefings. It is not by my recollection.

Mr. SHAYS. Thirty-seven. You are right. Thank you.

Mr. HUANG. And also from the report indicating I had access to 25 to 100 classified cables on a daily basis. That doesn't mean I would go into the 100. I don't know exactly how I did.

Mr. SHAYS. When you got secret classified documents, did you sign for them?

Mr. HUANG. I did.

Mr. SHAYS. Where did you keep these documents?

Mr. HUANG. If I had to keep it over, then there is a safe in the office that has a combination. I only had it.

Mr. SHAYS. Were you the only one with that combination?

Mr. HUANG. I was the only one who had a combination. If I turn it back, I would give it to the Secretary. The Secretary would handle those things.

Mr. SHAYS. Did you ever take classified documents out of the Department of Commerce?

Mr. HUANG. No, sir.

Mr. SHAYS. I don't mean—and I want to be clear on this—I don't mean because you had some grand design to take them out, I don't mean because you were a spy. I'm not suggesting that. I'm just asking if as an employee you ever took these out. I see your counsel saying no, but I want to know what you know.

Mr. COBB. Actually I was asking him whether he ever took them on a trip.

Mr. HUANG. I definitely don't recall on that. The only thing I want to qualify for that it might be one of the very rare occasions I had to go to the State Department for the meeting with Secretary Winston Lor—remember I alluded to earlier, he has an interdepartmental meeting, whoever has responsibility for Asian American—I might have had a chance to put it in the special envelope, to carry it with me and then bring it back. That's about all.

Mr. SHAYS. And you didn't take it out and you were allowed to take it out of the Department of Commerce; that was allowed or not? Were you in that instance doing something you shouldn't have done?

Mr. HUANG. I don't recall exactly what the rule was. I vaguely remember it might have been a situation, a special situation. You're testing my memory. I really don't remember.

Mr. SHAYS. Your testimony, though, under oath is that you only took one document out and you took it to the State Department?

Mr. HUANG. I might have had one chance in doing that. I don't know for sure at this moment even. I'm not even sure I did it even on that one occasion or not.

Mr. SHAYS. Thank you.

I have one last area, and I want to make sure that I'm not being redundant to the chairman, but let me go and ask these questions and say, I am convinced that the Riadys are your friends and you are their friends and James Riady, the son of Mochtar?

Mr. HUANG. That is correct, sir.

Mr. SHAYS. But you were friends with both. And you maintain that friendship. So I am going to tell you, it is very plausible to me that you will maintain close relationships while you were at the Department of Commerce.

My time has expired. Mr. Chairman, I would love—it is your turn now, but if you would yield to me.

Mr. BURTON. Are you finished?

Mr. SHAYS. I would love to ask some more questions just to finish up. I am getting toward the end.

Mr. BURTON. Without objection, go ahead.

Mr. SHAYS. So I am using your time, Mr. Burton. Thank you.

I would like to know how often you met with the Riadys during your stint between July 1994 and December 1995, basically 18 months. These I would think would be fairly memorable events because they are close friends and kind of your patrons.

Mr. HUANG. The more exact number is the number of times they visited the United States, Mr. Riady visited the United States, Washington, normally as a courtesy basically just to meet with him. It would be safe to say, probably four or five.

Mr. SHAYS. Four or five only?

Mr. HUANG. Approximately like that.

Mr. SHAYS. It wouldn't be something like 10 or 15? It wouldn't be that number?

Mr. HUANG. In that 18 months' time?

Mr. SHAYS. Yes. You are more comfortable with that four or five?

Mr. HUANG. It probably would be every time that he was in the United States, to be safe. So I don't know how many.

Mr. SHAYS. Your recollection is it was only four or five times?

Mr. HUANG. The number probably would be increased a little more because we are covering 18 months' time now. The original four or five times, maybe within a year or so.

Mr. SHAYS. Did you accompany James Riady to any meetings during his stay in Washington?

Mr. HUANG. Yes, there is one I can distinctly remember.

Mr. SHAYS. Was it only one?

Mr. HUANG. Probably more. I can only remember one distinctly right now.

Mr. SHAYS. What was that meeting regarding?

Mr. HUANG. The one I distinctly remember is the one we visited the White House.

Mr. SHAYS. Which you have talked about. This is the one where you went to the radio? Another one. I'm sorry. What was that one, then? Tell me what it was.

Mr. HUANG. The one I distinctly remember was in around September 1995. We visited the White House and had a chance to meet with Mr. Clinton.

Mr. SHAYS. In September 1995?

Mr. HUANG. Yes.

Mr. SHAYS. While you were employed at the Department of Commerce, did you continue to arrange things for Mr. Riady when he came to town? Whether or not you met with him, were you a facilitator for him in any way? Did you call up people? You get the

gist of my question. Did you continue to be—and I'm not suggesting that that is illegal—I'm just wanting to know what happened.

Mr. HUANG. It may have happened. The most likely, probably, is if it happened, probably it is a hotel or the limousine situation.

Mr. SHAYS, there might be another case I just thought of involving a radio address situation, I also went with.

Mr. SHAYS. That was the second time, when you were in the White House when he was there for the President's address?

Mr. HUANG. Right. But I don't know whether it was that or not. I can't remember.

Mr. SHAYS. I would like to just conclude by asking, on September 9, 1994, James Riady entered the White House at 9:38 a.m., and did not leave until 2:30 p.m. He was scheduled to visit with Mark Middleton. Were you at the White House with Mr. Riady at all on Friday, September 9, 1994? It was a 4½ hour meeting.

Mr. HUANG. Mr. Shays, I don't recall. One of the ways to look at would be my Commerce diary. On the diary, whether I was there or not.

Mr. SHAYS. The thing that I feel pretty comfortable having this conviction is that you had phenomenal relations at the White House. You were there, I am impressed that you were there a lot. You had contacts. It would seem to me that it is very plausible that if Mr. Riady had an opportunity to be at the White House, one, you would have known about it and two, you would have probably been helpful, and that is not illegal.

Mr. HUANG. I basically agree with that, sir, yes.

Mr. SHAYS. Given that, can you tell me why Mr. Riady would be at the White House for 4½ hours?

Mr. HUANG. At this moment, Mr. Shays, I really don't have any recollection about these events at this time.

Mr. SHAYS. I may try to refresh your memory later on, but I would yield back my time. Thank you.

Mr. BURTON [presiding]. Mr. Waxman is not here. Mr. Shays, do you want to go ahead?

Let me continue my questioning, then. We are moving along fairly well, finally. Hopefully we will be able to conclude today. If not, we will be awfully close. I don't want to denigrate you, Mr. Huang, but I understand Mr. Waxman, while I was gone, was saying that you're the kind of person that ought to be at the Department of Commerce. And this isn't my opinion, but Jeffrey Garten who was the Under Secretary of Commerce over there after all this came out, said he wasn't the kind of person who ought to represent the American government. The only reason I say that is because of the problems that you have had. I think it is important that on the record and before this body that both sides and both opinions be expressed very clearly. That is why I put that in the record.

Earlier I asked you some questions about Maria Hsia. You worked with her on fundraising events, isn't that correct?

Mr. HUANG. Yes.

Mr. BURTON. I'm going to read you a passage from the Senate Governmental Affairs report that relates to Ms. Hsia:

"The committee has learned that Maria Hsia has been an agent of the Chinese Government, that she has acted knowingly in support of the Chinese Government, and that she has attempted to

conceal her relationship with the Chinese Government.” We’re talking about the Chinese Government in Beijing, the PRC. “The committee has also learned that Maria Hsia has worked in direct support of a PRC diplomatic post in the U.S.,” i.e., she was spying. A diplomatic post here in the United States and she was working for the PRC.

Did you know that?

Mr. HUANG. I don’t even believe that.

Mr. BURTON. You don’t believe that?

Mr. HUANG. Right. I have no reason to believe that.

Mr. BURTON. They got this from intelligence sources.

Mr. HUANG. Based on the dealing, my knowing Maria Hsia, she might have tried to get the business, but I don’t know whether it is going to go to the intelligence side and acting as a spy or not.

Mr. BURTON. Let me read this one more time: The committee has learned that Maria Hsia has been an agent of the Chinese Government, that she acted knowingly in support of the Chinese Government, that she attempted to conceal her relationship with the Chinese Government, and the committee has also learned that Hsia has worked in direct support of a PRC diplomatic post in the United States.

You didn’t know any of this?

Mr. HUANG. I don’t.

Mr. BURTON. And you don’t believe it?

Mr. HUANG. I don’t.

Mr. BURTON. Are you aware of any contacts that Maria Hsia had with officials from the Government of the People’s Republic of China? Are you aware of any contacts she had with them?

Mr. HUANG. I don’t know openly, but I can imagine the most things that she made a contact is just for her immigration business, occasionally had to go to the Chinese consulate. That is to the extent I know.

Mr. BURTON. Based on classified information, this is secret information, some of it I cannot give out but I will read to you what the committee said: The committee has received information that Hsia worked with Ted Sioeng and John Huang to solicit contributions from Chinese nationals in the United States and abroad for Democratic causes. Hsia and Huang in particular worked together to identify non-U.S. citizens overseas who might contribute money to Democratic causes.

Is that correct?

Mr. HUANG. I don’t believe it would be non-U.S. citizens. But if it was a non-U.S. citizen, if there is any money being raised, probably at least the party has a green card, to the extent I know, Mr. Chairman.

Mr. BURTON. I don’t know if the committee ever came to that conclusion. That you and Maria Hsia worked together to identify non-U.S. citizens overseas who might contribute money to Democratic causes, you say you—

Mr. HUANG. You are saying non-U.S. citizen. I am not disputing on that part, if they have a green card but is still a non-U.S. citizen. That is to the extent she might have, she probably has.

Mr. BURTON. Like the Riadys?

Mr. HUANG. Not right now.

Mr. BURTON. But like the Riadys back then.

Mr. HUANG. Before, yes.

Mr. BURTON. Let's go on to another subject here.

Did you discuss the February 19 event with Mark Middleton before it took place? This is February 19, 1996. It was a breakfast event with the Vice President.

Mr. HUANG. Probably I did, yes.

Mr. BURTON. You did.

Mr. HUANG. Yes.

Mr. BURTON. Did Mark Middleton attend the dinner on February 19, 1996?

Mr. HUANG. I didn't think he attended. He probably stayed in the back probably the most, I can remember now.

Mr. BURTON. He stayed in the back?

Mr. HUANG. In the dining room.

Mr. BURTON. But he didn't go to the dinner himself? He just watched?

Mr. HUANG. He stayed in the back and just watched.

Mr. BURTON. I wonder why he didn't attend the dinner. Do you know?

Mr. HUANG. Basically it was an Asia Pacific American as a focus at that time.

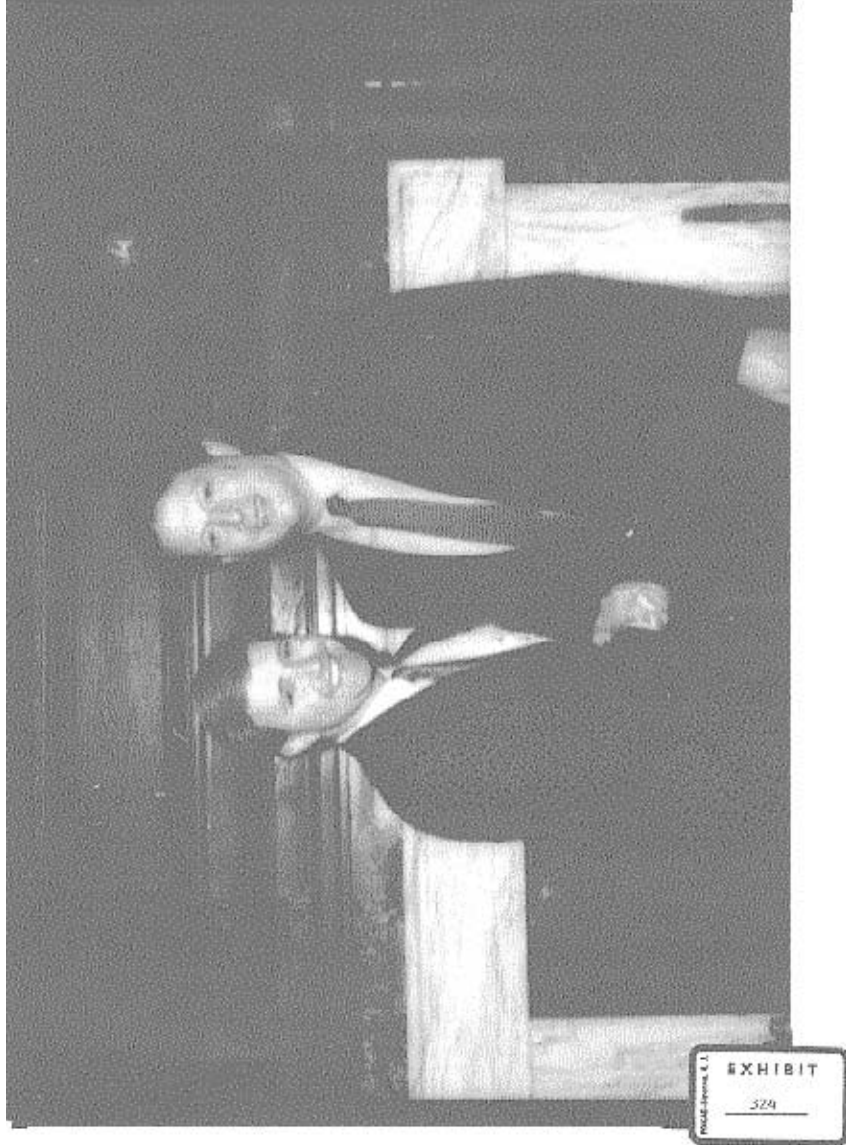
Mr. BURTON. He just didn't think he should be involved?

Mr. HUANG. I don't know what was the reason, but basically it was an Asian Pacific American dinner.

Mr. BURTON. Middleton did attend the breakfast on February 20 as shown in exhibit 324, if we can put that up. It is a photograph of him with Vice President Gore. Can you tell why he attended—do we have that picture?

In any event—

[Exhibit 324 follows:]





Mr. COBB. He has the picture, Mr. Chairman.

Mr. HUANG. I have the picture.

Mr. BURTON. Do you know why he did attend that event?

Mr. HUANG. I believe one of the participants during the dinner and breakfast was a lady called Nina Wang.

Mr. BURTON. Nita Wang?

Mr. HUANG. No, Nina. Nina Wang. I think Congressman LaTourette yesterday was referring to the head table. That was one of the persons sitting at the table, Nina Wang. Mr. Middleton is apparently friends. Maybe he was just being concerned, trying to be more courteous, to say Nina Wang was there, he just wanted to tag along. I didn't remember he was sitting at the table, though.

Mr. BURTON. Do you know if he contributed to that event? I will yield myself 5 more minutes here.

Mr. HUANG. To the best of my knowledge, no, he did not.

Mr. BURTON. Did he solicit any money for that event?

Mr. HUANG. No, he did not.

Mr. BURTON. And he did bring a guest?

Mr. HUANG. That's correct.

Mr. BURTON. And her name is Nina?

Mr. HUANG. Nina Wang.

Mr. BURTON. Did you discuss any of the contributions that were made for that event with Mr. Middleton? Did you talk about any of the contributions that were given at that event? Did you talk to Mr. Middleton about them?

Mr. HUANG. I don't specifically remember I talked to him about the money, but he can view the situation over there, roughly how many people coming in. I'm pretty sure he was aware how much per ticket.

Mr. BURTON. But you didn't go into any detail on that?

Mr. HUANG. No detail on that, no.

Mr. BURTON. On February 19, 1996, there was an event and Ernie Green gave \$6,000 to this event in a check dated March 8, 1996. This event took place on February 19, 1996 but the check was dated, postdated to March 8. Trie is listed as the solicitor on that check. Several days before the \$6,000 contribution was made, Green deposited \$2,500 and \$3,500 cash into a Riggs Bank account.

Do you know Ernie Green?

Mr. HUANG. I met him before, yes.

Mr. BURTON. How do you know him?

Mr. HUANG. I believe it is through some function through Charlie Trie.

Mr. BURTON. Mr. Green was present at the February 19, 1996 event. Can you tell me why he was there and who invited him?

Mr. HUANG. He just came by himself. He came alone. As a friend of Mr. Trie.

Mr. BURTON. Nobody invited him?

Mr. HUANG. He knew of the event. I did not really—basically I did not invite him on that.

Mr. BURTON. Do you know who did invite him? Was it Charlie Trie or Mark Middleton or who?

Mr. HUANG. The best I can guess, probably through Charlie Trie.  
Mr. BURTON. Charlie Trie.  
Exhibit 328, if you could take a look at that, sir. It is titled  
Comm 0326. Do you see that?  
[Exhibit 328 follows:]



Mr. HUANG. Yes.

Mr. BURTON. It is a page from your diary, from shortly before the February 19 event. You have a reference to Chu-Lei, Mark Middleton, and Ernie Green and Hong China Limited. What do those notes refer to?

Mr. HUANG. The Hong Kong China Limited related to Nina Wang. Nina Wang right after the Hong Kong China Limited, there is a Chinese connector. That is Nina Wang's Chinese name.

Mr. BURTON. Were you ever in contact with Green about that event?

Mr. HUANG. I certainly don't recall contacting him about it. I'm pretty sure he knew about that event because it was the first Asian Pacific American fundraising event ever.

Mr. BURTON. On the bottom left of that page, there is a reference to another company. Can you read your note and does it refer to a China Hughes or what does it say?

Mr. HUANG. No. Remember you read, Mr. Chairman, read the Hong Kong China. There is confusion. Could be China Hong Kong, the name for Ms. Nina Wang's company. In other words, it could be a mistake, it could be Hong Kong China or China Hong Kong. I wasn't sure at that time.

Mr. BURTON. I see. On March 8, which was several weeks after the event, Mr. Green wrote a check for \$6,000 to the DNC. It was credited to the February 19 event. Why did Mr. Green contribute that \$6,000?

Mr. HUANG. If I remember correctly, at the end of the event, he told me he was going to give some money since he was attending.

Mr. BURTON. The event cost \$12,500, didn't it?

Mr. HUANG. That is correct.

Mr. BURTON. Why did he only give \$6,000?

Mr. HUANG. It was not unusual. Some of the people did not give money at a particular time or give less money. That was their intention. There is different consideration. Some of the people might have been giving money way ahead of time; historically it has been known. I would not really in that urgency say you come to this event, give me the money. And I was quite lenient because of that relationship basis. If I knew some people were going to give more money, I was very much willing to wait.

Mr. BURTON. So you let some people in for less money because you were trying to raise as much as possible.

Mr. HUANG. That is correct, sir.

Mr. BURTON. That's what I thought. Who gave you that check? Did Charlie Trie give it to you?

Mr. HUANG. I thought—

Mr. BURTON. Excuse me just 1 minute.

Mr. HUANG. I don't recall exactly.

Mr. SHAYS [presiding]. If you would continue.

Mr. HUANG. I have a vague memory it might have been sent in by mail. Sent in by mail.

Mr. SHAYS. Would you tell me why this check came in so long after the event? It was because it was sent in by mail?

Mr. HUANG. No, no, no. He was delaying writing checks, I believe.

Mr. SHAYS. Did you discuss this contribution with anyone, whether it was Charlie Trie or Ernie Green?

Does Mr. Waxman want the floor because my time is out?

Thank you.

Mr. HUANG. Congressman, let me proceed to answer your question. As I just reported to Chairman Burton, Mr. Green was in the event. At the end of the event, he said, I'll give you some money. I'll send you some money.

Mr. SHAYS. Mr. Green's bank records indicate that on February 21st and 23rd, Mr. Green deposited \$2,500 and \$3,500 respectively in cash into his bank account. Do you have any knowledge of these cash deposits by Mr. Green?

Mr. HUANG. No, I don't.

Mr. SHAYS. Do you have any knowledge whether Mr. Green was reimbursed for this contribution by Charlie Trie?

Mr. HUANG. I do not know.

Mr. SHAYS. Why was the \$6,000 Green contribution credited to this event?

Mr. HUANG. Because he attended that event. And I got the check later on.

Mr. SHAYS. Nina Wang made contributions to this event as well. Do you know Nina Wang?

Mr. HUANG. I didn't think she made a contribution to this event, sir.

Mr. SHAYS. Excuse me, I misspoke. She did not make any contribution for the event due to her immigration status. Let me further ask, she is not a U.S. citizen?

Mr. HUANG. That is correct.

Mr. SHAYS. Nor does she hold a green card? She does not hold a green card?

Mr. HUANG. No. To the best of my knowledge, sir.

Mr. SHAYS. In one interview, I think with the FBI, you indicated that you knew that Nina Wang's company had been the target of a takeover attempt by the Lippo Group. Which company was this? Did you ever have any dealings with Nina Wang regarding this takeover?

Mr. HUANG. I think it was relating to Hong Kong China or China Hong Kong, which I always flip up. It may be Hong Kong China Limited.

Mr. SHAYS. Did you ever have any dealings with Nina Wang regarding this takeover?

Mr. HUANG. No, I did not.

Mr. SHAYS. Did you ever discuss Nina Wang with the Riadys or other Lippo Group personnel?

Mr. HUANG. I personally did not discuss on that. I would not—I take it back. The Lippo Group people might have known that Nina Wang attended that event.

Mr. SHAYS. Who, therefore, invited her to the event?

Mr. HUANG. I believe she came in because of Mark Middleton.

Mr. SHAYS. Evidently we have an exhibit that indicates that Nina Wang was seated at the head table. Do you know why she would have been? Did Charlie Trie or Mark Middleton request that she be seated at the head table?

Mr. HUANG. I believe that Mark Middleton requested that.

Mr. SHAYS. Again she did not give any money for this event?

Mr. HUANG. That is correct.

Mr. SHAYS. Did anyone affiliated with Ms. Wang give any money to this event?

Mr. HUANG. Not that I know of, sir.

Mr. SHAYS. Why would Ms. Wang be seated at the head table if she did not give any money for the event? What made her so important?

Mr. HUANG. No. 1, she is probably the wealthiest persons in the world, the woman in the world. That I learned. And also the reason I knew that reputation is because—my knowledge from previous employment with the Lippo involving the takeover battle. She did not relinquish. She was very tough lady. She was giving money to a lot of charitable organization, a lot of school is what I understood. One of the conservation I believe she has done something for—just 1 second, Mr. Shays.

[Discussion off the record.]

Mr. HUANG. I have learned—sorry. I have learned through Mr. Middleton she probably did already giving some money to the—Clinton's birthplace, some foundation or library of that sort. In other words, from her what was quite, quite big.

Mr. SHAYS. It's our indication that you indicated to the FBI that you found out after the event that Wang had given \$50,000 to the Clinton Birthplace Foundation. First off, what is the Clinton Birthplace Foundation?

Mr. HUANG. The best I know is it might be doing something for Clinton's birthplace. They're trying to buildup something over there.

Mr. SHAYS. So there's lots of ways for people to contribute even if they can't contribute to campaigns, it appears. How did you find out that she had contributed this \$50,000?

Mr. HUANG. I believe through Mr. Middleton.

Mr. SHAYS. Did you have any idea at the time of that that Wang was giving funds to the Birthplace Foundation or any other group?

Mr. HUANG. That I do not know of, sir.

Mr. SHAYS. Did you ask Trie to take Wang to her hotel after the event and did you ask Trie to do anything else special for Wang?

Mr. HUANG. I didn't hear the first part.

Mr. SHAYS. I'm sorry. I'm going too quickly.

Mr. HUANG. I'm sorry.

Mr. SHAYS. No, you do not need to apologize. You've had a long day.

Did you ask Trie to take Wang to her hotel after the event?

Mr. HUANG. I did not do that, no.

Mr. SHAYS. OK. Did you ask Trie to do anything else for her if not that?

Mr. HUANG. No, not through me, no.

Mr. SHAYS. Now Miss Wang also attended an event on May 13, 1996. We had just been talking about an event in February 1996. You—evidently, you had some notes about this May 13th event in your diary. You kept a diary—just a calendar.

Mr. HUANG. Yes, I did.

Mr. SHAYS. Do I start my new time? Yeah, OK.

This is exhibit 417, and it's a listing of the head table for the May 13th event. It indicates Nina Wang sat at the head table. Is that accurate as far as you're concerned? This is exhibit 417.

[Exhibit 417 follows:]

HEAD TABLE  
MAY 13, 1996

1. Mr. Mark Fineman  
Chairman & CEO Future Tech Corp  
(Computer/Hi-Tech)
2. Mr. Charlie Tris  
Chairman & CEO Daihatsu Trading Corp  
(International Trade)
3. Dr. Sumet Paravanon  
Vice Chairman & President Charoen Pokhond (Worldwide) Group  
(International/Multinational Conglomerate)
4. Dr. Ted Sieng  
Chairman & CEO Panda Industries Group  
(International/Multinational in Trading, Real Estate, Media & Industrial)
5. Mr. Ho Cheong Chio  
President Ang-Du International Corp., LTD  
(International Trade & Industry)
6. Ms. Elsie Y. Z. Chan  
Managing Director Ang-Du International Corp., LTD  
(International Trade & Industry)
7. Mr. Peter Gontha  
Chairman Iso-American Entertainment, Inc.  
(Entertainment)
8. Mr. Roy Tirtadji  
Managing Director Lippo Group  
(Multinational/International Conglomerate)
9. Ms. Nina Wang  
Chairwoman & CEO Hong Kong, China, LTD  
(Real Estate Conglomerate)
10. Dr. Terryoshi Fukunaga  
Chairman Earth Aid Company, LTD  
(Publishing)
11. Mr. Jita Somaya  
Managing Director Capitol Market Group  
(Investment Banking)

 DNC 3341359



Mr. HUANG. Yes, I did.

Mr. SHAYS. Yes, you did what?

Mr. HUANG. I did know. She was arranged at the head table.

Mr. SHAYS. And the question is, did—do you know if Wang contributed any money to this event?

Mr. HUANG. No.

Mr. SHAYS. Again, if not, why was she at the head table?

Mr. HUANG. This time—it's different now. This time was recommended by Mark Jiminez.

Mr. SHAYS. Mark who? I'm sorry.

Mr. HUANG. Mark Jiminez. J-I-M-E-N-E-Z, something like that—E-Z, E-Z. I'm sorry. Jiminez.

Mr. SHAYS. Exhibit 432 is a page from your diary. We call it a diary, but is that your calendar?

[Exhibit 432 follows:]

10/11 LUC ~~XXXXXXXXXX~~ (12/15)  
 10/12 Paul Chan X430 Charlotte Matthews ✓  
 10/17 → Sharon ←

761 Main Hunk

Streets  
 — Sherry Wan  
 — Nina Wang → Patti ~~222~~ Cony  
 → Mark J. Wang → 222 + 100%

250. — ✓  
 100 — Sherry  
 100 — Nina

Nick Elson BYNE  
 MARK  
 Sherry Wan ✓  
 Tony Rogers ✓  
 Appleton ✓  
 Eric Banyagan  
 Tommy Chay

Hunk  
 → Rob → Druce

Inglis Villanueva

↓↓↓

EXHIBIT  
 432

COMM 0149

Mr. HUANG. It's sort of notebook because I did not have any secretary.

Mr. SHAYS. OK.

Mr. HUANG. So I was trying to—

Mr. SHAYS. OK. Fair enough. From your notebook from the period around May 13th it states, Nina Wang, quote, public and, quote, 100 Nina, end of quote. Did you solicit Nina Wang to contribute for this event?

Mr. HUANG. No, I did not.

Mr. SHAYS. Do you know if anyone else asked her to give to this event?

Mr. HUANG. Not to my knowledge.

Mr. SHAYS. Are you aware of any contributions that Wang may have made to any other entities in order to attend this event?

Mr. HUANG. That I don't know either.

Mr. SHAYS. OK. Now, let me get back to James Riady. I think I've been—I have been candid with you, and I think you've been candid with me, but I'm left a little uncomfortable with your response about the number of times you might have remembered the Riadys. These are two important players. I do realize this: If you ask me what I did upteen years ago and over what span—so I want to take it slow enough. But during the time you were in Commerce that's what I'm interested in. And it may be that by the time we're finished with these questions you will have a number of events with them, and we'll just say they happened. Or I might draw some other conclusions. But I at least want to know what the facts are.

My sense is that you really were at the White House with Mr. Riady, James Riady, more than once or twice during this period. And this is a longer video than I'm particularly happy about, but would you put that video in?

[Video played.]

Mr. SHAYS. This is—the event is September 10th White House radio address. And if you don't mind I'm going to want you to identify the people. There are just a few people that I think—and we can fast forward it after—these are people that you don't really know right now.

Mr. HUANG. OK.

Mr. SHAYS. These are not your guests, correct?

Mr. HUANG. No.

Mr. SHAYS. They're not a lot of American people who get to participate in this. This is a big deal. Now are these your guests?

Mr. HUANG. That's James and Aileen Riady.

Mr. SHAYS. And that's his wife.

Mr. HUANG. Right.

Mr. SHAYS. Right. Yes.

Mr. HUANG. Yes.

Mr. SHAYS. So they're going to talk for awhile. If you don't mind, we can just speed it up. No, I don't want you to do it that way. I'm sorry.

They have a conversation. Now—and this is who?

Mr. HUANG. That's Mr. Riady's guest.

Mr. SHAYS. Who is Mr. Riady's guest?

Mr. HUANG. I can't spell his name. I believe he was minister of education of Indonesia.

Mr. SHAYS. And this looks like his daughter.

Mr. HUANG. The family, probably.

Mr. SHAYS. Yeah, and his wife. And that's James Riady.

Mr. HUANG. I remember that the name is Kowodiman or something.

Mr. SHAYS. There was a part of me that didn't want to show it because it's a very touching interaction of family with the President and that happens all the time. But I thought, you know, there are not many of my constituents who have this privilege.

Now this is a gift. What is the gift? It's a knife or some kind of ceremonial—

Mr. HUANG. Something like that, ceremonial style gift.

Mr. SHAYS. Is that you with your back to us?

Mr. HUANG. Yes.

Mr. SHAYS. OK. You had a suit on. They didn't.

Mr. HUANG. Thank you. I shouldn't be, right?

Mr. SHAYS. Is the sound purposely off? OK. Right. While I was talking. Thank you. You can put it back on.

In a second we're going to have the next people come up.

I have constituents, if they get to look at the White House it's exciting. If they get to go in for a visit, it's a thrill. But they don't get to meet the President and go to the Oval Office. And this is kind of a special opportunity.

Now we're going to have some people come up, and I would like you to tell me who the others are.

Mr. HUANG. That is the Ambassador.

Mr. SHAYS. Turn the sound down.

Mr. HUANG. That is Ambassador of Indonesia to the United States and his wife.

Mr. SHAYS. OK.

Mr. HUANG. At that time.

Mr. SHAYS. Mr. Riady has come with a minister.

Mr. HUANG. Ambassador at that time, sorry.

Mr. SHAYS. Ambassador. And he—also, the gentleman before I believe was a government official. Who is this again? That is right now?

Mr. HUANG. This is my successor, Lippo successor, Joe Hanna.

Mr. SHAYS. So he works for the Riadys.

Mr. HUANG. That is correct.

Mr. SHAYS. And that's Mark Middleton.

Mr. HUANG. Yes. Then that's me. I have a coat on. I didn't have a tie on.

Mr. SHAYS. He put his arm around you and not Mr. Riady. You are good friends, and you should be proud of that. You have a long-term relationship with the President.

Now is there anyone else?

Mr. HUANG. To the extent probably that was it, Mr. Shays. That's probably all the people, yeah.

Mr. SHAYS. Now, the reason I'm showing this is—the reason I'm showing this to you is this really should bring back the recollection of the meeting the day before. Because the day before Mr. Riady was in the White House at 9:38 a.m., and didn't leave until 2:30. And whether or not—I want to be very clear with you, Mr. Huang. I want to be very clear with you on this point. Whether or not there

is a White House document that says you were there, it is important for you to recall whether or not you were there. And it is not going to be difficult for you to remember. Because this is a very memorable event.

[Discussion off the record.]

Mr. HUANG. Mr. Shays, thank you for bringing this tape in. You know, I'm also getting the age and going around so many things at a time, some things I remember more, much better than the other. But this will help me on this.

Mr. SHAYS. I'm going to concur. I say it for the record. I pass no judgment. But now, having seen this, can you provide us any information?

Mr. HUANG. I tell you I did not attend the so-called—that few hours that you talking about the——

Mr. SHAYS. You weren't in the White House.

Mr. HUANG. I was not in the White House.

Mr. SHAYS. Do you know what they talked about?

Mr. HUANG. That I don't know.

Mr. SHAYS. OK. You didn't talk to Mr. Riady at all about this event?

Mr. HUANG. I should not say I did not talk to Mr. Riady on that, because you saw my pictures were there, and I was with him.

Mr. SHAYS. I mean about the event the day before. It's hard for me to imagine that as close as you are to the President and to Mr. Riady that you would not have had some conversation about that event.

[Discussion off the record.]

Mr. HUANG. No, I had a conversation. I was not there during the day.

Mr. SHAYS. I am clear on that. You were not there at the event. I want to know if you talked to Mr. Riady at all about the event.

[Discussion off the record.]

Mr. HUANG. Please, go ahead.

Mr. SHAYS. No, that's fine.

Mr. HUANG. Congressman, the best I can recollect, and this is the time, this few days you were talking about, the \$100,000 to Mr. Hubbell. Remember? We're talking about that. This is probably some people saw that as a help situation, helping him totally. It's not really a job arrangement. I believe these things is done through Mr. Hubbell. It's not through me.

Mr. SHAYS. You think the visit to the White House was done——

Mr. HUANG. The arrangements through Mr. Hubbell. And if there is any meeting—because I indicated to you earlier I did not—I was not in the White House. I don't know whether the White House visit was also arranged by Mr. Hubbell or not, which I wouldn't be able to speculate on that.

Mr. SHAYS. But the bottom line is you didn't arrange the Friday meeting, but somebody did.

Mr. HUANG. That's correct.

Mr. SHAYS. And we know that he went in to see Mark Middleton. Do you know—did he talk to you at all to tell you if he met with Bruce Lindsey or do you know if—in fact if he met with Bruce Lindsey?

Mr. HUANG. I really cannot rule out any of your possibilities, because I don't know.

Mr. SHAYS. Your testimony is you can't rule it out, but you don't know.

Mr. HUANG. That's correct.

Mr. SHAYS. That was a memorable event that Sunday which you mentioned. There was the event before which you now recall and know that you did not arrange, according to your testimony, nor did you have much of a dialog with Mr. Riady about it. You speculate that it might have been involved with the Hubbell—that Mr. Hubbell may in fact have provided this opportunity. And it was during the time of the \$100,000 payment by Mr. Riady to Mr. Hubbell. That's a speculation on your part that he arranged that but you didn't.

Mr. HUANG. I didn't. That's correct, sir.

Mr. SHAYS. It had to be arranged—

[Discussion off the record.]

Mr. HUANG. I shouldn't use the word speculate. I'm pretty sure I know that Mr. Hubbell made the arrangement on that.

Mr. SHAYS. Thank you.

Mr. HUANG. Right.

Mr. SHAYS. Thank you. How did you know that?

[Discussion off the record.]

Mr. HUANG. Probably Mr. Riady mentioned about that to me.

Mr. SHAYS. OK. I yield back the time. Thank you. Mr. Chairman, I yield back the time.

Mr. BURTON [presiding]. The gentleman yields back the balance of his time.

I think what we'll do now is go to the counsel. Each counsel member has 30 minutes. I'm not sure they're going to use all of that. They have some questions that they feel need to be asked that Mr. Shays and I haven't asked or Mr. Waxman. So we will now yield 30 minutes.

Mr. SHAYS. Could I ask a question before, Mr. Chairman? I have no other questions. I just want to ask, in terms of the process, both sides will ask questions and then will we be given just a short opportunity to make a comment?

Mr. BURTON. Yes. In fact, if Mr. Waxman is here or you or I, we'll have closing comments. Then we'll be through. I don't think—

Mr. SHAYS. I have no other questions to ask. That's correct.

Mr. BURTON. Yield to the minority counsel.

Mr. SCHILIRO. Thank you.

Mr. Chairman, this is just a point of clarification. Earlier when we talked about Maria Hsia, Mr. Huang was asked a question about that. The chairman read to you the majority report. There is also a minority report on Maria Hsia. Just to make it part of the record we ask unanimous consent—

Mr. BURTON. Without objection, so ordered.

Mr. SCHILIRO [continuing]. Just to read a short excerpt.

Mr. BURTON. That's fine.

Mr. SCHILIRO. The minority report said of Maria Hsia that,

The committee received nonpublic information connecting some activities she undertook while an immigration consultant in the State of California in the early to

mid-1990's to Chinese government officials. This information did not involve her activities with respect to fundraising, and there was no information presented to the committee during its investigation that connected Hsia's fundraising activities to the Chinese government. In an affidavit submitted to the committee, Hsia strongly objects to this allegation, outlines her ties to Taiwan and the U.S., and describes her activities while an immigration consultant in California. In light of the incomplete investigation of the committee on this issue, the minority believes that the committee lacks sufficient information about Hsia to endorse or rebut these serious allegations. The fact that the majority emphasizes these allegations throughout its report without putting the allegations in context or addressing this information is troubling.

I only put that in the record, Mr. Chairman, because the witness before had a different view of Maria Hsia. I don't know if he has any response in light of this information.

Mr. HUANG. No, my response to Mr. Chairman stands. At least still I didn't have any reason to believe she was conducting that kind of activity as indicated by the report I'm talking about.

Mr. SCHILIRO. Thank you. We yield back.

Mr. BURTON. The gentleman yields back his time.

The majority counsel now has 30 minutes.

Mr. WILSON. Mr. Huang, how are you sir?

Mr. HUANG. Good afternoon.

Mr. WILSON. It's been a very long day for you. I realize that. I'll try and be as quick as I can.

Obviously, one of the reasons we have hearings like this is because we want to learn things. One of the things we are very interested in was the relationship between Mr. Charlie Trie and James Riady, and I think before the hearing began we had an impression that there wasn't much or any of a relationship between Mr. Trie and Mr. Riady. And I wanted to followup and ask you a few questions about Mr. Trie and Mr. Riady.

Mr. LaTourette asked you questions, I believe it was the day before yesterday, and he asked at any time during your acquaintance with Charlie Trie did you ever discuss with him any travel that you might have made to Jakarta, and you answered that he had some business contact in Jakarta.

And Mr. LaTourette then asked was that the subject of conversations that you and he might have had, and you said he was talking about business contacts, businessmen he knew in Indonesia.

And then later on we learned that Mr. Trie actually went over and had a meeting with Mr. Riady in Jakarta. If you could please tell us as much as you can about that meeting.

Mr. HUANG. I did not know that, the detail of the meeting. Basically, the best I learn is he visited Mr. Riady. Mr. Riady had made a comment to me and said, despite the fact that both were in Little Rock earlier—as you know, Mr. Trie's background, he owned the restaurants in Little Rock. And Mr. Riady also runs a daily banking business, the Worthen Bank in Little Rock. They hardly had a chance to meet, but although they knew sort of each other they knew the existence of the persons. He made a comment to me. He said, well, Charlie Trie is not a bad guy, you know, and—but he indicating certainly in his words denied a lot of resources, relative speaking, compared to the Riadys.

Mr. WILSON. Did you have any part in arranging the meeting between Mr. Trie and Mr. Riady?

Mr. HUANG. No, sir, I did not.

Mr. WILSON. No? Just following up on that one exchange you had with Mr. LaTourette, Mr. LaTourette said specifically, are you aware of any relationship between the Trie family and the Riady family. And your answer to Mr. LaTourette was, no, he had—to the best of my knowledge, he had no relationship with the Riady family. And I wanted to followup and ask you whether you thought that was an accurate characterization.

Mr. HUANG. That depends on the period of time. Are you talking about business relationship? The most closest one we can talk about is that meeting and also probably something Mr. Trie might be able to work something in China because he, Mr. Trie, has some extensive—at least appear to have extensive relationship or contacts in China. And at that time Lippo also developing something in China. And in light of overall situation as I just made a comment that Riady and Trie's meeting, maybe Trie might be helpful in helping with his service to the Riady family on Lippo in some projects in China.

In terms of that relationship, that's—at that point, all words, if talking about the relationship, that's the first time I knew there was a relationship. Prior to that, I really did not have any knowledge that they had any relationship.

Mr. WILSON. What I'm trying to get at here is you were asked if there was any relationship and you said, no, to the best of my knowledge, he had no relationship with the Riady family.

After that, we showed you a copy of a receipt from a limousine ride, and it became clear that—at least you told us that you had a limousine go to Dulles Airport and pick up Mr. Riady. And then there was a little bit of skirmishing over details, and then it became clear that later that night after a fundraiser Mr. Riady actually stayed and, as did you, with Mr. Trie in an apartment at Mr. Trie's place. And the concern that when Mr. LaTourette asked you whether there was any relationship at all, and your answer was no. I wanted to followup on that.

Mr. HUANG. I like to clarify that. My interpretation is, family relationship I says no. Now, I took it as that way.

Mr. WILSON. And if you could briefly explain that. Because I don't understand that, the family relationship.

Mr. HUANG. The family relation like a blood tie or brother-in-law or that kind of situation, sir.

Mr. WILSON. OK. Well, following up on the time that you and Mr. Riady stayed with Mr. Trie in the apartment, who arranged that?

Mr. HUANG. I did not arrange that. I have learned from Mr. Riady at that time, Mr. Riady indicating that Mr. Trie invited him to stay there. He said he decided to stay there instead of staying at a hotel. He told me that. I did not arrange that, the arrangement—accommodation arrangement on that, no.

Mr. WILSON. So it's fair to say, then, that Mr. Trie arranged this independently with Mr. Riady.

Mr. HUANG. That's my belief, yes.

Mr. WILSON. And do you know how he did that? Was it a meeting or a telephone call?

Mr. HUANG. That I would not know, sir, Mr. Wilson.



Mr. WILSON. Did you know that before you picked up Mr. Riady in the limousine? Did you know that Mr. Riady and yourself would be staying with Mr. Trie at Mr. Trie's apartment?

[Discussion off the record.]

Mr. HUANG. The best of my recollection is Mr. Riady mentioned to me he also made the hotel reservation but he also was invited by Mr. Trie and he was indicating he decided to stay with Mr. Trie.

Mr. WILSON. OK. Now, following up, we had a very brief discussion about after the campaign finance matters became very public and you were receiving a great deal of media attention, you ended up staying at Mr. Trie's apartment for a period of time. And you indicated it was 1 to 2 weeks that you stayed at Mr. Trie's apartment. Can you recall with any more specificity how long you actually stayed at Mr. Trie's apartment?

Mr. HUANG. I cannot give you the exact time. I think during my—

[Discussion off the record.]

Mr. HUANG. Mr. Wilson, I distinctly remember during the, you know, Judicial Watch, the deposition period of time and I reported, Mr. Chairman, I was move around from places to places. And final night I went in to Mr. Trie's apartment in Watergate. And during that deposition period of time, I was staying with Mr. Trie's apartment.

Mr. WILSON. How did you arrange that? Did he call you and make the offer or did you call him and ask him if you could stay at his apartment?

Mr. HUANG. I believe I initiated that. I was wondering if I could stay there because the Watergate apartment was relatively secure. You know, media cannot really just knock on your door and go in to film you. He also recommend—you know that's not—and maybe it's a mutual situation. But I believe I initiated that, whether I could stay there, sir.

Mr. WILSON. Have you ever stayed there before, apart from the time with Mr. Riady?

Mr. HUANG. I'm not certain right now. I—definitely I visited that apartment before. Whether I stay overnight or not, if—I cannot recall. In the event—I really cannot recall ever staying there. I did visit that apartment a few times before, yes.

Mr. WILSON. Now, I would like to move along just a little bit to another subject. You had mentioned that you heard that Mr. Trie might be helpful with ventures in China, and I wanted to know whether you ever communicated that to Mr. Riady.

Mr. HUANG. No, that—I learned that in information from Mr. Riady when he—after the meeting between Mr. Riady and Trie in Jakarta he briefly he mentioned he might have Mr. Trie to do so in China, something of that nature. But was not really in the specific form as I was shown on that translated report yesterday.

Mr. WILSON. When did Mr. Riady tell you that Mr. Trie might be helpful in Chinese ventures?

Mr. HUANG. I believe it was around that period of time, September, you know, around September, maybe—in that period of time, yeah.

Mr. WILSON. Before that, had Mr. Riady ever asked you any questions about Charlie Trie?

Mr. HUANG. I simply did not recall that, as I made a comment to you earlier, just now. Mr. Riady had made a comment after the joint meeting in Indonesia. He said he's basically not really a bad guy on that.

Mr. WILSON. Did—have you ever had any—have you had any, in the last couple of years, any discussions with Mr. Riady about Antonio Pan?

Mr. HUANG. Not with Mr. Riady on Antonio Pan at all.

Mr. WILSON. Do you know where Mr. Pan is right now?

Mr. HUANG. To answer your question, no, I don't know. But I can tell you what I knew before, what is his background. He came from—

Mr. WILSON. Just for the last couple of years. I'm not interested before that.

Mr. HUANG. Right. That's what I'm trying to say. He came from Taiwan. Maybe he set foot in Hong Kong sometimes, could be in China. But I understand he migrate his family to New Zealand. So he might have a status in New Zealand. That is the extent I know. Certainly some time he was traveling to the United States during that period of time, sir.

Mr. WILSON. Have you had any conversations with Mr. Pan in the last 2 years?

Mr. HUANG. No, sir.

Mr. WILSON. Apart from Mr. Trie and you discussing how Mr. Trie visited Mr. Riady in Jakarta, do you know—did you participate in setting up any visits for other government officials or former government officials with Mr. Riady in Jakarta?

Mr. HUANG. You talking about government official of the United States?

Mr. WILSON. Yes.

Mr. HUANG. During my DNC time or Commerce time or when? Prior to that?

Mr. WILSON. We can take both. During the time that you were at the Department of Commerce.

Mr. HUANG. Sir, I don't believe so. In the Commerce Department I'm trying to stay away anything from the Lippo, so I wouldn't be able to do that. DNC, I made arrangement not for official, for the daughter of the Chairman Fowler. She was traveling over to the—the first time as a student I think from Hawaii. Being a father was a little concerned, coming to the foreign land. He came to me. He said, I understand you have some friends in Indonesia, somebody who can take care of my daughter. I said, I'll be glad to do that. Which I did. Again, she is not official, but as a tie with some official, title at least the chairman of DNC.

Mr. WILSON. But you didn't—as far as you recall—you didn't set up any other meetings with—

Mr. HUANG. I don't—I'm trying to search my memory whether I did or did not. I want to be very careful on that.

Mr. WILSON. That's understood.

Just moving to something else. We've had a little bit of difficulty coming to a conclusion as to when Mr. Riady left the United States. And there have been a few exchanges about this subject, and you've told us that Mr. Riady traveled—he had a house in California. He obviously has at least one premises overseas, at least one

house overseas, and it's a little difficult to come to a full understanding of that. You were living in California in the early 1990's, correct?

Mr. HUANG. That is correct, sir.

Mr. WILSON. And Mr. Riady also had a house in California in the early 1990's?

Mr. HUANG. In Brentwood, yes. Brentwood.

Mr. WILSON. You were working for one of Mr. Riady's companies in California.

Mr. HUANG. That is correct.

Mr. WILSON. And I know it's been—we're sort of going back and forth on this, but are you able to pin down with any specificity when Mr. Riady actually moved away from the United States and set up his principal residence in Indonesia?

[Discussion off the record.]

Mr. HUANG. Mr. Wilson, the definition of a moving away—it's very, very difficult for me to do. You know, if it's talking about a totally moving out and places, the furniture and everything was packed everything like that, if that's the definition, probably was not done until fairly, fairly—was not too long ago from here.

Mr. WILSON. Was his family in the United States in the early 1990's?

Mr. HUANG. Let me put it this way: The family enjoyed the United States. The kids would love to stay in the United States. Apparently, there was a business situation. They had to spend a lot of time over there to develop the business.

Mr. BURTON. Excuse me. Let me interrupt. What percentage of the time did the family spend in the United States?

Mr. HUANG. OK. I'll be very honest on that part.

Mr. BURTON. I hope so.

Mr. HUANG. Around that period of time, approximately—most about 3 to 4 months a year.

Mr. BURTON. So 8 months of the year, the majority of the time, they were living in Indonesia.

Mr. HUANG. Starting from—conservatively saying probably starting from 1990.

Mr. BURTON. 1990. So from 1990 on, the vast majority of his time was spent in Indonesia.

Mr. HUANG. That's fair.

Mr. BURTON. That's how you determine a permanent residence. So his permanent residence then was—

Mr. HUANG. Oh, no, Mr. Chairman, maybe you have a different way of looking.

Mr. BURTON. Talking about, you know, here in the United States we decide I think for the most part people's permanent residence is where they spend the majority of their time. You're saying that his family was over there probably three-fourths of the time.

Mr. HUANG. No, what I'm—the two-thirds of time is staying over there physically. When I say the permanent residence—in other words, you get green card holder is supposedly you have a permanent residency. That's why I said the permanent residency. I'm not saying the definition of the—

Mr. BURTON. I know he had a green card, but you said that he spent 8 months of the year, his family did, over in Indonesia.

Mr. HUANG. That sounds right, and family.

Mr. BURTON. Thank you.

Mr. WILSON. Just to followup on this, because we keep getting it pinned down to a sort of about 1990, what was different between 1990 and 1989? I mean, what change did you notice? Why are you saying 1990 and not 1989 or 1988?

Mr. HUANG. The reason I'm saying this way is probably at the beginning of a period of time, although he still maintain very heavy travel schedule, but family probably was still staying here. And Mr. Riady himself just going back and forth until later date which I was saying, conservatively saying, is around 1990 of that time.

Mr. WILSON. You're telling us today that the family—there was a change of the family status in 1990?

Mr. HUANG. I believe that's the situation, yes.

Mr. WILSON. Just shifting a little bit to illegal conduct. We discussed extensively 1992 and 1993 and a number of contributions that were reimbursed by Lippo organizations, and you told us very clearly that after that conduct, after the 1993 contributions, you didn't do anything else that you thought was illegal. Is that correct?

Mr. HUANG. With the Lippo?

Mr. WILSON. At all.

[Discussion off the record.]

Mr. HUANG. I think, Mr. Wilson, you will recall I said there is one contribution in 1995, came in—I think yesterday one of the Congresses mentioned it was about \$12,000.

Mr. WILSON. Right. I wanted to sort of hone down on that subject. After 1993, could you list all the activities that you were engaged in that you think might have been illegal, if any?

Mr. HUANG. OK. 1993, for instance, on the Gore event we're talking about, Chairman Burton was asking me about the September event of Gore in southern California. There might be another event around December. There was some contribution being made. There were some checks with the Lippo employees. As Chairman Burton mentioned, he showed me the list yesterday was that all the list you have, I said there may be a few more names that's on that. That's what I'm referring to. I did say the period covers 1992, 1993, 1994. Possibly there is another check of May 1995.

Mr. WILSON. OK. Then let's try and be very specific. After 1994, did you do anything that you now think was illegal?

[Discussion off the record.]

Mr. HUANG. Except, Mr. Wilson, with the exception of that \$12,000 check to the best of my knowledge after the 1994 I left the Lippo, yeah. That would be it.

Mr. WILSON. I guess one reason we're interested is the underlying facts and the other is in your statement yesterday you talked about how the Department of Justice thought you had been candid with them, and we're trying to determine whether you've been honest with us. And I wanted to ask you about the contributions that were—about the exchange you had with Mr. Ickes who was in the White House.

Mr. HUANG. Right.

Mr. WILSON. He had asked you to round up \$10,000 to \$15,000 for a congressional campaign. And you were at the Department of

Commerce, and you told us that you did contact people and that what you did benefit the Congressman who was asked, you know, asked to be benefited. And am I right in remembering that you personally collected \$7,000 in checks?

[Discussion off the record.]

Mr. HUANG. Mr. Wilson, I did testify I did collect \$7,000 to Mr. Chairman, and to this day I'm not—I'm—I feel very uncomfortable in collecting in that capacity to collect the money.

Mr. WILSON. I thought I was right in remembering that you said you collected \$7,000 in checks. And after you collected the checks you dropped them off personally at the DNC.

Mr. HUANG. It was not DNC.

Mr. WILSON. Who did you drop them off with?

Mr. HUANG. No, I believe in the address—I thought it was Jesse Jackson, Jr.'s, one of the offices over there.

Mr. WILSON. That's my error. So you actually collected the money, after somebody in the White House had asked you to round up money, and then you took the money to a congressional campaign office and you gave them the money, is that correct?

Mr. HUANG. I drop off with the receptionist in that office, yes.

Mr. WILSON. And at that time you were working at the Department of Commerce, correct?

Mr. HUANG. That is correct, sir.

Mr. WILSON. Do you feel that there is a possible violation of law in that?

[Discussion off the record.]

Mr. HUANG. As I testified yesterday, I did collect the money. I did not feel comfortable—as of this stage I really don't know, you know, about legality.

Mr. WILSON. OK. And just one last area in this basic subject, the Wiriadinata contributions. I think you've said on the record that the Wiriadinatas came to your attention through a recommendation of Mr. Riady, is that correct?

Mr. HUANG. That is correct.

Mr. WILSON. Now, tell us what you meant by "came to your attention?" Did Mr. Riady call you up and say there are some people in Arlington or Alexandria or northern Virginia that can give money?

Mr. HUANG. Mr. Riady was also in town when Dr. Nashim Ning was very sick in the hospital. Remember—I try to explain.

Mr. WILSON. Right. I do remember that. But did Mr. Riady say to you there are some people that can contribute money and he told you their names and arranged something with you?

Mr. HUANG. Yes. He was saying these people can be very helpful to you.

Mr. WILSON. What precisely did he tell you?

Mr. HUANG. The words I remember is that these people have a legal status, can give—they are able to give.

Mr. WILSON. Now, one of the most peculiar things about the \$450,000 that Soraya Wiriadinata contributed is the fact—and we discussed this yesterday, but there's ultimately a question you've not been asked, the fact that your wife was listed as the solicitor for the money. And we could look at the exhibits again, but—

Mr. HUANG. No, I remember that.

Mr. WILSON [continuing]. You recall that your wife was—  
[Discussion off the record.]

Mr. HUANG. If I remember correctly, the only time that my wife's name was related to those was—Wiriadinata contribution—was the first couple checks maybe during that period of time. The rest of the times since I joined the DNC my wife's name was no longer there.

Mr. WILSON. But you do recall, and I may be wrong on the complete number, but on some of the DNC check tracking forms your wife was listed as the solicitor of contributions from the Wiriadinatas.

Mr. HUANG. I've learned that since I saw the documents, yes.

Mr. WILSON. Now, you've testified that was not correct, is that right?

Mr. HUANG. That was not correct. My wife did not solicit those contributions, no.

Mr. WILSON. OK. I guess the simple question is, at that time you were working at the Department of Commerce, and if the Wiriadinatas had the money to give and if they were legally entitled to give money, then why would anybody decide to put your wife's name on a check tracking form?

[Discussion off the record.]

Mr. HUANG. The only thing I know is that I believe that Mr. Mercer testified that, you know, that my wife's name was there.

Mr. WILSON. Right. But the question was, if everybody thought that they were entitled to give the money and they had the money, and—and I am asking for your speculation here, but if they thought it was their money and they were allowed to give the money, then why wouldn't somebody just put down an honest answer on the DNC tracking form?

[Discussion off the record.]

Mr. HUANG. Mr. Wilson, I don't know what was the nature of that. I did not fill out the form. You know, I was not at the DNC. So—

Mr. WILSON. Did you ever have—did you ever have any conversations with David Mercer about the Wiriadinata contributions?

[Discussion off the record.]

Mr. HUANG. They are in the fundraisers. I introduced them together, yes.

Mr. WILSON. And, subsequently, has Mr. Mercer ever discussed this subject with you?

Mr. HUANG. That's after when?

Mr. WILSON. After—well, after your wife's name was put on the check tracking form, did you ever ask him why did you get my wife involved in this? She didn't do anything. That's not fair to me.

Mr. HUANG. I did not know my wife's name was on the tracking form until later I learned from all the news accounts.

Mr. WILSON. OK. Just a couple of final questions here.

Did you ever seek any action at the Federal level on issues regarding the U.S. banking industry? And I'll limit that to after 1990.

Mr. HUANG. After 1990? If possible, can you repeat the question? You're shifting the subject to the banking side right now.

Mr. WILSON. That was a very quick—

Mr. HUANG. Very quick shift.

Mr. WILSON [continuing]. Quick shift. I'm sorry for the abrupt nature.

Shifting to banking, you were involved in the banking industry for a long time. Did you ever seek any type of Federal action on issues regarding U.S. banking?

Mr. HUANG. Could you be a little bit more specific? What do you mean, the Federal actions mean? For buying or selling or whatever?

Mr. WILSON. Did you ever seek any legislative change to any banking provisions after 1990?

[Discussion off the record.]

Mr. HUANG. The only thing I can think of is hopefully the banking legislation will pay attention to one of the issues on the Community Reinvestment Act, i.e., the CRA. I think that basically, as I testified, you might have found out I was the President of the National Association of Chinese American Bankers. The Chinese American Bankers was totally ignorant by these issues. I don't know I should go into the detail or not to you. I think that's one—I spent most of the time on that, if you're talking about the legislative issues on that.

Mr. WILSON. And does that—did what you were trying to do have any impact on the Riadys or the Lippo Bank or Worthen bank or any of the Riady banking interests?

Mr. HUANG. I don't know there's any impact.

Let me say this: The Lippo Bank of California or formerly Bank of Trade was a member of National Association of Chinese American Bankers. The thing I was doing is more or less for the overall umbrella for the other member banks.

I was not the only one who was doing that. Whoever was the member banks, they were trying to do it collectively. And also teaming up with the—teaming up with the Independent Bankers Association as well.

Mr. Wilson, as you know, most of the Chinese American bankers are not large in size. They are relatively small. But there are roughly 6,000 to 7,000 independent bankers in the country. They are also facing a similar issue on the CRA. So at some point there's collective efforts for the National Association of Chinese American Bankers. Where there was an Independent Bankers Association in some form we did independently on our own for the Chinese American bankers.

Mr. BURTON. Let me ask counsel, how much more time are you going to need?

I will ask unanimous consent that we give the counsel 5 more minutes to wrap up. Without objection, so ordered.

Mr. WILSON. This time I'll tell you I'm going to change focus fairly quickly here. If somebody could find exhibit 354, please. I know I'm shifting focus for you, too.

We're going to put up on the projectors, and if you can look in your books, a wire transfer of \$1 million which is dated September 18, 1996, from a Tahir account in Jakarta to an account under the name of Tahir Lippo Bank in California.

[Exhibit 354 follows:]

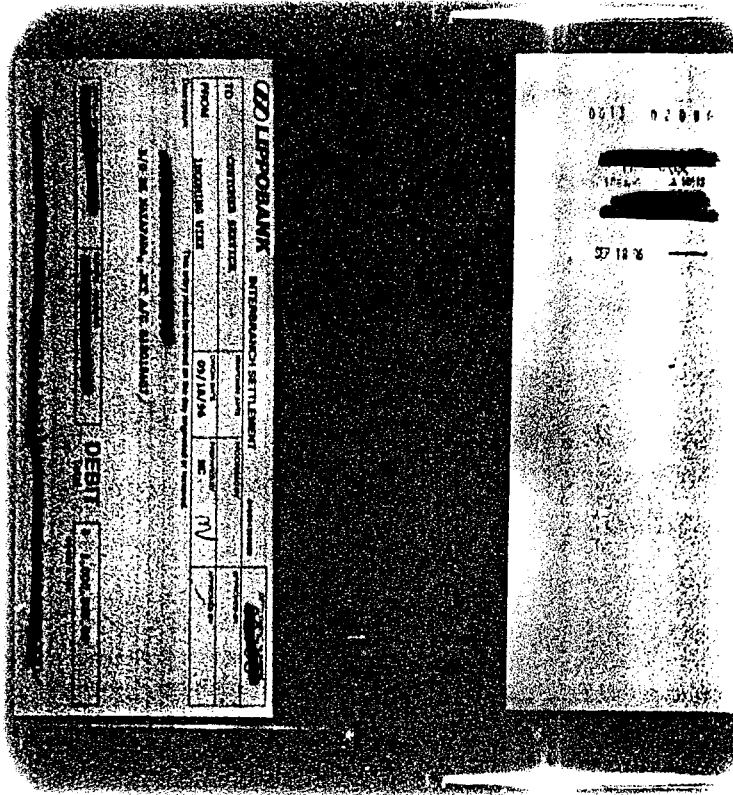


EXHIBIT  
354

38000



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R121

RX-DDD 0224 PST 18-SEP-96

271362 LPBLA UR

MCII 09/18/96 05:28

5645

0528 09/18 [REDACTED]  
INBOUND MESSAGE RECEIVED ON SEP 18 AT 05:28 [ASSIGNED// XBPL4623]  
ORIGINATOR

65019 MAYA IA

18 SEP 96 09:26 GMT

MSG 068/REM/96 18-SEP-1996

920/

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| 7 | 1 | 2 |
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TO : LIPPOBANK, LOS ANGELES  
FR : BANK MAYAPADA, JAKARTA 81808407  
TEST : [REDACTED] (FOR USD1,000,000.00 AS OF SEPT 18'96) 01  
DD : 960918  
ATTN : MONEY TRANSFER DEPT

PLS DEBIT OUR ACCT W/U AND PAY VAL TDY IN-FULL-AMT.:  
AMT : USD1,000,000.00 (US DOLLARS ONE MILLION ONLY)  
PAY TO : YOUR GOOD SELVES  
BENE : TAHIR  
A/C NO. : [REDACTED]  
B/O : MR. TAHIR, MBA - JAKARTA  
OUR REF : [REDACTED]

TKS AND RGDS,  
REMITTANCE DEPT

BANK TO BANK INFO : FYI, YOU WILL RECEIVE USD1,000,000.00 VAL 60918  
FROM BONY, NY FOR CREDIT OUR ACCT W/U.

65019 MAYA IA

NNNN

271362 LPBLA UR

THEY DISCONNECTED

Elapsed time 00:00:38

PRINTED AT 0849 PST 18-SEP-96

+ 68.14039  
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380004

**LIPPOBAK** **ADVICE OF CREDIT**

We have credited your account [REDACTED] on 8/18/96 as follows:

| DESCRIPTION                              | AMOUNT                    |
|------------------------------------------|---------------------------|
| 1w0928-0011 t1141/rem/ix/96<br>B/O TAHIR |                           |
| <b>CONTRA:</b> [REDACTED]                | <b>TOTAL</b> 1,000,000.00 |

MR TAHIR MC

Prepared By [REDACTED]

Approved By [REDACTED]

DFR-001 (11/85) File Copy

380005

MULTIPLE ACCOUNT SIGNATURE CARD

Account Holder Name(s): TAMARA NISA  
 Social Security Number: [REDACTED]  
 Mailing Address: PT. MAYAPADA GROUP INDONESIA  
 City, State, Zip Code: [REDACTED]  
 Telephone Number: [REDACTED]  
 Number of Signatures Required: 1 CIP Number: [REDACTED]

Signatures of Authorized Individuals (Please Print or Type Name Below Signature)

|                                  |                                  |
|----------------------------------|----------------------------------|
| 1x<br>Name<br><u>[Signature]</u> | 3x<br>Name<br><u>[Signature]</u> |
| 2x<br>Name<br><u>[Signature]</u> | 4x<br>Name<br><u>[Signature]</u> |

I, the undersigned individual(s) signing above agree(s), jointly and severally if multiple signers, to the terms set forth in Deposit Account Agreement and Disclosures, the Rate and Fee Schedule, the Funds Availability Policy, Electronic Funds Transfer Agreement and Disclosures, the Rate and Fee Schedule, the Funds Availability Policy, Disclosures and to each of the authorized individual(s) signing also acknowledge that the Financial Institution provided to him/her a copy of these deposit account documents.

Check if Electronic Funds Transfer (EFT) services requested.  Mail all statements.

ACCOUNT INFORMATION - FOR BANK USE ONLY

|                    |                   |                       |                    |
|--------------------|-------------------|-----------------------|--------------------|
| ACCOUNT TYPE       | <u>CD</u>         | OPENED BY             | <u>[Signature]</u> |
| ACCOUNT NUMBER     | <u>[REDACTED]</u> | STATEMENT DISPOSITION | <u>[REDACTED]</u>  |
| DATE OPENED        | <u>10/21/93</u>   | DATE CLOSED           |                    |
| OPENING DEPOSIT    | <u>985,000</u>    | CLOSING BALANCE       |                    |
| CARD               |                   | STATEMENT             |                    |
| REASON FOR CLOSING |                   |                       |                    |

|                    |                   |                       |                    |
|--------------------|-------------------|-----------------------|--------------------|
| ACCOUNT TYPE       | <u>SAVORNOW</u>   | OPENED BY             | <u>[Signature]</u> |
| ACCOUNT NUMBER     | <u>[REDACTED]</u> | STATEMENT DISPOSITION | <u>[REDACTED]</u>  |
| DATE OPENED        | <u>8/24/93</u>    | DATE CLOSED           |                    |
| OPENING DEPOSIT    | <u>10,000</u>     | CLOSING BALANCE       |                    |
| CARD               |                   | STATEMENT             |                    |
| REASON FOR CLOSING |                   |                       |                    |

|                    |  |                       |  |
|--------------------|--|-----------------------|--|
| ACCOUNT TYPE       |  | OPENED BY             |  |
| ACCOUNT NUMBER     |  | STATEMENT DISPOSITION |  |
| DATE OPENED        |  | DATE CLOSED           |  |
| OPENING DEPOSIT    |  | CLOSING BALANCE       |  |
| CARD               |  | STATEMENT             |  |
| REASON FOR CLOSING |  |                       |  |

|                    |  |                       |  |
|--------------------|--|-----------------------|--|
| ACCOUNT TYPE       |  | OPENED BY             |  |
| ACCOUNT NUMBER     |  | STATEMENT DISPOSITION |  |
| DATE OPENED        |  | DATE CLOSED           |  |
| OPENING DEPOSIT    |  | CLOSING BALANCE       |  |
| ATM CARD           |  | STATEMENT             |  |
| REASON FOR CLOSING |  |                       |  |

Mr. HUANG. Sorry. I was distracted. We were looking for the exhibit.

Mr. WILSON. Exhibit 354.

[Discussion off the record.]

Mr. WILSON. I know it's not a very good copy, but if you could take a look at that, please. And there's a second page as well, so it's not just a single-page exhibit.

Mr. HUANG. Yes, I have those pages.

Mr. WILSON. Do you have any knowledge of this wire transfer?

Mr. HUANG. September, 1994?

Mr. WILSON. 1996.

[Discussion off the record.]

Mr. WILSON. I guess the simple question is, did you know about \$1 million transfer to the account?

Mr. HUANG. No, I do not.

Mr. WILSON. On the exhibit the payable line on the wire transfer says, "your good selves." Do you have any idea what this means?

[Discussion off the record.]

Mr. HUANG. Which pages is that, Mr. Wilson? There are three pages.

Mr. WILSON. Yes. It's on page 2 of the exhibit.

Mr. HUANG. OK.

Mr. WILSON. And it should be on the middle of the page.

Mr. WILSON. Do you have any idea what this—

Mr. HUANG. Just like yourself, I think.

Mr. WILSON. All right. Now, do you know why Mr. Tahir would transfer \$1 million to the United States in September 1996?

Mr. HUANG. I don't know.

Mr. WILSON. Did you have any discussions with Mr. Tahir about political contributions that he was going to give in the fall of 1996?

Mr. HUANG. No. I did not.

Mr. WILSON. Did you discuss with James Riady any political contributions he was going to give in the fall of 1996?

Mr. HUANG. I did not. But the only conversation I had with Mr. Riady was that Mr. Tahir's daughter has a green card, was able to give—you know, can invite her for some of the function and—in fact, in early 1996, she gave, but not related to this transaction.

Mr. WILSON. So just let me try and get this as accurate as possible. You had a conversation with Mr. Riady during which you suggested to Mr. Riady that there was a Tahir child who had a green card in the United States?

Mr. HUANG. I did not suggest it. He mentioned to me.

Mr. WILSON. He mentioned that to you.

Mr. HUANG. Right. That's earlier though, early 1996. Remember I did the fundraising on February 1996? I believe for that event Mr. Tahir's daughter was—or daughters came over for that event. So there was contribution of that sort. Now that's way earlier than September—

Mr. WILSON. Right.

Mr. HUANG [continuing]. So I have no knowledge about what's going on in September with that million dollar stuff.

Mr. WILSON. But just cutting down to the basic line here, Mr. Riady suggested to you that there was somebody with a green card

in the United States who might be able to give money to political campaigns.

Mr. WILSON. More specifically, it would be the daughter, Jane Tahir.

Mr. WILSON. So he specifically said Jane Tahir had a green card and could give money.

Mr. HUANG. That's correct, yes.

Mr. WILSON. OK. Now, if you would look at the—if you would look at the last page of exhibit 354, please, it's the signature card for the account receiving the \$1 million wire transfer from Indonesia. Do you recognize either of those signatures?

Mr. COBB. The last page of 354?

Mr. WILSON. Correct.

Mr. HUANG. Mr. Wilson, I could not be sure about the signature. There are only about two signatures there. Am I correct? Are you with me on that?

Mr. WILSON. Yes. Correct.

Mr. HUANG. I definitely don't recognize the first one, No. 1.

Mr. WILSON. Yes.

Mr. HUANG. The handwriting on No. 2 looks somewhat familiar. I don't know whether that's Mr. Setiawan or not.

Mr. WILSON. Surprisingly, I was going to suggest whether that was Mr. Setiawan. Now, you worked with Mr. Setiawan?

Mr. HUANG. That's correct. Because the committee also refreshed my memory yesterday. They showed me one of the Hip Hing Holdings—the things. So it just sort of reminded me on that.

Mr. WILSON. So it looks to you, based on what you recollect and what you saw recently, that that might be Mr. Setiawan's signature.

Mr. HUANG. Possibly, yeah, on that.

Mr. WILSON. Mr. Huang, thank you very much.

Mr. HUANG. Thank you. Thank you.

Mr. BURTON. Would you like to sum up, Mr. Shays, for we're about to end our hearing?

Mr. SHAYS. Thank you, Mr. Chairman. Mr. Chairman, I just want to thank our witness and I want to thank his two attorneys. They enabled us to ask our questions and I appreciate that. I appreciate the candor I think we got. I would say to you, Mr. Huang, you are unfortunately living proof of the need for campaign finance reform. For you, that proof came in the form of a felony conviction. For this committee, it comes as a confirmation of the conduit schemes and influence peddling that threaten both our political integrity and, frankly, our national security.

For me, your testimony sheds just a little more light into the dark corners of the incessant corrupting quest for money that pervades every event and all other elements of political campaigns today.

The public record is now more complete. It remains my hope that record will serve as the basis for holding offenders accountable and serve as the basis for real campaign finance reform. And I make these comments because I really believe that besides holding people accountable, Mr. Chairman, we have got to reform the system. And I know that you have put forward a bill on conduit payments that I think we need to move forward. And I want to say for the record

that I know abuses take place in both parties and local governments and State and Federal, but I really think the administration brought campaign finance abuses to a new art form, frankly, and they haven't wanted to face up to it, but I think Congress needs to step up to the plate and pass meaningful campaign finance reform legislation. And I thank you very much.

Mr. BURTON. Thank you, Mr. Shays. Let me just end by saying I want to ask unanimous consent to enter an exhibit analyzing the list of fines given out by the Justice Department which was entered into the record previously by Mr. Waxman. Without objection, so ordered. Just expanding on that.

Let me say I appreciate your patience. And I appreciate Mr. Keeney and Mr. Cobb being so helpful to you in expediting the answers to the questions. I do want to say, though, that it's still very murky. Millions of dollars in campaign contributions came in from foreign sources. We've gotten some information from your 3 days of testimony, Mr. Huang, but there's still a lot of questions unanswered. We will continue to try to get to the bottom of all this so that 1 day we can make sure that no foreign contributions, conduit contributions, are allowed, and that those who do that will be prosecuted to the full extent of the law.

The campaigns of the United States of America and the candidates elected in the United States of America should be elected by the people of this country, and their campaigns should be funded by the people of this country. Mr. Shays has one opinion on campaign finance laws. I have a little different opinion. I believe there should be full disclosure and hopefully we can get the legislation he just talked about passed, which will eliminate foreign contributions.

But in any event, we appreciate your being here. I'm sorry it took 3 years to get you here. I hope we don't have to talk to you again. I think we've pretty much completed all the questions we need. But as I said, we will continue to try to get to the bottom of all the campaign finance scandal. Once again, thank you.

Mr. SHAYS. Mr. Chairman, before you hit the gavel, could we just compliment the staff on both sides?

Mr. BURTON. Yes. I'm glad you said that. I wish my staff a very Merry Christmas and a Happy New Year. I know that you've worked very, very hard and Mr. Shays knows the staff has worked very, very hard. You didn't go home, some of you, for Thanksgiving because you were working. And I know the Democrat side has worked hard as well, so thank you very much. You don't get a pay raise but you do get my congratulations for a job well done.

Mr. SHAYS. I would just like to say I'm very impressed with the staff quality on both sides. This was excellent preparation. Thank you.

Mr. BURTON. Merry Christmas to all. We stand adjourned.

[Whereupon, at 5:14 p.m., the committee was adjourned.]

[The information referred to follows:]

**JOHN HUANG FBI INTERVIEW SUMMARY**

**NOVEMBER 30, 1998**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/02/1998

Pursuant to a proffer agreement dated 11/30/1998 with the United States Attorney's Office, JOHN HUANG, born 04/14/1945, social security account number 045-50-1063, home address 1978 Starvale Road, Glendale, California was interviewed at the United States Attorney's Office, Federal Courthouse, 312 North Spring Street, Los Angeles, California. Also present were JOHN C. KEENEY, JR, business address 555 Thirteenth Street NW, Washington, D.C., JOHN POTTER, and DARCI A. JOHNSON, 500 South Grand Avenue, Los Angeles, California, attorneys representing HUANG, of HOGAN & HARTSON, L.L.P., and Assistant United States Attorneys LAWRENCE NG and DANIEL O'BRIEN. After being advised of the identity of the interviewing agents and the nature of the interview, HUANG voluntarily provided the following information:

ROSE OCHI had been involved in the Asian Pacific American community for a long time. HUANG and OCHI met previously in Los Angeles through their mutual involvement in the Asian Pacific American community. OCHI called him around the time of the Hay-Adams fundraiser event, which was held on February 19, 1996. OCHI told HUANG that someone may be interested in making a large contribution. At some time, although it may not have been during their first conversation, OCHI mentioned the amount of \$1,000,000. OCHI asked how this political contribution could be made and what the rules were. HUANG understood from OCHI that the source of the money might be foreign. OCHI advised that someone would like to make a large contribution and a foreign entity may be involved. She asked about the ways contributions could be made and how this potential contribution could "get done."

HUANG advised that between the first call to him by OCHI and the eventual lunch meeting (lunch meeting) between HUANG, OCHI and TOM KEANEY, Chief of Staff for Congressman MATSUI, he and OCHI had several telephonic conversations. HUANG did not recall OCHI mentioning the entity's name, or anything about charitable contributions or a photograph with the President during any of their conversations prior to the lunch meeting.

HUANG explained to the interviewing agents that a photograph with the dignitary was "understood" if a large contribution was given. A photograph was typically important to

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those from Asia to hang in their office for status. However, HUANG did not recall a specific request for a photograph with the President during these initial conversations with OCHI.

During these initial conversations, OCHI did not indicate that there was an intermediary between herself and the entity wishing to make the contribution. HUANG believed that OCHI was making the inquiry directly on behalf of the foreign entity.

During their conversations prior to the lunch meeting, OCHI told HUANG that a Korean entity might be interested in contributing a large sum of money and asked how it could be done. HUANG discussed the mechanics of "how to do it." HUANG told OCHI the rules as follows:

-The person had to be a citizen or permanent resident to contribute hard money, and there was a \$1000 limit for each individual candidate.

-There was no monetary limit to a soft money donation. HUANG used the example of Toyota America. Toyota America was a United States (US) subsidiary of a foreign owned company. But Toyota America could give money because the majority of people on the Board of Directors were Americans, United States Citizens. Therefore, the money was not foreign, per se.

-US subsidiaries could make contributions if they had American revenue, but the contribution had to be a soft money contribution. At this point, HUANG explained to the interviewing agents that it was his understanding at the time that US subsidiaries had to have US revenues, but not necessarily net income or profit.

-A foreign individual could not make hard or soft money contributions.

Corporations in general could not give hard money. If a corporation's home base was foreign owned, it had to have a US subsidiary with US revenue to have been able to contribute.

HUANG was asked if a foreign corporation whose US subsidiary only had US revenues of \$900,000 could donate

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\$1,000,000? HUANG answered no, that would not have been legal.

HUANG was asked if a Korean person without a green card could contribute. He stated "no."

HUANG felt OCHI knew the hard money rules already, that it had to be from a US citizen and that there was a \$1000 limit. He did not give OCHI suggestions on how the entity could contribute, rather he just told her the parameters of legal contributions. The entity was not named at this time, therefore, he only gave OCHI the rules as he did not have specifics to base suggestions on.

KEANEY came into the picture later on. KEANEY became involved because of his position as Congressman MATSUI's Chief of Staff. Congressman MATSUI was very involved in the Asian Pacific American community. HUANG contacted KEANEY because he felt he had an obligation to report this contribution to MATSUI and keep him involved.

Prior to the lunch meeting, HUANG and OCHI had several conversations, he and KEANEY had one or two conversations and he did not know if OCHI and KEANEY had conversations. All conversations prior to the lunch meeting were telephonic. The time period between the initial telephone conversation with OCHI and the lunch meeting was short.

HUANG did not recall the exact date of the lunch meeting. When asked where the lunch meeting was held, HUANG did not remember immediately. However, when the name "BULLFEATHERS" was mentioned by the interviewers, HUANG recalled that the lunch meeting between HUANG, OCHI and KEANEY was held at BULLFEATHERS (BULLFEATHERS MEETING).

The meeting at BULLFEATHERS was the first face to face meeting regarding "this" issue. HUANG is not sure why all three of them met regarding this matter. He believed that OCHI or KEANEY suggested that they all meet. HUANG speculated that the meeting between the three may have been to keep each other informed about the contribution. The meeting lasted approximately 40 minutes to one hour. HUANG's clearest recollection from the BULLFEATHERS MEETING was that each of the three paid their own bill at the end of lunch.

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There was a general discussion of the rules at the BULLFEATHERS MEETING. HUANG was not able to say if OCHI or KEANEY was more interested in the rules. HUANG believed that OCHI was more interested and took a more active part in the meeting than KEANEY.

HUANG was asked if OCHI and KEANEY appeared to understand the rules. He replied "I would hope so." HUANG did not reconfirm with OCHI if she knew the rules by quizzing her, but because she and HUANG had previously discussed the rules and because they knew each other, it was his understanding that she understood the rules. HUANG stated that OCHI was an appointed Government official and he believed that she had a legal background and felt that she was an intelligent woman.

No more information was provided to HUANG regarding the donor of the money at the BULLFEATHERS MEETING. The name of the entity was not discussed at this meeting. Specific advice for how the Korean entity could contribute was not discussed at the BULLFEATHERS MEETING. HUANG's assumption was that the contribution would be from a US subsidiary. The meeting was a briefing regarding the general parameters of how contributions could be made when a foreign entity was involved. There was not fact specific discussion, nor was there mention of a meeting or photograph with the President of the United States (POTUS) discussed at this time.

OCHI was invited to the Hay-Adams event where she witnessed everyone having their photographs taken with the President.

Approximately 10-20 minutes of the BULLFEATHERS MEETING was spent discussing the contribution. After the BULLFEATHERS MEETING, "things" developed and more information was provided to HUANG.

HUANG's DNC office was moved from the Democratic National Committee (DNC) building to the CLINTON/GORE HEADQUARTERS on March 20, 1998. However, HUANG was still a DNC employee.

After the BULLFEATHERS MEETING, MIKE MITOMA, Mayor of Carson, California, contacted HUANG regarding this contribution.

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OCHI could not handle "these things" because of her Government position and she told HUANG that MITOMA would be calling.

Between the BULLFEATHERS MEETING and when the Koreans met the POTUS on 04/08/1996, MITOMA was the main contact between the Koreans and HUANG. HUANG first met MITOMA in Los Angeles at a banking gathering when MITOMA was the director of Pacific Business Bank. HUANG was unsure if MITOMA would recall that first meeting.

HUANG was unsure of when his first contact with MITOMA occurred after the BULLFEATHERS MEETING. MITOMA was very anxious to get things done. MITOMA told HUANG that a group of people was scheduled to come; therefore, there were time constraints. They needed to get "it" done. When asked by the interviewers what "it" referred to, HUANG replied "it" was the meeting with the POTUS. The Korean entity was still not specifically named at this time. OCHI was still in the loop during this time period as OCHI and HUANG would still call each other.

HUANG told MITOMA and OCHI that he could not set up a function or date to see the President on such a short time schedule. An exclusive dinner may have been a possibility. In general, to get a meeting with the POTUS, either a special date to meet with him could be arranged or one could participate in an already scheduled specific event. Some events were exclusive dinners with very few people that you could join in. In this situation, the date was being dictated to HUANG, so he looked at the calendar. There was one night where 2 dinners were arranged by PETER KNIGHT. HUANG called KNIGHT and told him that he had a few Koreans coming in and asked if they could join in one of the dinners. KNIGHT said that if it were 1 or 2 people, he may be able to accommodate them. HUANG said it would be more like 4 or 5 people. KNIGHT told HUANG that he could not accommodate that many people.

HUANG did not promise MITOMA a dinner, but said he would try to do what he could. Since there were no slots available at the dinners, HUANG suggested a separate meeting a few minutes before the first dinner. HUANG stated that in his mind at the time, dinner was never really a possibility and conveyed this to MITOMA and OCHI, but mentioned the possibility of a separate meeting with the POTUS.

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HUANG requested a detailed background of each person in the group. The White House required the background of anyone meeting the POTUS. This "vetting" was a standard procedure. The White House required a date of birth, social security number, passport or ID number, plus or minus a green card number. This was required before anyone could meet with the President. HUANG collected the information and gave it to the White House.

HUANG was not sure who he told, MITOMA or OCHI, that this information was needed. HUANG received the information from MITOMA. HUANG was getting this information in attempt to set up a meeting, plus or minus a dinner.

HUANG was asked how the amount of \$250,000 was chosen. He stated that he did not specifically ask for money as a fundraiser. HUANG gave an example to MITOMA and OCHI of a small exclusive dinner. For a dinner of this type, the goal would be \$50,000/head. If you sat in front, the dollar amount would be higher. HUANG said that KNIGHTS dinners were \$50,000 type of dinners. HUANG advised MITOMA/OCHI that it was not feasible to have a dinner for a small group of 4-5 people. HUANG thought that "this arrangement" was better than a 20 person dinner. A separate meeting would be more personal, better quality. HUANG advised that at a dinner, you would have an hour, but do nothing. Whereas, in a private 15 minute meeting, you could exchange conversation with the President.

HUANG stated that he was not familiar with the expression "clutch."

HUANG was asked at what point did he notify others at the Democratic National Committee (DNC) about the potential contribution. He informed RICHARD SULLIVAN, Director of Finance for the DNC, about the contribution in general terms. He and SULLIVAN had a few conversations.

HUANG was shown a fax dated 04/01/1996 from MITOMA to HUANG and asked if he received the fax. HUANG confirmed that he did receive this fax. HUANG was also asked why MITOMA was requesting 5 places be reserved if there was no dinner. HUANG stated that he did receive this fax. HUANG said that he never promised 5 places at a dinner. When asked about the sentence "he still prefers private meeting", HUANG stated that a private

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meeting was not possible. At \$50,000/head, a dinner for 5 people would not be as lucrative as a dinner for 20 people.

HUANG was asked about the sentence referring to a private meeting between LEE and CLINTON in Korea. HUANG stated he did not discuss this with MITOMA. HUANG thinks these people knew about the President's planned brief stopover in Korea, and therefore, MITOMA requested a meeting. HUANG did not respond to MITOMA regarding that statement at the time he received the letter. A meeting with one private person in Korea by the President in front of the country would not be fair or politically right.

HUANG reiterated that he did not ask for money for the event.

HUANG was shown a letter dated 04/08/1996 from MITOMA to the President regarding the President meeting LEE in Korea. HUANG stated that he had received a copy of this letter 1-2 days after the 04/08/1996 meeting with the POTUS. HUANG received a phone call saying that this meeting was not going to happen from DON FOWLER. It was not politically right for the POTUS to meet with a single private Korean citizen. HUANG called MITOMA and left a message on MITOMA's voice mail stating that this meeting wouldn't happen. MITOMA had already left. HUANG was not sure if he had yet filled out the check tracking form for the \$250,000 contribution at the time he called MITOMA to let him know this meeting would not happen.

When asked about the details of the 04/08/1998 meeting between the Koreans and the President and the \$250,000 donation, HUANG responded as follows: HUANG felt forced to do "this", people were coming to Washington, D.C., so he was trying to accommodate them. HUANG stated he used the example of \$50,000/head as a model, not as a promise.

When HUANG received the fax dated 04/03/1996 from MITOMA to HUANG with the resumes of the attendees and the company structure of the CHEONG AM GROUP, HUANG advised that it was his hunch that the check would be coming from a US subsidiary of a foreign company. HUANG knew this check was to be from the corporation, not from the HAM's or any other US citizen or individuals.

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HUANG was shown the fax from HUANG to SULLIVAN dated 04/03/1996 with the biographies, resumes and the CHEONG AM GROUP structure chart. HUANG confirmed that he sent this fax.

HUANG stated that there was no dispute that DR. JOHN LEE was a Korean National. HUANG recalled that there were four people on the board of CHEONG AM AMERICA, Inc. (CAA, Inc.), the HAMS, LEE and one other person whose name he did not remember. HUANG stated there was no doubt that this fourth person, whose name he did not remember, was a foreign national.

HUANG was shown a fax dated 04/04/1998 from MITOMA to HUANG. When asked why MITOMA would be under the impression that there was to be a dinner on 4/8/1996, HUANG stated that he did not promise a dinner. HUANG believed he had a discussion with MITOMA where he told MITOMA that he did not promise a dinner. HUANG may have told OCHI, instead of MITOMA directly, that he did not promise a dinner. HUANG did say that he would try to arrange a dinner. The options would be either a dinner or a separate meeting.

HUANG was shown a fax dated 04/08/1996 from HUANG to SULLIVAN. HUANG identified the two pages of handwritten notes regarding the US Subsidiary of the CHEONG AM GROUP as notes he wrote contemporaneously with a conversation with MITOMA prior to the contribution. When asked what prompted him to acquire this information and fax it to SULLIVAN, HUANG stated that this was part of the process to give the White House more detail about these people. He had to do a little write up whenever there was to be an event. It was standard procedure to write a memo regarding the background of the guests and issues that were important to the guests. The write ups were usually typed because they were not usually so rushed. The write up would include who the people to attend were and what were interesting issues to talk about related to these people. Usually there was one line or so per person and a briefing paper regarding pending issues. This write up was more detailed because "it" was more exclusive.

When asked why he thought CAA, Inc. was producing enough revenue to give a large donation when the language in his handwritten notes indicated that this company was just starting up, HUANG replied that he thought this was an additional

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expansion to a current US business. He did not know CHEONG AM GROUP, he was just told that they were already in the US. He did not know anything regarding their current business.

HUANG stated that OCHI or MITOMA must have told him that there was an existing US operation. HUANG did not ask anyone what the other existing US operations CHEONG AM GROUP was involved in. HUANG firmly believed that there was an existing operation in the US beyond the expansion project discussed with MITOMA.

HUANG had conveyed to OCHI that there had to be a US subsidiary producing revenue to be able to make a contribution. HUANG was not sure if he told this to MITOMA or not.

HUANG did not ask any questions regarding whether the US subsidiary had sufficient revenue to make the contribution. HUANG stated that he did not purposely or intentionally fail to ask if the US subsidiary was producing revenues.

When asked why he did not ask if the US subsidiary was producing revenue, he stated that when you did things in a calm way and there were no disturbances, everything was ok. He was the only person running the Asian desk. He was the person who had to get things done. When you were new, things got overlooked. When he looked back, he could see the red flags. HUANG stated there was no benefit to him to accept this contribution.

When asked about the circumstances of his receiving the check for \$250,000, HUANG said that the dinner was not provided; therefore, he did not expect a check. If he did not provide what was asked for, he wouldn't expect money. He did not ask for the check. After the short meeting with the POTUS, he walked the LEE party to the limousine. HUANG saw LUCY HAM talking with DR. JOHN LEE. Then, LUCY HAM came back to HUANG after the rest of the party got into the limousine and gave him an envelope, which he did not open until they all had left.

HUANG knew the majority of the CAA, Inc. board were US citizens, but he did not remember who told him who was on the board. There were three people on the board: LEE, LUCY HAM and WON HAM. Two of the three were US citizens.

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HUANG believed the CHEONG AM US subsidiary was viable and that the majority of the board members were US citizens. The donation was made on a US corporate check.

HUANG asked MITOMA if the check was going to be written on a US subsidiary corporate check and if the majority of the board were US citizens. He did not ask if the US subsidiary was up and running because he thought he had already conveyed the parameters under which the money could be legally donated. He therefore thought that the parameters would be followed.

HUANG was not saying that he would delegate the responsibility of vetting the checks to the contributors by telling them the parameters. He did assume that because they, KEANEY and OCHI, were friends and that he told them the rules, that the rules would be followed.

HUANG never asked OCHI or KEANEY at the BULLFEATHERS MEETING "is the company that is going to make the contribution generating US revenues?" HUANG told them the "parameters" and used TOYOTA AMERICA as an example. HUANG did not believe that OCHI or KEANEY told him at the BULLFEATHERS MEETING that the US subsidiary was not yet up and running. He did not remember hearing this. HUANG thought he would have remembered if someone would have ever said the US subsidiary was not up and running yet. If that were true, the contribution would be illegal. That the US subsidiary was not yet up and running or producing revenue never came up with him.

HUANG was shown the typed memo dated 04/08/1996 from SULLIVAN and HUANG to SOSNIK and HANCOX and asked who prepared this memo. HUANG replied that SULLIVAN'S secretary prepared the memo. HUANG provided SULLIVAN with all of the information contained in the memo.

When asked if he conveyed to SULLIVAN that MITOMA only required 5 minutes, HUANG stated "no." HUANG does not know how the 5 minutes came about. HUANG did state that if 5 minutes were granted, it would routinely stretch to longer.

When asked if he had conveyed to MITOMA that there wasn't going to be a dinner, HUANG replied that he didn't think that MITOMA was upset that there was not dinner. MITOMA seemed

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very happy at the event. At the meeting with the POTUS, MITOMA did all or 90% plus of the talking to the POTUS. MITOMA did not seem surprised that there was no dinner. MITOMA did not express that he thought anything was wrong at the event.

At the event, everyone in the LEE party seemed very happy. The event lasted approximately 20 minutes. MITOMA asked when they would get the photographs. HUANG contacted the photographer and the photographs were Fed Ex'd to MITOMA. HUANG did not remember the photographer's name, but stated that he was from Baltimore.

At this time, HUANG was shown the check tracking form filled out for the \$250,000 contribution from CAA, Inc. HUANG verified that it was in his handwriting and that he did fill out the top part of the form just under the photocopy of the check. He obtained the information to fill out this form from the bio information he had received from MITOMA. He put down WON HAM's name because the DNC requires the fundraiser name a person as a contact. HUANG did not put down LEE because he was not in the US all of the time as he travels to and from KOREA. HUANG chose WON HAM because HAM was a US citizen and lived here in the US. HUANG advised that MITOMA originally solicited LEE. HUANG did not attach any significance to LEE signing the check. HUANG was not interested in who signed the check at the time, just that the majority of the board was comprised of US citizens. Even if LEE was a foreign national, the check was a US subsidiary check and a majority of the board members were US citizens. HUANG did not dispute that LEE probably made all of the decisions for CAA, Inc. For future fundraising events, a solicitation letter would be sent by the DNC to big donors. Therefore, HUANG listed someone in the US as the contact.

DON FOWLER was present at the gathering with LEE and the POTUS. SULLIVAN was around, but HUANG was not sure if SULLIVAN was at the gathering. HUANG gave the check to SULLIVAN, maybe the next morning. SULLIVAN asked HUANG to show the check to MARVIN ROSEN. HUANG gave the check "to the process." The check was processed.

HUANG stated that SULLIVAN did not express any concerns about whether the check was "vetted" or not. SULLIVAN did not question HUANG as to why the check was not from the HAMS.

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HUANG never told SULLIVAN that the check would be coming from the HAMS. SULLIVAN did not tell HUANG to have the check "checked" by JOE SANDLER. SULLIVAN did not express that he had concerns about the check at the time HUANG gave it to him. SULLIVAN had previously asked HUANG to go over the HAY ADAMS checks with SANDLER. HUANG went over the HAY ADAMS event checks, check by check, with SANDLER. This was the only private vetting session he had with SANDLER.

HUANG was asked if he thought that there was any bias or animosity on the part of OCHI toward him. HUANG stated that he could not speculate if there was or not. When HUANG's attorney advised him to speculate, HUANG made the following statements: Politically the Asian American community has been last. Among the Asian American community, the Japanese have traditionally been first. This was the first time the tables could turn. The Chinese had more economic power in the US even though the Japanese Americans were in the political forefront.

When asked the same question regarding people at the DNC, HUANG made the following comments: RICHARD SULLIVAN was a nice guy, and very quiet. The DNC was very political. HUANG did not know about the other people.

HUANG was shown a letter dated 08/16/1996, from CAA, Inc., signed by LUCY HAM, written to the DNC regarding the DEMOCRATIC NATIONAL CONVENTION (CONVENTION) to be held in August, 1996. HUANG stated that CAA, Inc. was probably invited to the CONVENTION because of their previous donation. HUANG does not remember receiving or seeing this letter. There were no discussions with MITOMA regarding this, he was out of the picture at this time. He did have telephonic conversations with LUCY HAM about her intent to go to Chicago for the CONVENTION. He did not have conversations with WON HAM, LEE, OCHI or KEANEY. HUANG stated he reserved 5 or 6 rooms for the CAA, Inc. party. He dealt with LUCY HAM for the CONVENTION as she was interested in attending. HUANG did not know why LEE included the South Korean Congressmen DAI CHUL CHUNG and KOOB SOO CHOI as his guests. HUANG advised that South Korean Congressmen attending the CONVENTION was okay and not an issue. HUANG did not ask about the South Korean Congressman.

HUANG met with the CAA, Inc. party at the CONVENTION to

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greet them and get passes for them as a courtesy. Tickets to most of the CONVENTION events were free except for the fundraiser at the end, which was referred to as the Gala (GALA). LUCY HAM wanted to attend the GALA. JOHN LEE wanted to meet with the POTUS at the CONVENTION. The only possibility for LEE to meet with the POTUS would be at the fundraising event, the GALA.

Prior to the GALA, there was a small, pre-dinner gathering for those contributing \$10,000. This would be the only opportunity for LEE to meet the POTUS. There was limited availability for this event, HUANG had to fight for spots. The GALA was a large event, approximately 100 tables, and required less money to attend. The pre-dinner event was in a smaller stateroom and required a \$10,000 donation. Those attending the pre-dinner event were escorted to the smaller room first, then to the big dinner.

HUANG believed that LUCY HAM and JOHN LEE went to the smaller, exclusive event because they paid, or were paid for, to attend. HUANG did not attend this exclusive pre-dinner event.

HUANG arranged the hotel room for the CAA, Inc. group. He tried to get them tickets for events each night and passes for each day. He described the process of obtaining the tickets for the events each night as a "madhouse." The CAA, Inc. group went to the CONVENTION some nights.

He did not organize the GALA event, but all of the DNC fundraisers had to chip in to help out.

Two or three of the CAA, Inc. party attended the pre-dinner event. LUCY HAM and JOHN LEE definitely attended the pre-dinner reception. LEE communicated to HUANG that LEE's group was very impressed that the POTUS still recognized their faces at the pre-dinner event. Approximately 150-200 people attended the \$10,000 pre-dinner event. All of the CAA party attended the GALA dinner. LEE's table was the first or second table next to the podium where the POTUS was speaking. Approximately 1000-1500 people attended the \$1000 GALA dinner. HUANG advised that a lot of people that attended the CONVENTION were political activists and left before the GALA. HUANG had 3 tables of Asian Americans at the GALA, approximately 30 people. These tables were scattered throughout the room.

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LUCY HAM handed the checks to HUANG either the same day or the night before the GALA dinner and pre-dinner reception.

At this time, HUANG was shown the two check tracking forms for \$10,000 for the checks received from HAM and LEE. HUANG stated that he did fill out these forms. HUANG stated that he filled out some of the check tracking forms in Chicago and some once he got back to Washington, D.C. HUANG stated that he only looked at the check imprint, and not the signature, to fill out the check tracking form. HUANG wrote "re: Lucy Ham" on LEE's check tracking form to signify that HUANG received the check through LUCY HAM. HUANG did not think at the time that check from KYUNG HOON LEE was from DR. JOHN LEE.

When asked why he felt the LEE check was valid, HUANG stated that it was very chaotic at the CONVENTION. People were fighting for seats and he was trying to get contribution checks in as soon as possible. Attendance at the \$10,000 pre-dinner event was limited and on a first come, first serve basis. He was getting checks in immediately without looking for a lot of detail. HUANG gave the 2 checks for \$10,000 he received from LUCY HAM to the woman who handled the event. HUANG did not remember her name. He most likely filled out the check tracking form in Chicago.

HUANG stated that the money for the event could be raised by someone and then they could have a different person go to the event. HUANG stated he did not know that KYUNG HOON LEE was DR. JOHN K.H. LEE. HUANG mentioned to LUCY HAM, either before or at Chicago, who could give money. Either US citizens or permanent residents could give money. HUANG returned to Los Angeles first, from Chicago, for the weekend and then went to Washington, D.C.

At no time prior to the story blowing up in the press, did HUANG realize the check was from the DR. LEE of CAA, Inc. HUANG stated that he had made a mistake. At the time he received the check, if the check imprint had said DR. K.H. LEE, HUANG may have "caught it." HUANG stated that there were a lot of indications that LEE was not an American citizen.

When shown a letter dated 09/16/1996 from LEE to HUANG, HUANG stated that he did see this letter. He did not respond to

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it though, especially since the news broke 3-4 days later.

HUANG went over to LEE's table at the GALA dinner to say hello as a courtesy. The POTUS spoke at the podium and then left. The LEE group table was very close to the podium that the POTUS spoke from. At this time, LEE communicated to HUANG that he was very impressed because the POTUS had recognized their faces at the VIP reception prior to the GALA. This made LEE very happy. At that time, LEE communicated to HUANG that he would like to play saxophone with the POTUS. HUANG stated that although LEE suggested a meeting between himself and the POTUS at LEE's house, "this would never get done." HUANG did not take steps to get the photos from the reception party that LEE requested.

When asked about KAP SOO CHOI and the Liberal Democratic Federation in Korea, HUANG stated he did not know specifically, but that it may be a minority party to the current Korean President.

When asked what discussions he had with people at the DNC around the time the newspaper story regarding the \$250,000 CAA, Inc. contribution broke, HUANG said that he was at his home in Los Angeles when SANDLER called in the evening. SANDLER indicated that the news media, a Los Angeles Times reporter, was very interested in this matter and was calling the DNC as a courtesy. SANDLER asked HUANG about CAA, Inc. HUANG called LUCY HAM to raise "the" questions regarding CAA, Inc. LUCY HAM was forthcoming with the information about CAA, Inc. He found out, unfortunately, that CAA, Inc. was just incorporated in January or February of that year, and was not in real operation. He knew that was wrong. This was a low moment for HUANG. When asked if HUANG "yelled" at LUCY HAM, he said no, but he was upset, he had gone out of his way to get tickets for her. HUANG immediately called SANDLER and said "we have to return the \$250,000 check." The DNC returned the check the next day. There was no attempt by the DNC to blame someone or punish HUANG.

SANDLER never saw the checks. HUANG did not know if he explained to SANDLER or anyone what led him to believe that the checks were "ok" in the beginning. He took responsibility for the mistake.

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When asked about the circumstances of the returning of the \$10,000 check later, HUANG replied that happened after he returned to Washington D.C. Once HUANG returned to Washington D.C., there were evening sessions to discuss how to handle the media. When HUANG and SANDLER were discussing "this issue", HUANG informed SANDLER that the CAA, Inc. group of people went to the Chicago GALA. SANDLER wanted to know if they gave money. SANDLER checked on the \$10,000 with his records and HUANG called LUCY HAM. SANDLER told HUANG that JOHN LEE did not give the \$10,000 check. SANDLER's office said LEE did not give the check, probably because all of the forms had his full name. But, LUCY HAM told HUANG that JOHN LEE did give money. HUANG asked her "How come you had LEE give the money? He's not a citizen." HUANG was upset. SANDLER then double checked and found that it was KYUNG HOON LEE's check. The \$10,000 check from LEE had to be returned. Within 1 week of the newspaper story breaking, the \$10,000 LEE check was discovered.

Prior to calling LUCY HAM about the check, HUANG believed that no money had been received from JOHN LEE as an individual.

At this point, HUANG was asked about the circumstances regarding the memorandum dated 09/20/1996 from SIEWART and SANDLER. HUANG and SANDLER had a face to face meeting to discuss the response to the press. HUANG did not have a copy of that response. When asked if he conveyed that he was led to believe that LEE was a US citizen, HUANG stated that he had given the parameters that only a US citizen, permanent resident or US subsidiary could make donations. At the time of the \$250,000 CAA, Inc. contribution, HUANG did not believe that LEE was a US citizen or a permanent resident. HUANG did not recall telling SANDLER that LEE was a US citizen or a permanent resident. JAKE SIEWART was not present at the face to face meeting. HUANG did not know who SIEWART was. HUANG did not see the SANDLER/SIEWART memo.

HUANG stated that where the memo said that the DNC's fundraiser had been led to believe that LEE was a permanent resident was clearly wrong. No one told him the LEE had a social security number. HUANG would not rule out that he told this to SANDLER. HUANG conveyed to SANDLER that 2 of the board members of CAA, Inc. were US citizens, WON HAM and LUCY HAM.

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HUANG was told by LUCY HAM in September, 1996 when he called her that LEE was not a permanent resident, but that his son was. HUANG did not know that LEE had a son until this time.

HUANG, at some point, learned from LUCY HAM that LEE traveled back and forth from Korea. HUANG learned of LEE's Beverly Hills, California residence after September 20, 1996. Prior to that, HUANG believed that LEE probably had a US residence, because having houses in both Korea and the US was a "normal procedure." It was HUANG's experience that foreign businessmen maintained homes in the US as well as overseas and traveled back and forth between both residences. HUANG stated that he was clear on the difference between holding "residence" and being a permanent US resident. He stated that one could maintain a residence in the US without being a permanent resident.

HUANG thought that the majority of the US subsidiary board had to be US citizens to make a contribution, but he was mistaken. He subsequently learned from his counsel that no foreign national could have any role in the decision to contribute. At the time the \$250,000 contribution was made, he understood that if the majority of the board of a US subsidiary was comprised of US citizens, a contribution could be made. He did not know that a foreign national could not be involved in the contribution. At the time he accepted the \$250,000 check, he did not think that LEE was either a US citizen or a permanent resident.

HUANG has had no contact with OCHI since 1996.

HUANG has had no contact with KEANEY since October 8 or 9, 1996. At that time, the news "broke" on HUANG. KEANEY called him to say the MATSUI would like to talk with him. HUANG was concerned and hoped that this would not cost the democrats the re-election.

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**JOHN HUANG FBI INTERVIEW SUMMARY**  
**JANUARY 19, 1999 – FEBRUARY 10, 1999**

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/22-3/25/1999

Pursuant to a proffer agreement with the United States Attorney's Office, JOHN HUANG, born 04/14/1945, social security account number 045-50-1063, home address 1978 Starvale Road, Glendale, California, was interviewed on 1/19/1999, 1/20/1999, 1/21/1999, 1/29/1999, 2/05/1999, 2/09/1999 and 2/10/1999 at the United States Attorney's Office, 312 North Spring Street, Los Angeles, California.

The following individuals were present during the proffer session held on 1/19/1999: Assistant United States Attorney (AUSA) DANIEL O'BRIEN, AUSA LAWRENCE NG, SA JENNIFER M. TEASDALE, SA STEVEN A. GOLDMAN, JOHN HUANG, Attorney JOHN C. KEENEY, JR. and Attorney JOHN POTTER. KEENEY, business address 555 Thirteenth Street NW, Washington, D.C., and POTTER, business address 500 South Grand Avenue, Los Angeles, California, were attorneys with HOGAN & HARTSON, L.L.P., representing HUANG. AUSA O'BRIEN provided HUANG, KEENEY and POTTER copies of the proffer agreement on 1/19/1999, and HUANG signed the agreement prior to any questioning. HUANG was asked a series of questions pursuant to the proffer agreement signed on 1/19/1999.

On 01/20/1999, the following individuals were present during the proffer session: AUSA O'BRIEN, AUSA NG, SA TEASDALE, SA GOLDMAN, SA CATHLEEN A. CONNOLLY, HUANG, KEENEY, POTTER and Attorney TY COBB. COBB, business address 1200 Seventeenth Street, Denver, Colorado, was an attorney with HOGAN & HARTSON, L.L.P., representing HUANG. HUANG was again asked a series of questions pursuant to the proffer agreement signed on 1/19/1999.

On 01/21/1999, the following individuals were present during the proffer session: AUSA O'BRIEN, AUSA NG, SA TEASDALE, SA GOLDMAN, HUANG, KEENEY and COBB. HUANG was again asked a series of questions pursuant to the proffer agreement signed on 1/19/1999.

The following individuals were present during the proffer session held on 1/29/1999: AUSA O'BRIEN, SA TEASDALE, SA CONNOLLY, JOHN HUANG and KEENEY. AUSA O'BRIEN provided HUANG and

Investigation on 1/19-2/10/1999 Los Angeles, CA  
# 58A-HQ-1193317-HUANG -821 -LG -65 -302 -4911  
by SA Jennifer M. Teasdale Date dictated

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KEENEY copies of the proffer agreement on 1/29/1999, and HUANG signed the agreement prior to any questioning. HUANG was asked a series of questions pursuant to the proffer agreement signed on 1/29/1999.

The following individuals were present during the proffer session held on 2/05/1999: AUSA O'BRIEN, SA TEASDALE, SA GENE L. KENNEDY, JOHN HUANG, COBB and KEENEY. AUSA O'BRIEN provided HUANG, COBB and KEENEY copies of the proffer agreement on 2/05/1999, and HUANG signed the agreement prior to any questioning. HUANG was asked a series of questions pursuant to the proffer agreement signed on 2/05/1999.

The following individuals were present during the proffer session held on 2/09/1999: AUSA O'BRIEN, SA TEASDALE, SA J. DALE WALKER, JR., JOHN HUANG and KEENEY. AUSA O'BRIEN provided HUANG and KEENEY copies of the proffer agreement on 2/09/1999, and HUANG signed the agreement prior to any questioning. HUANG was asked a series of questions pursuant to the proffer agreement signed on 2/09/1999.

The following individuals were present during the proffer session held on 2/10/1999: AUSA O'BRIEN, SA TEASDALE, JOHN HUANG and KEENEY. AUSA O'BRIEN provided HUANG and KEENEY copies of the proffer agreement on 2/10/1999, and HUANG signed the agreement prior to any questioning. HUANG was asked a series of questions pursuant to the proffer agreement signed on 2/10/1999.

After being advised of the identity of the interviewing agents and after signing the proffer agreement, HUANG provided the following information:

BACKGROUND

HUANG moved between LIPPO BANK and BANK OF CENTRAL ASIA as a result of a change in the structure at BANK OF CENTRAL ASIA. MOCHTAR RIADY and first name unknown (FNU) LIEN were once partners in a joint venture involving BANK OF CENTRAL ASIA. As a result, the financial side of BANK OF CENTRAL ASIA was managed by JAMES RIADY. LIEN worked primarily on the industrial side of BANK OF CENTRAL ASIA. M. RIADY and LIEN were friends; however, the younger generation LIENS and RIADYs wanted to run the companies separately. Therefore, in 1990, the RIADY family transferred its ownership in BANK OF CENTRAL ASIA back to LIEN.

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HUANG was directed by J. RIADY to run LIPPO GROUP's (LIPPO GROUP refers to LIPPO entities and LIPPO BANK in this document) financial operations in the United States (U.S.). HUANG worked at LIPPO BANK as an officer in the mid 1980s. In 1988, HUANG was transferred to New York to work at BANK OF CENTRAL ASIA.

After the split of the joint venture between BANK OF CENTRAL ASIA and LIPPO GROUP in approximately 1990, HUANG was transferred to California and was put on the Board of Directors of LIPPO BANK. HUANG did not receive the position of an officer because management of the bank was already in place. As Vice Chairman of the Board, HUANG served on the loan committee and the executive committee of LIPPO BANK. BIE ONG was the Chairman of the Board when HUANG first became a board member.

HUANG's responsibilities in Los Angeles were to oversee LIPPO BANK, manage the LIPPO GROUP property development companies, including HIP HING HOLDINGS (HHH), TOY CENTER HOLDINGS (TCH) and SAN JOSE HOLDINGS (SJH), and handle LIPPO GROUP's community relations, including political contributions (hereinafter referred to as "contribution(s)").

HUANG did not run the day to day operations at LIPPO BANK. Rather, it was the President and Chief Executive Officer's (CEO) job to manage the bank's operations. HUANG's role was to keep an eye on the big picture at the bank; however, HUANG's role was not to direct the President and CEO in bank procedures and operations. The President and CEO was the one actually "pushing the buttons" at the bank. When HUANG moved to Los Angeles, all of the positions at LIPPO BANK that dealt with the daily operations at the bank were filled, and there was no need for a newly created position, which was a reason for HUANG becoming a board member at LIPPO BANK. DAVID YEH was the President and CEO of LIPPO BANK at the time HUANG became a board member.

At first, HUANG was not viewed as a dominant figure on the board of LIPPO BANK. However, after D. YEH left his position at the bank, people began to view HUANG as a more dominant figure because HUANG had a long tenure with LIPPO GROUP. JAMES ALEXANDER, D. YEH's successor as President and CEO of LIPPO BANK, did not have any ties to LIPPO GROUP. JAMES PER LEE worked in the position of President and CEO of LIPPO BANK after ALEXANDER left such position.

Since he first met HUANG, M. RIADY thought that HUANG's

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strength was in dealing with people, which was very important to M. RIADY. Due to HUANG's personality, he was tasked with becoming involved in community and political activities.

HUANG managed the LIPPO GROUP entities in the U.S. HUANG thought that the properties owned by HHH, TCH and SJH were acquired around 1984 or 1985. It was J. RIADY's idea to acquire the TCH and SJH properties as part of his plan to expand banking operations. HUANG went along with J. RIADY to look at the properties and gave his opinion on them. SJH was acquired prior to TCH. J. RIADY intended on opening a LIPPO BANK branch on the SJH property, which was formerly a YMCA building. Eventually, a branch of LIPPO BANK was opened on the SJH property. The TCH property was acquired because there were many toy businesses in the area, and people did business on a cash and carry basis. J. RIADY intended on opening a bank branch in the area of the TCH property in an effort to attract the businesses in the area to become depositors. However, a LIPPO BANK branch was never opened in the area of the TCH property. Consultants were used to conduct studies on the property development planned for HHH; however, the development never occurred.

Even though HUANG was not experienced in property development, he was assigned to manage the property development companies, such as HHH, TCH and SJH, because there was no one else from LIPPO GROUP to do such jobs. Also, he could always hire someone to work on the actual development portions of the jobs. JULIANA LANO-UTOMO helped HUANG out with the property development companies, and she had a degree in engineering. HUANG's role at the property development companies was one of oversight. J. RIADY was still the final decision maker.

In his various jobs at the LIPPO GROUP companies, HUANG spent approximately 50% of his time working on community relations. LIPPO BANK was having problems; therefore, HUANG spent time visiting clients and developing confidence to prevent LIPPO BANK from losing their business. HUANG considered this an important part of his job. HUANG's position as a member of the Board of Directors of LIPPO BANK did not require much time since the bank had a President and CEO to run the daily operations. HUANG did not have a set schedule or format in which he was expected to report to J. RIADY as his superior. However, HUANG was in contact with J. RIADY at least once per week.

LIPPO BANK's philosophy was to take care of its Asian

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community and support its people. It was important that these people become productive members of the community. LIPPO BANK helped these people financially and gave loans to people that did not have financial statements that looked good but that had good reputations in the community and worked long hours. Bank regulators would evaluate such loans based upon the financial statements of the loan recipients and would give the loans bad ratings, which is why LIPPO BANK was viewed as a "problem bank."

PURPOSE OF CONTRIBUTIONS

HUANG made numerous contributions. HUANG was serving both his own interests and J. RIADY's interests by making contributions. HUANG wanted the 1990 immigration bill to pass and for the Chinese community to have a voice in the U.S. As a businessman, J. RIADY and LIPPO GROUP would benefit from contributions because foreign businessmen highly regarded those that had political contacts in the U.S. HUANG did not give a contribution to everyone who asked him to contribute. HUANG was never prohibited from making a contribution that would serve the needs of himself and LIPPO GROUP.

HUANG made his first contribution in approximately 1987 to SENATOR HARRY REED. HUANG was in Los Angeles at the time of the contribution. One of HUANG's friends, whom he believed was his friend BILLY HUANG, was hosting an event for REED and invited HUANG to attend. HUANG made a contribution to REED for a few hundred dollars at that time.

J. RIADY was more active than HUANG in politics at the time HUANG made his first contribution in approximately 1987. HUANG advised that in the banking business, it was necessary to establish numerous contacts. Such contacts were important in order to "drum up" business for LIPPO BANK. The philosophy of the RIADY family was that if people attend functions, they would get to know more people, which would help themselves personally and in business. HUANG explained that people who do business need political contacts. The U. S. was a very powerful country, and other countries pay attention to what happens in the U. S. It is important for foreign businessmen to establish contacts or "links" in the U.S. Foreign businessmen who maintain political contacts in the U.S. are highly regarded in foreign countries. For instance, a foreign businessman would be highly regarded in his country if seen greeting a U.S. Senator in a familiar manner. Although HUANG doesn't recall a specific conversation with J.

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RIADY concerning the above, HUANG was certain that he had a conversation with J. RIADY at some point in time.

The transition from HUANG's first contribution to the time when he began making numerous contributions to various campaigns began when HUANG became involved in the community and began working with community leaders. HUANG began to receive telephone calls requesting that he raise money for various candidates. At the time, HUANG's primary goal was to get the 1990 immigration bill passed. However, HUANG's contributions were also intended to benefit LIPPO GROUP in the long run. HUANG used his own money to pay for the contributions because making such contributions was a part of his job at LIPPO GROUP due to his expected involvement in community relations. There was an understanding that HUANG would support LIPPO GROUP by making contributions. This understanding was evidenced by the dollar amount HUANG received for his bonuses. It was part of HUANG's job performance to make contributions.

HUANG submitted written reports to J. RIADY perhaps annually listing who HUANG had contributed to and the dollar amounts of such contributions. Sometimes, HUANG had discussions with J. RIADY regarding the candidates who received contributions. Although HUANG and J. RIADY did not explicitly discuss HUANG being reimbursed for the contributions listed on the reports, HUANG knew that he would be "taken care of" for doing such a good job, which was reflected in HUANG's bonuses. Although the amounts of HUANG's bonuses did not exactly equal the amounts of his contributions, the amounts of his bonuses were comparable to the amounts of his contributions.

HUANG applied for a line of credit at LIPPO BANK, and the Board of Directors at LIPPO BANK approved his application. The line of credit was fully secured, and HUANG himself made the payments on it. HUANG wanted a small line of credit to avoid ever running short of cash. The fact that HUANG was using a lot of his personal funds up front to make contributions was a consideration when HUANG decided to apply for the line of credit.

HUANG's severance package received for his work at LIPPO GROUP was not intended to be a reimbursement for contributions. HUANG did not have a retirement plan at LIPPO GROUP; therefore, the severance package was given to him. His severance package payment was not paid by LIPPO BANK but from another LIPPO GROUP entity, probably one in Indonesia. HUANG did not know the specific source of his

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severance package funds and did not know the reason for it being paid in such manner.

HUANG himself primarily made the decisions of who to give contributions. J. RIADY was usually overseas. In rare instances, J. RIADY determined to whom HUANG should give contributions. For instance, J. RIADY once informed HUANG that "support" should be given to LARRY PRESSLER because PRESSLER was a friend of JACK STEPHENS. STEPHENS' "people" had a fundraiser for PRESSLER. HUANG asked LIPPO GROUP employees to make contributions to PRESSLER and informed them that J. RIADY wanted them to support PRESSLER. HUANG believed that the LIPPO GROUP employees would have the same understanding that he had regarding contributions. HUANG thought they were "taken care of" for making contributions.

J. RIADY had probably committed to support MICHAEL WOO since WOO's father was on the Board of Directors of CATHAY BANK. HUANG understood that J. RIADY had some contact with WOO.

HUANG made a contribution to SENATOR MCCONNELL of Kentucky because MCCONNELL sat on the immigration committee. HUANG made contributions to NORA LUM's campaign fundraising efforts because LUM asked him to chip in for the cost of a fundraising event.

ELAINE CHAO, who was appointed to the Cabinet by PRESIDENT BUSH, called HUANG and informed him that SENATOR D'AMOTO, who was on the banking committee, was coming to Los Angeles. HUANG made a \$500 contribution to SENATOR D'AMOTO in July 1992. Such contribution was one of the few contributions HUANG made to a Republican.

HUANG made the majority of his contributions to national campaigns because federal candidates running for U.S. political offices were more impressive by name overseas. Also, federal candidates were the ones involved in getting U.S. immigration laws passed.

Contributions to state and local candidates were made for the general purpose of establishing "open channels for future needs." However, such contributions were also made to support the LIPPO GROUP property development companies since property development related legislation is primarily a result of state and local governments.

When HUANG first worked for LIPPO GROUP, J. RIADY was a

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strong-willed person and had a forceful demeanor. As an employee of J. RIADY, HUANG felt he had to do what he was told, including make contributions. In probably 1990 or 1991, J. RIADY and the RIADY family converted to the Christian faith. J. RIADY's personality changed after he became a Christian, he became more polite towards others and gave testimonies regarding GOD. However, J. RIADY did not make any major changes in the way he behaved regarding business matters. J. RIADY was close to PAT ROBERTSON, and J. RIADY wanted to promote Christianity in China. In some instances, J. RIADY requested that HUANG attend church services with him. HUANG went to such services to please J. RIADY.

KNOWLEDGE OF RULES AND PROVISIONS

THIS MATERIAL HAS BEEN REDACTED

BECAUSE IT PERTAINS TO THE PENDING

CRIMINAL TRIAL OF MARIA HSIA

IN UNITED STATES v. MARIA HSIA, Cr. No. 98-57-PLF

TRIAL IS SCHEDULED FOR JANUARY 18, 2000

When HUANG worked for LIPPO GROUP, some of the LIPPO GROUP subsidiaries made contributions. HUANG understood that U.S. subsidiary companies could make contributions based on his own understanding of the rules regarding who could make contributions and because some of the LIPPO GROUP subsidiaries had made contributions. When HUANG was at LIPPO GROUP, he also verified with someone at the

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DEMOCRATIC NATIONAL COMMITTEE (DNC) that U.S. subsidiaries could make contributions. HUANG could not remember the name of the person he spoke to at the DNC.

HUANG knew for certain that J. RIADY knew that a foreign entity could not contribute, but HUANG could not recall how HUANG came to this understanding. However, HUANG recalled a telephonic conversation between J. RIADY and HUANG in which J. RIADY most likely called HUANG from Jakarta to question a \$50,000 contribution made by HHH in August of 1992. J. RIADY asked HUANG if HUANG was sure that the LIPPO GROUP entities could make contributions. HUANG said that HHH could because it had revenues generated in the U.S. HUANG thought that J. RIADY asked HUANG about the HHH contribution because corporate contributions had not been made at LIPPO GROUP before that time. In this conversation, HUANG and J. RIADY did not discuss FEC rules regarding hard and soft money corporations made by entities. J. RIADY did not question HUANG's statement regarding the legality of contributions from corporations with revenues generated in the U.S. HUANG prepared a memo sent to ONG BWEE ENG ("ENG"), also known as MEI ING, which requested overseas reimbursement of the August 1992, \$50,000 contribution to the DNC.

At that time, HUANG and J. RIADY did not discuss LIPPO GROUP entities' contributions being reimbursed from overseas. However, it was fair to say that if J. RIADY had focused on the fact that the source of contributions made by LIPPO GROUP entities was foreign funds, J. RIADY would have known such contributions were illegal.

HUANG began later to communicate FEC rules to J. RIADY when necessary. There was only one time when HUANG had to correct J. RIADY's understanding of FEC rules. Some fines from the Secretary of State's Office had been incurred due to J. RIADY's misunderstanding of in kind contributions verses monetary contributions. HUANG took care of all necessary paperwork related to such fines.

J. RIADY, HSIA, FRED HONG and HUANG were involved in the PACIFIC LEADERSHIP COUNCIL, which held monthly meetings mostly in connection with raising money for the DEMOCRATIC SENATORIAL CAMPAIGN COMMITTEE (DSCC). J. RIADY, HSIA and F. HONG were actively involved in federal campaigns in the late 1980s because of the immigration issues outstanding at that time. HUANG became more active in the monthly meetings after J. RIADY's departure.

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While working at LIPPO GROUP, HUANG most likely informed contributors of the FEC rules regarding contributions only if they did not already know such rules. If a contribution check was too large or a corporate check was supplied, a discussion was initiated. Rules were also stated on the various campaign committees' donor cards. At the time contributions were given, HUANG did not typically need to question contributors regarding their citizenship status because HUANG would have already established with the contributors whether or not they were U.S. citizens or green card holders. If HUANG did not know a contributor's immigration status, he would ask. HUANG did not recall having to ask someone whether or not he/she held a green card while HUANG was working at LIPPO GROUP.

While working at LIPPO GROUP, HUANG targeted individuals, such as specific LIPPO GROUP employees, whom he already knew were U.S. citizens or green card holders to make contributions. There were a few instances when campaign committees that received contributions from LIPPO GROUP employees asked HUANG who the individuals were and the status of their green cards. Once, a LIPPO GROUP employee made a contribution to MATT FONG's campaign for State Treasurer or Board of Equalization, and the check had a foreign address listed on it for the contributor. Someone at FONG's campaign committee raised questions with HUANG regarding the contribution check due to the foreign address on the check. HUANG informed the individual that the contributor was a green card holder and that there was no need to directly question the contributor regarding his/her green card status.

If HUANG received a business check for a contribution while he worked at LIPPO GROUP, HUANG informed the person that handed him the check that he could not accept it.

In approximately 1993, there were some instances when the DNC questioned HUANG regarding contribution checks written off of foreign bank accounts with foreign addresses listed for the contributors. HUANG informed the DNC that the contributors were LIPPO GROUP employees and were green card holders. HUANG did not speak to the contributors regarding the DNC inquiries because HUANG already knew that they were green card holders. HUANG could not recall the name of the person at the DNC whom he spoke to and did not know if the DNC ever directly contacted such contributors. D. YEH was one of the individuals HUANG was questioned about from either FONG or DNC personnel. HUANG knew D. YEH's green card status because HUANG was told that D. YEH had to obtain a green card to work for LIPPO GROUP in

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the United States. HUANG did not know where in the U.S. or when D. YEH obtained his green card.

To the best of HUANG's knowledge, LIPPO BANK did not make contributions. HUANG did not want the bank involved in making contributions because the bank was having problems. Also, other banks in the community did not make contributions. If LIPPO BANK were to make a contribution, the Board of Directors would have to approve it. Someone on the Board of Directors would probably disagree with the bank making contributions; therefore, HUANG thought there was no point in raising the issue.

AUSA O'BRIEN showed a copy of B.O.T. CORPORATION, N.V. (B.O.T.) check number 1637, drawn off of a LIPPO BANK account, in the amount of \$1,000, payable to DAVID ROBERTI CAMPAIGN COMMITTEE, dated November 18, 1991. HUANG confirmed that himself and SETIAWAN had signed the check. HUANG could not recall any specific conversations he had with anyone regarding such check. AUSA O'BRIEN then showed a copy of a flyer to HUANG for the L.A. Chinese Community Appreciation Dinner in honor of SENATOR DAVID ROBERTI held on Thursday, November 21, 1991, at the HARBOR VILLAGE RESTAURANT, 111 North Atlantic Boulevard, Monterey Park, California. AUSA O'BRIEN also showed HUANG a copy of a donor card for ROBERTI, which indicated that B.O.T. had contributed \$1,000. HUANG thought the handwriting appeared to be SETIAWAN's on the donor card. However, HUANG advised that HUANG himself would have directed SETIAWAN to make the contribution. SETIAWAN would not have known as much as HUANG about rules regarding corporate contributions. However, SETIAWAN would have known conduit contributions were prohibited under the rules, contributors had to be U.S. citizens or permanent resident green card holders, and there were \$1,000 limits on certain contributions made by an individual. The check was provided as part of a fundraiser. HUANG felt that the contribution from a Netherlands Antilles corporation must have been an inadvertent mistake on his part.

AUSA O'BRIEN showed a copy of voided B.O.T. check number 1659, drawn off of a LIPPO BANK account, in the amount of \$1,000, payable to MARCH FONG EU CAMPAIGN COMMITTEE, dated February 21, 1992. HUANG confirmed that himself and SETIAWAN had signed the check. HUANG advised that it appeared that B.O.T. had given the money; however, he could not recall any details regarding the check other than that it would have involved a campaign event. HUANG could not recall the circumstances surrounding the check getting voided or rejected by the

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campaign committee. HUANG's contact with the MARCH FONG EU CAMPAIGN COMMITTEE was probably DAVID LAI.

AUSA O'BRIEN showed a copy of voided B.O.T. check number 1703, drawn off of a LIPPO BANK account, in the amount of \$1,000, payable to MIKE WOO FOR MAYOR - ID# 922064, dated October 16, 1992. HUANG confirmed that SETIAWAN had signed the check but stressed that HUANG himself would have been the one who decided to make the contribution. DAVID LANG would have been his contact at WOO's campaign regarding the contribution. LANG called HUANG regarding the B.O.T. contribution on the same day the contribution was received after a WOO breakfast. LANG told HUANG that he could not accept the B.O.T. check. HUANG thought that LANG knew that B.O.T. was a foreign entity because of the N.V. in the company name, which indicated Netherlands Antilles. LANG politely asked HUANG for another check. HUANG could not recall any additional details regarding the contribution and its circumstances.

AUSA O'BRIEN showed a copy of voided B.O.T. check number 1718, drawn off of a LIPPO BANK account, in the amount of \$2,000, payable to KATHLEEN BROWN COMMITTEE ID# 890011, dated December 07, 1992. HUANG confirmed that himself and SETIAWAN had signed the check. HUANG could not recall any details regarding the check other than that CATHY UNGER would have been his contact at BROWN's campaign regarding the contribution. HUANG could not recall the circumstances surrounding the check getting voided or rejected by the campaign committee.

It was a mistake that the ROBERTI, EU, WOO and BROWN contributions were made by B.O.T. because B.O.T. was a foreign entity. HUANG thought that when he made the first B.O.T. contribution to ROBERTI, HUANG may have thought that B.O.T. was a California entity. HUANG took full responsibility for making these contributions since he would have been the person to have made the decision to make the contributions. HUANG does not know why he continued to make contributions from B.O.T. once the contribution made to EU's campaign committee was rejected. HUANG was probably never told that some of the B.O.T. contributions were rejected by the campaign committees. Once the checks were returned, they may have not "passed his desk."

HUANG did not recall the specific people that attended a breakfast held at MAXIE'S RESTAURANT to raise money for GLORIA OCHOA and WOO's campaigns. HUANG did remember the event itself and that

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there were only a few people there. HUANG thought that LANG was there. HUANG remembered making a contribution to OCHOA for the event.

SETIAWAN was a Chinese man from Indonesia, was younger than HUANG and was hard working. SETIAWAN was diagnosed with leukemia. SETIAWAN was not forceful when dealing with HUANG. SETIAWAN may have been forceful with J. LANO-UTOMO, who did not work well with SETIAWAN. SETIAWAN joined LIPPO GROUP in Indonesia and may have had a relationship with J. RIADY. SETIAWAN was very knowledgeable in accounting and performed bookkeeping functions while acting as Controller of various LIPPO GROUP entities in the United States. Sometimes, SETIAWAN had to hire accountants from outside the LIPPO GROUP entities to assist him with bookkeeping functions due to heavy workload. SETIAWAN knew the foreign, \$1,000 and conduit prohibitions regarding campaign contributions. SETIAWAN probably did not know the prohibitions regarding corporate contributions.

POSSIBLE QUID PRO QUOS

J. RIADY believed that in general, free trade would be good for everyone and would benefit LIPPO GROUP. However, HUANG was not aware of any quid pro quo situations regarding free trade issues and contributions made by J. RIADY, HUANG himself, LIPPO GROUP employees or LIPPO GROUP entities. HUANG did not believe that contributions were made by J. RIADY, HUANG himself, LIPPO GROUP employees or LIPPO GROUP entities primarily to promote free trade even though such contributions "wouldn't hurt" when it came to pending free trade issues in the U.S.

Rather, contributions were made primarily because foreign businessmen were highly regarded overseas that had political contacts in the U.S. LIPPO GROUP employees, HUANG and J. RIADY obtained political contacts when contributions were given to campaign committees.

HUANG could not recall having any specific conversations with J. RIADY where J. RIADY asked HUANG to lobby on a specific issue. J. RIADY tried to get U.S. officials to go to East Timor to get a better understanding of what was going on there. However, HUANG was not aware of the reason J. RIADY took an interest in East Timor. HUANG laughed in response to questions concerning J. RIADY's interest in Utah coal restrictions. J. RIADY's coal interests were minimal. Indonesia had significant infrastructure problems which prohibited the

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development of its coal resources. J. RIADY did ask HUANG to deliver a letter to PRESIDENT WILLIAM JEFFERSON CLINTON concerning China and Vietnam.

The joint venture between CHINA RESOURCES and LIPPO GROUP formed after HUANG was no longer employed at LIPPO GROUP. CHINA RESOURCES was the largest trading group outside of China.

In approximately 1990, M. RIADY met with MR. LI PENG (phonetic) and LI LANQIANG (phonetic), the former Premier and Vice Premier of China, respectively. M. RIADY did not feel comfortable dealing with China until after he traveled there for six to nine months. M. RIADY noticed that China was trying to lure its students that were educated and living in the U.S. back to China. HUANG had not met LI PENG. HUANG had no pertinent knowledge of the Chinese intelligence community.

#### LIPPO GROUP ENTITY LIABILITY

The CALIFORNIA DEMOCRATIC PARTY (CDP) opened some bank accounts at LIPPO BANK possibly because it was a minority bank, and CDP may have had a policy to open accounts at minority banks. It was also possible that the accounts were opened at LIPPO BANK due to campaign contributions received from LIPPO GROUP employees. However, HUANG was not sure of the specific reason the CDP accounts were opened at LIPPO BANK. HUANG knew BILL PRESS, who previously worked for the CDP. However, HUANG did not solicit business from the CDP for LIPPO BANK.

HUANG was not a director of LIPPO GROUP. HUANG could not recall who gave him the title President of LIPPO GROUP USA. If J. RIADY were asked who gave HUANG such title, J. RIADY would probably state that he himself had given HUANG the title. J. RIADY was the one who started introducing HUANG as President of LIPPO GROUP USA. Such job title was less meaningful that it appeared. HUANG appreciated the title, but there were no changes made to his responsibilities for LIPPO GROUP once he obtained his job title. There was no other person in the U.S. that claimed the title President of LIPPO GROUP USA. HUANG did not know why the U.S. CEO of LIPPO BANK, which was LIPPO GROUP's largest business in the U.S., would not claim the title President of LIPPO GROUP USA. Also, LIPPO BANK was only "loosely" part of LIPPO GROUP. LIPPO GROUP was a group of nonconsolidated companies owned in part or in full by the RIADY family. LIPPO GROUP

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was like an Asian holding company. The use of a group name which acted like a holding company was common in Asian businesses.

HUANG was not the best person to answer the question of why AGUS SETIAWAN was paid reimbursements from the foreign entity B.O.T. even though SETIAWAN worked for HHH or why SUSANTO WIDJAJA received payments from HHH even though WIDJAJA worked for LIPPO BANK. The best person to answer such questions was ENG, LIPPO GROUP Treasurer. Similar types of reimbursements were paid to HUANG as well. For instance, when he worked in Hong Kong, he was paid by WORTHEN BANK even though he did not work for WORTHEN BANK.

HUANG was not sure who initiated and directed LIPPO GROUP intercompany loans; however, SETIAWAN probably had the discretion to perform such functions.

#### LIPPO GROUP ENTITY CONTRIBUTIONS

HUANG was the one who decided to make corporate contributions through LIPPO GROUP entities, such as HHH, TCH and SJH. The contribution checks were written off of LIPPO GROUP entities' bank accounts. Memos were sent overseas to ENG requesting foreign reimbursement to the LIPPO GROUP entities for the contributions. HUANG advised that there should have been memos requesting overseas reimbursements for all contributions made by LIPPO GROUP entities. HUANG took full responsibility for the contributions made by LIPPO GROUP entities being reimbursed with foreign funds.

HUANG did not recall a dollar limit on his check signing authority at HHH, SJH and TCH. However, two signatures were required on all HHH, SJH and TCH checks. Memos for the reimbursement of business expenses were sent to ONG BWEE ENG. HUANG was unsure of ENG's official job title, but her function was treasurer for the entire LIPPO GROUP. HUANG speculated that it could have been J. RIADY that approved the reimbursement memos sent to ENG based on J. RIADY's authority level at LIPPO GROUP. However, HUANG was not sure because all he did was send the memos directly to ENG.

HUANG advised that the normal process regarding reimbursement requests was as follows. SETIAWAN or J. LANO-UTOMO prepared the reimbursement request memos, and HUANG initialed the memos. If the reimbursement money requested in the memos was not received in a day or two, SETIAWAN would call someone regarding the

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memos.

AUSA O'BRIEN showed a copy of a sample reimbursement request memo with a faxed date of August 27, 1993, to MRS. ONG BWEE ENG from HUANG regarding reimbursement of various expenses. HUANG could not identify the handwriting at the top of the memo. HUANG identified the handwriting which read "ok JAMES RIADY 27/5/93" as J. RIADY's.

HUANG had been to ENG's office in LIPPO CENTER in downtown Jakarta. ENG's office was on the same floor as the offices of J. RIADY and M. RIADY. HUANG viewed ENG as a Senior Executive. HUANG did not know if ENG was an employee of LIPPO BANK and did not know from which LIPPO GROUP entity she received her pay. HUANG was not sure whether or not she still worked for LIPPO GROUP.

HUANG believed that the ninth floor was the executive floor in the LIPPO CENTER main building in downtown Jakarta. There were many offices on the ninth floor, and approximately fifteen non-secretarial LIPPO GROUP employees worked on the floor. The building had ten to twelve floors, and some of the floors were leased to entities that were not primarily owned by LIPPO GROUP. HUANG did not know who occupied the floors above the ninth floor.

HUANG confirmed that in October of 1992, TCH and SJH gave \$15,000 and \$10,000, respectively, to CITIZENS VOTE INC./VOTE NOW '92. HUANG assumed that TCH and SJH were reimbursed overseas for these contributions in the normal course of business. However, he did not recall the specific instance when he requested reimbursement.

HUANG recalled the reason why a \$50,000 LIPPO AMERICA, INC. (LAI) check, dated August 8, 1992, payable to the DNC was voided. There was a DNC event being organized to be held at SAM WOO's restaurant, which was the first Asian event organized by the DNC which PRESIDENT CLINTON attended. HUANG wanted to make sure that the event would take place. HUANG's contact at the DNC regarding the event was MARY LESLIE. HUANG received a phone call from LESLIE in which HUANG and LESLIE discussed HUANG providing a contribution check in order to finalize the scheduling of the event. HUANG told LESLIE that he would provide a contribution check from LAI to get the event scheduled but that he would be providing a replacement contribution check at a later date. HUANG and LESLIE had an understanding that the LAI check was not to be cashed but was given only to ensure the event was scheduled. HUANG provided the \$50,000 LAI check to LESLIE. LESLIE did not ask

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HUANG why the LAI check would be replaced with another check. It was HUANG's decision to provide LESLIE with the \$50,000 LAI check. Funds to cover the \$50,000 contribution were transferred from SJH into LAI's bank account to avoid embarrassment of insufficient funds in case LESLIE were to go ahead and cash the check. HUANG did not know why VICTOR RIGHT reimbursed the \$50,000 contribution made by HHH to the DNC in August 1992. VICTOR RIGHT was probably a subsidiary company of LIPPO GROUP.

Later in August of 1992, the funds to cover the \$50,000 LAI contribution check were returned by LAI to SJH because the LAI check was replaced with a \$50,000 HHH contribution check payable to the DNC. HUANG was aware that LAI legally could not make the contribution because it had no revenue at that time. HHH did not make the contribution in the first place because it probably did not have enough funds in its checking account at the time the contribution was made. HUANG advised that the phone call from LESLIE regarding providing a contribution check to hold the event came suddenly. At that time, HUANG just decided to make the contribution check to hold the event from LAI's bank account even if it did not appear to make logical sense. It was HUANG's decision from which LIPPO GROUP entities to make the contributions.

DARIUS ANDERSON was the first person who contacted HUANG regarding a fundraising event held in September of 1993 that VICE PRESIDENT AL GORE ("AL GORE") attended. HUANG received a call from ANDERSON requesting that HUANG raise money for the event. ANDERSON currently works for RON BERKLE (phonetic), the owner of RALPH'S SUPERMARKET. HUANG was not aware of ANDERSON's job title under BERKLE. After ANDERSON called him, HUANG decided to raise money for the event. Later, HUANG's contact regarding the event was TIM (last name unknown) (LNU). The event was held at the Santa Monica home of JIM BERETZ, CEO of KAUFMAN & BROAD, a business dealing in real estate development.

Approximately one hundred people attended the event. HUANG and his wife, JANE HUANG, attended the event on behalf of the LIPPO GROUP. HUANG thought that DAVID WILHELM was at the event. HUANG was not sure if STEPHEN GOODIN was at the event. HUANG was not sure if LAURA HARTIGAN was involved in the event. VIDA BENAVIDES was not at the fundraising dinner but may have been at the outreach portion of the event. MARCIE SANDOVAL was not involved in the event.

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MR. SHEN from CHINA RESOURCES, who happened to be in the U.S., and his female assistant attended the event. The three checks for \$15,000 each from HHH, TCH and SJH contributed to the September 1993, DNC event were enough to cover MR. SHEN's attendance at the event. MR. SHEN was invited to the event because he was the Chairman of CHINA RESOURCES, and there was a joint venture between CHINA RESOURCES and LIPPO GROUP at the time.

It was HUANG's decision to make the three contributions for \$15,000 each from HHH, TCH and SJH for the September 1993, DNC event. HUANG did not recall discussing the reimbursement of the three \$15,000 contributions with J. RIADY. However, HUANG reported to J. RIADY that there was a DNC event in September 1993, and that AL GORE was attending. HUANG told J. RIADY that they had been asked to support the event "in a bigger way." J. RIADY advised HUANG that he would like to get \$100,000 in LIPPO GROUP related contributions, including contributions from LIPPO GROUP employees, for the event. HUANG did not have any discussions with J. RIADY regarding reimbursements of any contributions given for the event.

In connection with the fundraising event held in September of 1993 at BERETZ's home, HUANG requested that AL GORE meet with some of the community members at a law office across the street from the SHERATON HOTEL in Santa Monica. Approximately thirty to forty people, primarily Asian business leaders, met at the law office. HUANG introduced MR. SHEN to AL GORE and may have indicated that MR. SHEN was with CHINA RESOURCES. MR. SHEN spoke English and had a very brief conversation with AL GORE. Such conversation consisted only of pleasantries.

HUANG did not know the name of the DNC contact person which handled contributions made to the DNC that were designated for WOO's campaigns. HUANG thought that LANG would know the name of such person. HUANG and LANG had dealt with one another often since LEO MCCARTHY's campaign. HUANG did not remember an event around July of 1993 co-chaired by the DNC and WOO where a \$2,500 contribution was received by the DNC from HHH that had been designated for WOO's campaign. HUANG was not sure there was such an event, but LANG would probably know.

LIPPO FINANCE LIMITED (LFL) was located in Sydney, Australia, and PHILLIP CHAN from Hong Kong was the head of LFL. HUANG did not know where LFL held its bank accounts. However, HUANG advised

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that there were only four major banks in Australia, including AUSTRALIAN NEW ZEALAND BANK, COMMERCIAL BANK OF AUSTRALIA and WESTERN PAC. HUANG could not recall the name of the fourth major bank in Australia.

LIPPO GROUP EXECUTIVE CONTRIBUTIONS

During the 1992 presidential race, J. RIADY mentioned to HUANG that J. RIADY wanted to raise one million dollars for PRESIDENT CLINTON's campaign. J. RIADY attended a campaign event for PRESIDENT CLINTON in San Gabriel in August 1992. After the San Gabriel event, J. RIADY rode in a limousine with PRESIDENT CLINTON from the San Gabriel event to a Hispanic event. During the limousine ride, J. RIADY told PRESIDENT CLINTON that he would like to raise one million dollars. J. RIADY told HUANG in person in Los Angeles about J. RIADY's conversation with PRESIDENT CLINTON in the limousine on the same day that the conversation with PRESIDENT CLINTON took place. J. RIADY told HUANG that he was excited to have been in the limousine with PRESIDENT CLINTON. J. RIADY also told HUANG that PRESIDENT CLINTON's reaction was one of surprise when J. RIADY said he would like to raise one million dollars. J. RIADY and HUANG were the only persons present during the conversation.

J. RIADY's approach to contributions was "if you are going to do something, don't do it small." HUANG believed that this was J. RIADY's thought process prior to mentioning the one million dollars to PRESIDENT CLINTON. Even though J. RIADY could afford financially to give one million dollars in contributions himself, J. RIADY told HUANG that it would "not look good" for J. RIADY to give so much money. J. RIADY preferred that many LIPPO GROUP related people contribute. J. RIADY believed that when a lot of people gave contributions that were connected to him, it appeared as if he had a lot of contacts. Also, J. RIADY would have had to consider the limits on personal contributions he could make anyway. HUANG and J. RIADY did not discuss FEC rules prohibiting the reimbursement of contributions at that time.

Approximately one to two weeks subsequent to J. RIADY's August 1992, limousine ride with PRESIDENT CLINTON, HUANG and J. RIADY jointly identified LIPPO GROUP executives who were green card holders and could legally make contributions. This conversation took place over the telephone. J. RIADY probably called HUANG at HUANG's office. No one was involved in the conversation other than J. RIADY and HUANG.

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During the conversation, J. RIADY informed HUANG that he wanted HUANG to get such executives to contribute as much as possible up to the \$20,000 limit. Both J. RIADY and HUANG suggested names of LIPPO GROUP executives who could contribute due to their immigration status. HUANG specifically remembered suggesting that B. ONG and FELIX MA contribute. J. RIADY probably suggested that JOSEPH CHIANG contribute. J. CHIANG was new to LIPPO GROUP at the time, but HUANG heard that he owned a business. In general, the conversation was on a "freeflow basis" between HUANG and J. RIADY discussing which executives could contribute.

Shortly after HUANG and J. RIADY's conversation regarding executives who could contribute, HUANG made separate phone calls to LIPPO GROUP executives and asked them to make contributions. HUANG informed the LIPPO GROUP executives that J. RIADY would like their help in the matter of the contributions. B. ONG was the only LIPPO GROUP executive that was in California during the time period HUANG was asking for the contributions between August of 1992 and November of 1992. Therefore, the conversations HUANG had with the LIPPO GROUP executives other than B. ONG were probably telephonic.

HUANG confirmed that the following contributions made by LIPPO GROUP employees and their spouses in September and October of 1992 were made as a result of HUANG's request in connection with J. RIADY's effort to raise one million dollars in the time period of August 1992, and the November 1992, election.

BIE ONG

- \$5,000 to DEMOCRATIC SENATORIAL CAMPAIGN COMMITTEE (DSCC)
- \$5,000 to MICHIGAN DEMOCRATIC PARTY
- \$5,000 to ARKANSAS DEMOCRATIC PARTY
- \$5,000 to CALIFORNIA DEMOCRATIC PARTY

LUCY JAO

- \$5,000 to DEMOCRATIC SENATORIAL CAMPAIGN COMMITTEE (DSCC)
- \$5,000 to MICHIGAN DEMOCRATIC PARTY
- \$5,000 to ARKANSAS DEMOCRATIC PARTY
- \$5,000 to CALIFORNIA DEMOCRATIC PARTY

DAVID YEH

- \$5,000 to DNC VICTORY

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- \$5,000 to DNC VICTORY
- \$5,000 to DNC VICTORY
- \$5,000 to DNC VICTORY

CHRISTINA YEH

- \$5,000 to DNC VICTORY
- \$5,000 to DNC VICTORY
- \$5,000 to DNC VICTORY
- \$5,000 to DNC VICTORY

FELIX MA

- \$5,000 to DSCC for BOXER
- \$5,000 to MICHIGAN DEMOCRATIC PARTY
- \$5,000 to OHIO DEMOCRATIC PARTY
- \$5,000 to MISSOURI DEMOCRATIC PARTY

MARY MA

- \$5,000 to DSCC for BOXER
- \$5,000 to MICHIGAN DEMOCRATIC PARTY
- \$5,000 to OHIO DEMOCRATIC PARTY
- \$5,000 to DSCC for FEINSTEIN

JOSEPH CHIANG

- \$10,000 to DNC
- \$10,000 to DNC

DONNA CHIANG

- \$10,000 to DNC
- \$10,000 to DNC

JOSEPH SUND

- \$10,000 to DNC VICTORY FUND
- \$5,000 to MICHIGAN DEMOCRATIC PARTY
- \$5,000 to ARKANSAS DEMOCRATIC PARTY

RICOR DASILVEIRA

- \$5,000 to DSCC for BOXER

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- \$5,000 to MICHIGAN DEMOCRATIC PARTY
- \$5,000 to ARKANSAS DEMOCRATIC PARTY

BRENDA DASILVEIRA

- \$5,000 to DSCC for BOXER

HUANG assumed that these people would be "made good" or "taken care of" for their contributions because HUANG himself had been "taken care of" for his contributions through his bonus payments. During the conversations HUANG had with the LIPPO GROUP executives requesting the September and October 1992 contributions, none of the LIPPO GROUP executives raised the issue of reimbursement with HUANG.

When HUANG asked LIPPO GROUP executives to make contributions in August to November of 1992, he received no hesitancy from B. ONG or F. MA. There was no hesitancy by D. YEH, who was a wealthy man, to make such contributions either. D. YEH was living in Hong Kong at the time.

J. CHIANG owned a small toy business, but it was not doing well. HUANG did not recall any conversations with J. CHIANG where J. CHIANG indicated that he was hesitant to make the contributions. J. CHIANG was living in Hong Kong at the time. HUANG had not been familiar with L&W GLOBAL SUPPLY until the company name was mentioned to him by his attorneys.

J. SUND owned his own business. HUANG did not believe the business was doing very well; however, HUANG did not detect any reluctance from J. SUND when asked to make the contributions. J. SUND was a reserved person. In a conversation subsequent to the one wherein HUANG asked J. SUND to contribute from August to November of 1992, HUANG asked J. SUND for his bank account number so that HUANG could provide the account number to J. RIADY. J. SUND provided HUANG with the number of an account held at HONG KONG CHINESE BANK. HUANG telephonically, most likely from HUANG's office, called J. RIADY in Jakarta, and informed J. RIADY of J. SUND's bank account information. No one other than J. RIADY and HUANG was involved in the conversation. J. RIADY's telephone number at home was 62-21-546-1765, and J. RIADY's office telephone numbers were 62-21-520-0541, 62-21-520-0542 and 62-21-520-0543.

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In a subsequent, telephonic conversation probably after the November 1992, election, HUANG casually asked J. SUND whether or not J. SUND had received money for reimbursement of his contributions made around September to October of 1992. J. SUND said that he had received money for the contributions. HUANG was probably at home during the conversation and called J. SUND overseas, probably in Beijing. J. SUND's telephone number at the hotel where he stayed in Beijing was 86-1-501-6688, and his office telephone number in Beijing was 86-1-520-3580. HUANG may have solicited additional contributions from J. SUND in this telephone conversation. HUANG advised that there was a likely possibility that J. SUND could have been reimbursed for his contributions through additional expenses included on his expense reimbursement request.

J. SUND and HUANG were friends. HUANG called J. SUND in Beijing sometimes to casually ask J. SUND how the project J. SUND was working on was going. When making business related phone calls from home, HUANG would sometimes request reimbursement on his expense reports for the related costs. LIPPO BANK later issued credit cards to be used for such purposes. HUANG did not know whether or not J. SUND was still an employee of LIPPO GROUP.

When HUANG asked RICOR DASILVEIRA to contribute from August to November 1992, HUANG recalled R. DASILVEIRA asking HUANG whether or not contributions were tax deductible. HUANG informed R. DASILVEIRA that the contributions were not tax deductible. R. DASILVEIRA indicated that he had spoken to an accountant regarding whether or not contributions were tax deductible. HUANG probably asked R. DASILVEIRA for his bank account information as well. The conversation between HUANG and R. DASILVEIRA was telephonic, and HUANG probably called R. DASILVEIRA from HUANG's office. HUANG and R. DASILVEIRA were the only parties to the conversation. HUANG did not recall any conversations with R. DASILVEIRA where R. DASILVEIRA indicated that he was hesitant to make the contributions.

HUANG thought that J. SUND and R. DASILVEIRA had less financial means than the other LIPPO GROUP executives who contributed, which is why HUANG asked them for their bank account information for contribution reimbursement payments. HUANG provided the account information of R. DASILVEIRA and J. SUND in one or two telephonic conversations.

HUANG probably did not ask LIPPO GROUP executives who

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contributed other than J. SUND and R. DASILVEIRA for their bank account information because he believed that he already had such information at the time the contributions were made. Also, HUANG was closer to J. SUND and R. DASILVEIRA than the others. Even though J. CHIANG was new to LIPPO GROUP at the time, HUANG could not recall asking J. CHIANG for his bank account information, and HUANG did not know why he did not request such information.

HUANG did not ask JOSE HANNA to make a contribution because HANNA did not have a green card. HUANG did not recognize the names MURLI THADANI and WINARDI SETIAPUTRA. RONALD BLAKE was not asked by HUANG in August to November of 1992 to make a contribution because he was not with LIPPO GROUP at that time. KEITH PROTHRUA was not asked by HUANG to make a contribution either. PROTHRUA was in New Zealand in August to November of 1992. HUANG did not approach RUDY CAPELLE because he was not sure of CAPELLE's citizenship status. HUANG did not ask CHARLES DE QUELJOE and KENNETH WYNN to make contributions from August to November of 1992. However, HUANG believed that DE QUELJOE and WYNN were asked to make contributions on later dates. HUANG did not ask STEPHEN RIADY to make contributions.

HUANG became the contact person for contributions made by LIPPO GROUP employees. HUANG did not make telephone calls to anyone who received contributions to determine the total dollar amount of the contributions received from LIPPO GROUP executives, himself and J. RIADY to determine how close J. RIADY was getting to his one million dollar goal. The DNC knew that the contributions were from LIPPO GROUP executives because HUANG collectively gave the contributions to someone at the DNC, probably LESLIE, rather than having the LIPPO GROUP executives mail the contributions directly to the DNC. HUANG instructed the LIPPO GROUP executives to mail their contribution checks to him at 711 West College Street, Los Angeles, California. HUANG told the DNC that the LIPPO GROUP executives listed above were permitted to make contributions because they were green card holders but were working overseas.

Years after the contributions had been made, HUANG heard that B. ONG and his wife, LUCY JAO, got the money to make their October 1992, contributions from a loan B. ONG received from INN HOLDINGS, INC. HUANG did not have any conversations with J. RIADY regarding B. ONG's loan from INN HOLDINGS, INC.

HUANG believed that B. ONG and J. RIADY had some

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disagreements. B. ONG informed HUANG that J. RIADY had some failing investments in the United States, and J. RIADY had B. ONG handle such investments. B. ONG had to pay some legal bills for J. RIADY from B. ONG's personal funds. B. ONG had a stronger mannerism towards J. RIADY than HUANG. Given B. ONG's personality, HUANG thought B. ONG would have been willing to demand reimbursement for his contributions from J. RIADY. HUANG believed that J. RIADY knew that B. ONG had made the contributions in October 1992.

LIPPO BANK was the second trustee holder on the hotel owned by INN HOLDINGS, INC. The hotel was not doing very well, and HUANG made a decision to put in a bid to purchase the hotel on behalf of LIPPO GROUP. J. RIADY was very angry with HUANG for placing the bid and purchasing the hotel. HUANG did not discuss the hotel with J. RIADY after J. RIADY got angry with him. HUANG felt that he had made a mistake and felt responsible for his bad decision. B. ONG tried to get people to chip in and raise equity for the hotel. B. ONG and J. RIADY had a dispute as to whether J. RIADY had promised an equity investment. HUANG later invested money in the hotel in the names of his sons.

Many LIPPO GROUP employees held accounts at HONG KONG CHINESE BANK (HKCB) due to its convenient location. In 1992, CHINA RESOURCES probably owned twenty-five percent of HKCB but later owned fifty percent. LIPPO GROUP, STEPHENS GROUP and MR. LIEN were also partial owners of HKCB at one time. HKCB did not have a branch in Jakarta.

It was possible that there were additional contributions made by LIPPO GROUP employees that were reimbursed in addition to the contributions made in September and October of 1992. HUANG thought the following contributions made by LIPPO GROUP employees in September and October of 1993 were made at the request of HUANG in connection with the 1993 DNC fundraising event attended by AL GORE in Santa Monica.

DAVID and CHRISTINA YEH

- \$10,000 to DNC
- \$10,000 to DNC

FELIX AND MARY MA

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- \$10,000 to DNC
- \$10,000 to DNC

JOSEPH SUND

- \$10,000 to DNC
- \$5,000 to DNC
- \$5,000 to DNC

D. YEH, C. YEH, F. MA, M. MA and J. SUND did not attend the DNC fundraising event attended by AL GORE in Santa Monica. However, J. RIADY knew that they had made the contributions listed above. HUANG had D. YEH, C. YEH, F. MA, M. MA and J. SUND send their contribution checks to HUANG at 711 West College Street, Los Angeles, California. HUANG did not recall having a conversation with J. RIADY regarding getting these individuals to contribute. Rather, HUANG asked them to make such contributions "in the normal course of business." HUANG did not discuss reimbursement of the above contributions with D. YEH, C. YEH, F. MA, M. MA or J. SUND. By this time, HUANG thought J. SUND "did not have to ask anymore" whether he would be reimbursed.

DE QUELJOE, WYNN, and WYNN's wife's contributions for \$25,000 each made on December 17, 1993, were all for an event held in Beverly Hills at MARVIN DAVIS' house. J. RIADY and HUANG also contributed \$25,000 each. DE QUELJOE, WYNN and WYNN's wife did not actually attend the event. HUANG asked DE QUELJOE and WYNN to make contributions for the event. HUANG did not ask DE QUELJOE and WYNN for their bank account information after asking them to make the contributions for the event probably because they were in Indonesia and were close to the LIPPO GROUP building headquarters. The event was important to J. RIADY because his hometown mayor in China was going to be in town at the time of the event, and J. RIADY wanted to impress him. PRESIDENT CLINTON was at the event. HUANG had a conversation with J. RIADY regarding how the tickets for five people at \$25,000 each were going to be paid for. They determined that the contributions of the WYNNs and DE QUELJOE, would be given for the event. HUANG, JANE HUANG, J. RIADY, AILEEN RIADY and J. RIADY's hometown mayor in China all attended the event. J. RIADY's hometown mayor of China did not reimburse J. RIADY for his ticket to the event.

CHARLES DE QUELJOE

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HUANG had known DE QUELJOE when they were bankers in 1984 or 1985 before DE QUELJOE started working for LIPPO GROUP in the mid 1990s. HUANG thought that DE QUELJOE had also worked for an embassy, perhaps in Malaysia, at one time. DE QUELJOE previously worked for the U.S. Navy. HUANG did not hire DE QUELJOE and did not know why DE QUELJOE was hired by LIPPO GROUP. HUANG did not have any discussions with J. RIADY regarding why DE QUELJOE was hired by LIPPO GROUP. HUANG was not aware of DE QUELJOE's salary at LIPPO GROUP but had heard that DE QUELJOE had some stock options.

J. RIADY briefly mentioned to HUANG that DE QUELJOE wanted a political position. HUANG was not really tasked by J. RIADY to promote DE QUELJOE's ambitions. In approximately 1993, J. RIADY asked HUANG to pass DE QUELJOE's resume over to the White House personnel office. At that time, HUANG was not aware that DE QUELJOE had been involved in intelligence work in the U.S. Navy. HUANG was aware of DE QUELJOE's interest in working as a U.S. Trade Representative (USTR) or for the Department of State. HUANG had a conversation with DEBBIE SHON of the USTR regarding the resume and/or to promote DE QUELJOE's career. SHON helped get DE QUELJOE a job at the INVESTMENT AND SERVICES ADVISORY COMMITTEE (INSPAK) of the USTR. HUANG did not have any contact with MICKEY KANTOR regarding DE QUELJOE.

HUANG did not recall being sent a letter dated March 30, 1993, on LIPPO GROUP letterhead from DE QUELJOE to MARK GROBMYER regarding DE QUELJOE's political ambitions with DE QUELJOE's resume enclosed. HUANG did not deny being sent the letter; however, he did not remember the letter.

HUANG recalled receiving a faxed memo on LIPPO PACIFIC letterhead and a resume from DE QUELJOE dated October 27, 1992, directed to MR. JOHN HUANG, regarding J. RIADY's request for DE QUELJOE to send HUANG a copy of DE QUELJOE's resume. As requested in the memo, DE QUELJOE's resume was retyped by someone in HUANG's office.

HUANG recalled a faxed memo on LIPPO PACIFIC letterhead dated November 9, 1993, to HUANG from DE QUELJOE regarding DE QUELJOE traveling to Little Rock and Seattle on November 14 through 16, 1993, and DE QUELJOE's desire to be designated as a member of the U.S. delegation to the APEC meetings. In the memo, DE QUELJOE also requested that HUANG's secretary make hotel reservations for DE QUELJOE in both Seattle and Little Rock. HUANG also recalled a faxed

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memo on LIPPO PACIFIC letterhead dated November 10, 1993, to HUANG from DE QUELJOE in which DE QUELJOE thanked HUANG for providing DE QUELJOE with the details of the people that DE QUELJOE wanted to meet in Little Rock and for taking care of DE QUELJOE's hotel reservations. HUANG advised that DE QUELJOE wanted to meet people in Little Rock to assist him in his political ambitions. HUANG also believed that DE QUELJOE traveled to Little Rock, Arkansas, to meet with people at the direction of J. RIADY.

HUANG recalled faxing a letter dated January 12, 1994, to DE QUELJOE originally addressed to JANE and JOHN HUANG from DAVID JONES on the letterhead of MAJORITY LEADER RICHARD A. GEPHARDT regarding a Telluride ski trip with the GEPHARDTs in February. HUANG confirmed that he had added a note dated January 18, 1994, to DE QUELJOE at the bottom of the letter regarding HUANG taking the liberty to make reservations for DE QUELJOE to travel to Telluride. With regard to the Telluride trip with the GEPHARDTs, HUANG advised that it was important for LIPPO GROUP people to meet government officials as a part of efforts to obtain significant contacts in the U.S. for business purposes and appearances.

HUANG was shown an undated, handwritten note on LIPPO BANK letterhead to JERRY STERNS from HUANG which indicated that HUANG and DE QUELJOE's resumes were attached and that HUANG and DE QUELJOE were interested in the "NSC", DEPARTMENT OF STATE or DEPARTMENT OF COMMERCE. HUANG advised that J. RIADY and HUANG had discussed DE QUELJOE and HUANG working on the NATIONAL SECURITY COUNCIL (NSC). HUANG did not know specifically why J. RIADY wanted HUANG and DE QUELJOE to work for the NSC and had no conversations with J. RIADY regarding J. RIADY's interest in them working for the NSC. However, HUANG believed that J. RIADY was interested in policy issues. HUANG did not even know what the NSC was at that time; however, HUANG did not raise any questions with J. RIADY when J. RIADY expressed such interest to HUANG.

HUANG asked DE QUELJOE to make contributions as he had other LIPPO GROUP employees, and HUANG told DE QUELJOE who to give contributions to. Specific contributions were not selected by HUANG in order to promote DE QUELJOE's career. However, the contributions may have indirectly helped DE QUELJOE's career. DE QUELJOE was in Jakarta, and HUANG told DE QUELJOE to write contribution checks and send them to HUANG at work in Los Angeles. HUANG thought that DE QUELJOE was reimbursed for his contributions, but DE QUELJOE was not

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reimbursed by HUANG himself. DE QUELJOE's name was not mentioned as a suggested political contributor in a conversation HUANG and J. RIADY had regarding LIPPO GROUP employees to contribute in September and October of 1992.

HUANG was shown a letter dated December 15, 1993, to MR. JOE SANDLER, General Council, DNC, from HUANG which indicated that HUANG had known KENNETH WYNN and DE QUELJOE for many years and that to HUANG's knowledge, they were both U.S. citizens. HUANG advised that someone at the DNC called him to inform him that the DNC was sending the letter to HUANG for signature. HUANG did not type the letter. It was sent to HUANG already prepared for HUANG to sign. HUANG could not recall who he spoke to at the DNC regarding the letter.

J. RIADY knew GROBYMYER for years in Arkansas. GROBYMYER was hired as a consultant for LIPPO GROUP sometime after the Presidential election to identify business and joint venture opportunities in Asia. GROBYMYER was a lawyer when hired by LIPPO GROUP. GROBYMYER was paid approximately \$200,000 in return for his services for one year. There was no formal, written contract regarding GROBYMYER's salary. GROBYMYER arranged for HUANG and others to attend some business meetings and to visit the White House. GROBYMYER tried to create business opportunities for LIPPO GROUP, but none ever materialized. HUANG was not aware of any specific efforts by GROBYMYER to help DE QUELJOE obtain a political office.

DEWI TIRTO, JULIANA LANO-UTOMO AND DEDDY WIDJAYA

DEWI TIRTO was HUANG's secretary in the early 1990s and worked as his secretary the entire time HUANG worked at HHH. HUANG's relationship with TIRTO was professional and cordial. HUANG took TIRTO to lunch maybe one time. At various times, she was the secretary for J. RIADY and for the president of LIPPO BANK. She was not SETIAWAN's secretary. TIRTO had a nice personality, was attractive and was probably in her late thirties. At one time, TIRTO had surgery because she had a brain tumor, and she recovered. TIRTO was divorced and had recently gotten remarried to a man named SAM RAMLI, who had been a LIPPO GROUP employee. HUANG was not aware of RAMLI's current job but believed he was in Indonesia. While he worked for LIPPO GROUP in the U.S., RAMLI held a middle management position and performed treasury functions. HUANG could not recall the name of TIRTO's first husband but thought he was an architect. HUANG did not believe that TIRTO's first husband worked for any U.S. LIPPO GROUP property

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development companies. HUANG met TIRTO's first husband only once at a LIPPO BANK function or when he came to LIPPO BANK.

Sometime in 1993 to 1994, TIRTO left LIPPO GROUP for a few months, but HUANG didn't know specifically how long she was gone. One reason TIRTO left was because she did not have a lot of work to do because J. RIADY had left the U.S. TIRTO sometimes helped her sister by working at WORLD EXPERTS IN TRAVEL (WEIT), a travel agency. HUANG did not know the name of TIRTO's sister. Also, HUANG did not know if TIRTO had ownership interests or an officer position in WEIT, and he had no knowledge regarding the details of the business of WEIT.

HUANG could not recall for certain why TIRTO had received and cashed an \$8,000 HHH check in November 1993, which was signed by HUANG and SETIAWAN. However, the check was most likely written to obtain cash for expenses related to an ASIAN PACIFIC ECONOMIC COOPERATION (APEC) meeting that was held in Seattle around that time period. Foreign delegates were coming in to the U.S. for the meeting, and SETIAWAN attended. There was an Asian American lunch event held for approximately 200 to 250 people at the revolving tower restaurant in Seattle in connection with the APEC meeting. The cost per person for the lunch was thirty dollars. HUANG did not know why the \$8,000 check to TIRTO was recorded as an architectural services expense on HHH's accounting records. HUANG was not aware of any payments made to foreign delegates at the APEC meeting.

HUANG could not recall the circumstances surrounding the void of an \$8,000 HHH check written in November 1993, payable to J. LANO-UTOMO.

HUANG recalled the circumstances surrounding an \$8,000 check payable to TIRTO in the Spring of 1994. TIRTO handled a bank account of AILEEN RIADY's, and TIRTO informed HUANG that the account was short. The \$8,000 was to be deposited into A. RIADY's account to make up for the shortage. HUANG did not know DEDDY WIDJAYA and had not met such person. HUANG did not know why the \$8,000 check payable to TIRTO for A. RIADY's account was deposited in an account under the name DEDDY WIDJAYA. HUANG was aware of a bank account held under the name AILEEN RIADY but was not aware of any accounts A. RIADY held in any other names. HUANG did not discuss the \$8,000 payment to TIRTO for A. RIADY's bank account with SETIAWAN.

TIRTO told HUANG that TIRTO was permitted to sign on A.

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RIADY's account. TIRTO would sign A. RIADY's name for account transactions, and HUANG actually saw TIRTO sign A. RIADY's name. HUANG could recall only a few instances when he knew what TIRTO paid for from the account. In such instances, TIRTO paid for personal items for A. RIADY.

HUANG was not aware of any accounts held by A. RIADY in her name or another which JUWATI JUDISTIRA signed on for A. RIADY. However, JUDISTIRA may have made some purchases for A. RIADY. TIRTO and/or JUDISTIRA were the ones that would have made personal purchases for A. RIADY.

HUANG was not aware of any situations where TIRTO complained that her own bank account was being used by the RIADYs to obtain funds from Jakarta. HUANG was also not aware of any instances when J. IANO-UTOMO's personal bank account was used by the RIADYs to obtain funds from Jakarta. However, UTOMO was a reserved person and may have been taken advantage of in this manner.

UTOMO, TIRTO and JUDISTIRA were all close friends of A. RIADY. TIRTO was a schoolmate of A. RIADY and had a good relationship with A. RIADY and J. RIADY. HUANG saw TIRTO and A. RIADY interacting and believed they were very close.

While physically separated from her first husband, TIRTO had a close, personal relationship with a wealthy man named EDWARD (LNU), who had worked at LIPPO BANK at one time. JUDISTIRA was romantically attracted to EDWARD and was not happy about TIRTO's relationship with him. J. RIADY discussed the controversy between TIRTO and JUDISTIRA with HUANG and informed HUANG that he thought that TIRTO lied about a lot of things.

HUANG did not recognize the name RUDY GERUNGAN.

#### REIMBURSEMENT OF AGUS SETIAWAN

HUANG reimbursed SETIAWAN for contributions made by SETIAWAN. HUANG asked SETIAWAN to write contribution checks for events as to which HUANG had not reached his fundraising goals. HUANG gave an example of having collected \$9,000 in contributions for an event when HUANG had wanted to collect \$10,000. In this example, HUANG would have asked SETIAWAN to make a \$1,000 contribution to the event to make up the difference. When HUANG asked SETIAWAN to

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contribute, HUANG sometimes offered to pay SETIAWAN up front for the contributions and would give SETIAWAN cash. Up front payments for contributions or subsequent reimbursements were paid to SETIAWAN close to the time the reimbursements were made. HUANG typically paid SETIAWAN in cash for the reimbursements but sometimes wrote checks to SETIAWAN's wife. HUANG usually paid SETIAWAN in the LIPPO GROUP offices, and there was no third party present when HUANG paid SETIAWAN for the contributions.

HUANG did not recall any situations in which HUANG asked SETIAWAN to reimburse any third parties for contributions made by the third parties. HUANG did not know why WIDJAJA deposited a \$1,000 check payable to cash in July 1993, that was written off of SETIAWAN and his wife YUSIATI PANGESTU's bank account. However, HUANG speculated that such payment could have been money that WIDJAJA used to make a contribution.

It was unlikely that HUANG reimbursed SETIAWAN for numerous contributions after the fact in a lump sum because SETIAWAN was not wealthy and wanted to "take care of the issue" on the spot. HUANG reimbursed SETIAWAN's contributions from HUANG's personal funds. Later, HUANG included SETIAWAN's contributions on HUANG's lists of contributions which he provided to J. RIADY to be used by J. RIADY when determining the amounts of HUANG's bonuses. HUANG estimated that SETIAWAN was reimbursed by HUANG for contributions eight to ten times.

HUANG did not have an arrangement with SETIAWAN to pay SETIAWAN extra fees for making the contributions requested by HUANG. However, HUANG may have given SETIAWAN extra money for medical bills related to SETIAWAN's child, who had health problems. For example, HUANG may have given SETIAWAN \$500 extra when paying SETIAWAN for a \$1,500 contribution. Also, HUANG might have given extra money to SETIAWAN because HUANG knew of a future contribution that SETIAWAN would be making. This was probably the case with two contributions made by SETIAWAN on February 23, 1994, for \$500 and \$1,000 to FRIENDS FOR BARBARA BOXER.

HUANG confirmed that the following contributions made by SETIAWAN were reimbursed by HUANG.

AGUS SETIAWAN

05/14/1992 CAMPBELL FOR U.S. SENATE \$1,000

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11/05/1992 MIKE WOO FOR MAYOR \$500  
 03/12/1993 COMMITTEE TO RE-ELECT TED KENNEDY \$1,000  
 03/24/1993 HAMILTON FOR CONGRESS \$1,000  
 04/07/1993 CITIZENS FOR JOE KENNEDY \$500  
 04/07/1993 CITIZENS FOR JOE KENNEDY \$1,000  
 05/14/1993 FRIENDS FOR BRYAN COMMITTEE \$500  
 06/14/1993 ROBB FOR SENATE \$1,000  
 06/28/1993 EFFECTIVE GOVERNMENT COMMITTEE \$1,000  
 07/09/1993 KATHLEEN BROWN COMMITTEE \$500  
 12/28/1993 FRIENDS OF LARRY PRESSLER \$1,000  
 02/23/1994 FRIENDS FOR BARBARA BOXER \$500  
 02/23/1994 FRIENDS FOR BARBARA BOXER \$1,000  
 03/18/1994 FRIENDS OF MIKE WOO \$500  
 03/21/1994 DAVID ROBERTI CALIFORNIA ELECTIONS COMMITTEE \$1,000

There may have been situations where SETIAWAN would deposit cash into his personal account for cash not received as contribution reimbursements. SETIAWAN took care of entertaining visitors from Indonesia. SETIAWAN may have made some "improper" payments to visiting Indonesian dignitaries.

HUANG could not recall why SETIAWAN had received and cashed a \$3,000 HHH check in November 1993. HUANG speculated that it could have been a reimbursement for a contribution; however, he actually could not recall the specific check and the related circumstances. HUANG did not have any conversations with SETIAWAN regarding creative bookkeeping. SETIAWAN was in charge of bookkeeping at HHH.

REIMBURSEMENT OF SUSANTO WIDJAJA

HUANG reimbursed WIDJAJA for contributions made by WIDJAJA. While WIDJAJA was in San Francisco, HUANG mailed checks to him for the reimbursement of WIDJAJA's contributions. Such checks were written off of one of HUANG's bank accounts. HUANG does not know if he ever mailed cash to WIDJAJA but probably did not. HUANG could not recall whether or not he wrote checks payable to cash that were sent to WIDJAJA. HUANG reimbursed WIDJAJA either prior to or subsequent to the contributions being made by WIDJAJA. HUANG did not have an arrangement with WIDJAJA to pay WIDJAJA extra fees for making the contributions requested by HUANG. WIDJAJA never requested a fee from HUANG for making contributions. It was possible that HUANG paid WIDJAJA for multiple contributions in a lump sum. When WIDJAJA moved from New York to San Francisco, HUANG may have paid WIDJAJA for a contribution

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reimbursement and some moving expenses in a lump sum payment.

HUANG recalled one or two specific times when HUANG handed cash to WIDJAJA in person for contribution reimbursements. HUANG remembered handing WIDJAJA an envelope containing cash on a street in New York. WIDJAJA lived in New York at one time. HUANG could not recall the specific date he gave cash to WIDJAJA in New York but remembered that HUANG traveled to New York around October 1992. Even though HUANG could only recall one or two instances when he paid SETIAWAN cash in person, there could have been more in person cash payments for contribution reimbursements.

HUANG remembered a check paid to WIDJAJA from HUANG dated March 14, 1994, in the amount of \$6,500. \$5,000 of the \$6,500 was given to WIDJAJA to give as a "gift or gesture" in the form of a cash payment to the Indonesian Embassy in Washington, D.C., by WIDJAJA when he traveled to Washington, D.C., around that time period. The remaining \$1,500 was a reimbursement for contributions made by WIDJAJA. HUANG did not know if the \$6,500 check related to another \$5,000 check written off of HUANG's bank account made payable to cash, which was endorsed on March 11, 1994, by TIRTO.

HUANG stated that he recalled every one of the contributions listed below made by WIDJAJA and/or his wife, KIM TIN TAY, and that HUANG reimbursed WIDJAJA for all of these contributions.

SUSANTO WIDJAJA

10/01/1992 DNC VICTORY FUND/FEDERAL ACCOUNT \$2,000  
 10/01/1992 DNC VICTORY FUND/FEDERAL ACCOUNT \$2,000  
 10/26/1992 FRIENDS OF KENT CONRAD \$1,000  
 10/26/1992 FRIENDS OF KENT CONRAD \$1,000  
 03/12/1993 KENNEDY FOR SENATE \$1,000  
 04/07/1993 FRIENDS OF JOE KENNEDY \$500  
 04/07/1993 FRIENDS OF JOE KENNEDY \$1,000  
 06/28/1993 ROBB FOR SENATE \$1,000  
 06/28/1993 EFFECTIVE GOVERNMENT COMMITTEE \$1,000  
 07/09/1993 KATHLEEN BROWN COMMITTEE \$500  
 02/23/1994 FRIENDS OF BARBARA BOXER \$1,000  
 02/23/1994 FRIENDS OF BARBARA BOXER \$500  
 05/24/1994 CALIFORNIA VICTORY 94 \$1,000  
 05/31/1994 JUDY CHU \$500  
 05/31/1994 JUDY CHU \$500

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10/18/1996 FRIENDS OF LARRY PRESSLER \$500  
 11/19/1996 CITIZENS FOR JOE KENNEDY \$500

HUANG did not know why WIDJAJA was not asked to make individual contributions of a significant dollar amount like other LIPPO GROUP executives. HUANG believed that he and J. RIADY did not want WIDJAJA to give individual, large dollar contributions; however, HUANG could not recall their reasoning for this.

SETIAWAN and WIDJAJA never asked HUANG why they needed to make the contributions rather than HUANG making them himself. SETIAWAN and WIDJAJA "knew what [HUANG] was doing." SETIAWAN and WIDJAJA should have known the contribution rules enough to know why HUANG needed to have them make the contributions.

HUANG was never involved in making payments to any Indonesian officials. SETIAWAN and WIDJAJA spoke the language Bahasa (phonetic); HUANG did not. HUANG suspected that financial transactions between SETIAWAN and WIDJAJA may have concerned payoffs to Indonesian officials, but this was only a suspicion.

HUANG was not familiar with the name TANTE LEE.

JANE DEWI TAHIR was the daughter of MR. TAHIR, who was the son in law of M. RIADY. MR. TAHIR owned a small private bank and worked in the garment business and other businesses. WIDJAJA and J. TAHIR knew one another. However, HUANG didn't know their relationship. HUANG did not know if J. TAHIR and WIDJAJA worked with one another.

#### REIMBURSEMENT OF DAVID SUGITA

HUANG was not aware of an arrangement between J. PER LEE and DAVID SUGITA in which an increase was made to SUGITA's salary at LIPPO BANK with a specification that the increase be used to make contributions. HUANG did not have any conversations with PER LEE regarding contributions.

HUANG did not know the nature of business of LIPPO HOLDING AMERICA INC. (LHAI). HUANG was aware of a home that J. RIADY had in Brentwood. HUANG believed the home was small and that J. RIADY wanted to renovate the home. However, HUANG thought that the renovations occurred after he left LIPPO GROUP.

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HUANG was shown a copy of the front and back of a \$5,000 LHAI check number 383, dated March 23, 1993, signed by HUANG and SETIAWAN, payable to cash. HUANG did not recognize the endorsement signature. HUANG could not recall the purpose of the check. If there was a chance that the check was for the reimbursement of a contribution, the check would have been for SETIAWAN or WIDJAJA. If the check was for SUGITA, it would have been for the reimbursement of business expenses. There was a March of Dimes event in Little Rock, Arkansas, honoring HILLARY CLINTON around the time the \$5,000 LHAI check was written. HUANG thought that the \$5,000 check may have been for expenses related to this event; however, he was not sure. M. RIADY and SUGITA were at the March Dimes event. HUANG believed that LIPPO GROUP gave \$50,000 at the March of Dimes event. A man named STEVE STEPHENS, who was not related to JACK STEPHENS, was a friend of J. RIADY and visited J. RIADY around the time the \$5,000 check payable to cash was written. Another possibility was that the \$5,000 was used to buy a gift for S. STEPHENS from J. RIADY since J. RIADY had not seen S. STEPHENS for quite some time.

SUGITA attended a GRACE NAPOLITANO fundraising event on HUANG's behalf. HUANG reimbursed SUGITA for the contribution made by SUGITA for this event. However, HUANG could not specifically recall if HUANG gave SUGITA a check written from HUANG's personal account to give at the event or if SUGITA made a contribution and was reimbursed by HUANG. HUANG recalled that the amount of the contribution was \$50, not \$500. This was the only instance where HUANG reimbursed SUGITA for a contribution.

#### OTHER REIMBURSEMENTS

DA SILVEIRA, DEWI HIDAJAT, F. MA, KENNETH WYNN, D. YEH and J. SUND were not reimbursed by HUANG himself for contributions. HUANG was not sure whether he ever reimbursed TIRTO for contributions. HUANG was not sure if B. ONG got reimbursed by J. RIADY due to disagreements between J. RIADY and B. ONG. KEN YUEN and HUANG were close friends, and HUANG may have reimbursed YUEN for a small contribution. Payments to YUEN would have included money for the contribution and other items.

HUANG and C.C. CHANG were friends. HUANG reimbursed CHANG for a \$1,000 Republican contribution but could not remember the details of the contribution. HUANG believed that he reimbursed CHANG by check. The reimbursement to CHANG was the only Republican

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contribution that HUANG personally reimbursed.

REIMBURSEMENTS AND PAYMENTS TO HUANG

In approximately 1988 to 1989, HUANG's salary was \$75,000 per year when he worked at BANK OF CENTRAL ASIA. When HUANG was transferred to work for LIPPO GROUP, at first his salary remained \$75,000. HUANG felt this was unfair because his level of responsibilities had changed. HUANG spoke to J. RIADY regarding HUANG's concerns about his salary, and J. RIADY agreed to increase HUANG's salary \$30,000 per year. HUANG's salary of \$75,000 was deposited into the U.S. bank account HUANG normally used. However, J. RIADY wire transferred the payments equaling his \$30,000 annual raise to an account HUANG held at HKCB overseas. HUANG thought that J. RIADY believed that HUANG would not have to report the additional \$30,000 in salary on HUANG's tax returns by having it deposited into the foreign account. However, HUANG included the \$30,000 additional salary on his tax returns. In addition to his salary, HUANG was paid directors' fees for attending Board of Directors meetings and special committee meetings for LIPPO BANK.

HUANG's bonuses were paid by HHH and were recorded on his W-2 tax forms.

HUANG provided a copy of his HKCB savings account passbook for account number 93-353-0432-1 for the period January 16, 1989, to March of 1993. HUANG advised that the periodic \$2,500 deposits into the account were for the \$30,000 annual raise he received during his employment at LIPPO GROUP. HUANG advised that the large dollar amount deposits in his savings account at HKCB were for previous expenses he had incurred over a long period of time.

An \$8,000 incoming wire transfer into HUANG's HKCB savings account on April 8, 1993, was received from J. RIADY or LIPPO GROUP in anticipation of HUANG going on a trip to Washington, D.C.. The money was for expenses related to the trip.

Cash was given to HUANG in 1992 by J. RIADY in order for HUANG to travel around the country to get people to participate in events. HUANG also received from J. RIADY advances for campaign contributions and other expenses at times. Occassionally, J. RIADY gave HUANG leftover traveler's checks because J. RIADY knew that HUANG had been taking care of various tasks.

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HUANG discussed various transactions in his bank accounts as follows. On April 2, 1991, HUANG wire transferred \$25,000 into his LIPPO BANK account from his account at HKCB. On March 2, 1992, HUANG wire transferred \$12,500 into his LIPPO BANK account from his account at HKCB. When HUANG needed extra money in his U.S. bank account, he transferred money from his HKCB accounts to his LIPPO BANK account in the U.S., which was the reason for the \$25,000 and \$12,500 wire transfers. HUANG had checking and savings accounts at HKCB. HUANG estimated his savings account balance at HKCB was \$50,000 at its highest point and a few thousand dollars at its lowest point. HUANG later closed out his accounts at HKCB.

HUANG could not specifically recall why he deposited a \$5,287.20 check from B.O.T. on May 14, 1991, into his account at LIPPO BANK. Perhaps, the payment was a reimbursement of LIPPO GROUP expenses paid by HUANG, and B.O.T. paid HUANG money because it had funds available at the time. HUANG was not involved in deciding to make the payment to himself from B.O.T.'s bank account.

HUANG could not specifically recall a \$10,000 wire transfer into his LIPPO BANK account from Jakarta which occurred on December 16, 1991, and was reversed on December 31, 1991. However, sometimes wire transfers from Jakarta to LIPPO GROUP entities' bank accounts had a notation of "attention JOHN HUANG" on them. There were a few instances when LIPPO BANK clerks mistakenly credited HUANG's personal account rather than the account of the appropriate LIPPO GROUP entity. When such errors were identified, the wires were reversed out of HUANG's personal account and transferred into the intended LIPPO GROUP entity accounts. HUANG thought that this may have been the reason that the \$10,000 wire on December 31, 1991, was later reversed. HUANG believed that a wire transfer into his bank account from Jakarta on June 23, 1993, for \$9,890 was reversed in his account at a later date due to a bank clerical error as described above. HUANG thought that a \$7,490 LIPPO BANK wire transfer into his account on January 18, 1994, was possibly due to a bank error as well.

HUANG advised that a \$1,000 check payable to YUSIATI PANGESTU by HUANG which was written close to May 12, 1992, was for the purpose of reimbursing PANGESTU's husband, SETIAWAN, for a contribution.

HUANG withdrew cash from his bank accounts for personal use. His cash withdrawals amounted to as much as \$3,000 at times. HUANG

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wrote personal checks to himself as payable to JOHN HUANG or sometimes payable to cash. HUANG could not recall giving anyone a check payable to cash in order to reimburse him/her for a contribution.

HUANG agreed that he had numerous cash deposits in his LIPPO BANK accounts from July 1992, to December 1992. There were a few reasons for the increase in cash deposits into his bank accounts in this time period. First, HUANG received some extra cash from J. RIADY and A. RIADY as reimbursement for business expenses that HUANG had personally paid for over a period of time. Second, HUANG's parents died, and HUANG and his brothers divided up the cash from their parents' estate. HUANG maintained the cash in his home in a safe but periodically deposited cash from the safe. Lastly, HUANG "would not rule out" that some of the cash deposits could have been payments made to HUANG as reimbursements for contributions.

The \$5,000 payment HUANG deposited on November 4, 1992, from A. RIADY was not a payment for the reimbursement of contributions. The money may have been for a gift that A. RIADY asked HUANG to buy. On election night in November 1992, HUANG was in Little Rock, Arkansas.

The deposits on January 12, 1993, and January 29, 1993, for \$86,000 and \$19,000, respectively, from B.O.T. were for expenses related to the inauguration.

The \$57,438 deposit on February 2, 1993, from HHH into HUANG's bank account was for HUANG's bonus after taxes withheld. HUANG's bonus was \$100,000 in 1992 and \$230,000 in 1993.

HUANG could not recall why he received an \$8,000 incoming wire transfer into his bank account from Jakarta on April 8, 1993. HUANG also could not recall why he wrote check numbers 1186 and 1190 payable to cash on his LIPPO BANK account 818-800068 for \$2,000 and \$3,000, respectively, which cleared his account on April 12, 1993. HUANG could not recall why he had an \$18,682 deposit in his LIPPO BANK account on June 2, 1993. HUANG could not recall the nature of a \$10,000 deposit made into his bank account on October 7, 1993.

On October 4, 1993, HUANG deposited \$15,000 into his account as a travel advance payment from HHH. HUANG incurred travel expenses of approximately \$6,500 related to the \$15,000 travel advance. HUANG paid back the remaining balance on the travel advance.

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A \$5,000 check payable to cash which cleared on March 11, 1994, was endorsed by TIRTO because HUANG asked TIRTO to cash the check for him. HUANG needed the cash, possibly to use for the reimbursement of a contribution.

HUANG could not specifically recall why he had written a check payable to YUEN for \$350 which cleared on May 25, 1994, although it was probably for a contribution reimbursement.

RAWLEIN SOBERANO

HUANG did not recall ever meeting RAWLEIN SOBERANO, and HUANG did not know anything about SOBERANO's organization. HUANG definitely did not have lunch with SOBERANO at the MAYFLOWER HOTEL in Washington, D.C. or at any other location. HUANG did not know why SOBERANO made up a story about HUANG. HUANG did not see SOBERANO at a social function or Christmas party in Washington, D.C. There was another Asian man that worked at the DEPARTMENT OF COMMERCE (DOC) in minority business affairs who resembled HUANG that SOBERANO may have mistaken for HUANG at one time. HUANG did not attend an ORGANIZATION FOR CHINESE AMERICANS conference in July of 1993 or 1994.

HUANG was not familiar with the ASIAN PACIFIC ADVISORY COMMITTEE. HUANG did not recognize the name MARY HAY.

DAVID WANG

HUANG knew JAMES WANG, DAVID WANG's father. J. WANG ran CHINA AUTOS, a used automobile shop, in Rosemead. J. WANG was the president of the CHINESE AMERICANS AUTOMOBILE ASSOCIATION. J. WANG was a Buddhist, and J. WANG and ANTONIO PAN knew one another from their "Buddhist connection." HUANG knew J. WANG through HUANG's involvement in the community. HUANG was introduced to J. WANG through PAN, who suggested that HUANG call J. WANG. HUANG met D. WANG on perhaps two occasions, and HUANG merely shook hands with D. WANG. Even after meeting D. WANG, HUANG contacted J. WANG rather than D. WANG. J. WANG invited HUANG to two fundraising events. J. WANG was involved in the HSI LAI TEMPLE event.

HUANG did not meet with D. WANG in Los Angeles on August 16, 1996. HUANG was in New York, staying at the SHERATON HOTEL, for the entire week of August 16, 1996. HUANG did not know if D. WANG had a motive to lie concerning his allegations against HUANG. HUANG never

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paid any money to D. WANG for any reason. Around the time the newspaper story broke regarding HUANG and D. WANG's alleged August 16, 1996, meeting, J. WANG called HUANG and invited him to a third fundraising event. HUANG asked J. WANG why D. WANG "did this" to HUANG. J. WANG suggested that HUANG come over and talk about the matter. However, HUANG never discussed the matter with J. WANG and/or D. WANG and had no more contacts with them.

PAN worked at LIPPO GROUP in Hong Kong at one time. PAN was not a U.S. citizen and was a nonresident of the U.S. HUANG never paid any money to PAN and never asked PAN to make a contribution.

HUANG thought that he first met CHARLIE TRIE in the Summer of 1994 at a political event in Washington, D.C.

#### JERRY PARKER AND THE WHITE HOUSE COFFEE

HUANG never solicited funds at a White House coffee involving the THAI BUSINESS COUNCIL. The person who made such an allegation was JERRY PARKER, who was once a National Security Advisor to DAN QUAYLE. HUANG knew JERRY PARKER. HUANG and PARKER used to work for AMERICAN SECURITY BANK in Washington, D.C. However, HUANG hardly interacted with PARKER.

#### WEBSTER HUBBELL

J. RIADY knew WEBSTER HUBBELL from Arkansas. HUANG's first in person contact with HUBBELL was at the January 1993 inauguration. Huang then saw HUBBELL at a reception in Washington, D.C., in the Spring of 1994. The reception was a social function. At the reception, HUBBELL offered HUANG his business card, and HUANG learned that HUBBELL was seeking help.

HUANG understood that HUBBELL was in financial difficulty. DOUG BUFORD, an attorney in Little Rock, Arkansas, and other friends of HUBBELL were considering setting up a trust fund for HUBBELL's children. BUFORD and JOE GIROIR from Little Rock called HUANG regarding the trust fund. HUANG told J. RIADY about the trust fund. HUANG understood that the maximum gift was \$15,000.

Prior to June 1994, J. RIADY asked HUANG to set up a meeting with HUBBELL for when J. RIADY was going to be in the U.S. J. RIADY asked HUANG if HUANG thought that J. RIADY should help HUBBELL.

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During this conversation, HUANG and J. RIADY also discussed HUBBELL's pride, which needed to be considered when offering financial assistance to HUBBELL. HUANG told J. RIADY that one should help people in need, especially friends.

During the last week of June 1994, HUBBELL and J. RIADY had a breakfast meeting in HUBBELL's temporary office at 19th and M in Washington, D.C. HUANG was outside the door during the meeting pursuant to J. RIADY's request. Based on the conversation that HUANG had with J. RIADY regarding HUBBELL's pride, HUANG believed that there was an understanding between J. RIADY and HUBBELL that J. RIADY would help HUBBELL monetarily, and HUBBELL would help J. RIADY in unspecified ways in the future. HUANG had no conversations with J. RIADY regarding any help HUBBELL would give J. RIADY.

J. RIADY and HUBBELL also had a lunch meeting in a hotel room at the HAY-ADAMS HOTEL. HUANG arrived at the meeting just as it was ending. HUANG thought the meeting was regarding HUBBELL arranging visits to the White House and other networking.

After meeting with HUBBELL, J. RIADY asked HUANG to obtain HUBBELL's bank account information. HUANG called HUBBELL to obtain the information. HUANG informed someone with LIPPO GROUP, whose name HUANG could not recall, of HUBBELL's bank account information, which was for an account held at NATIONS BANK in Washington, D.C. Funds were wired into HUBBELL's bank account from HONG KONG CHINA LIMITED. HUANG did not know the amount of money wired into HUBBELL's account for certain, but speculated that it may have been \$100,000. Immediately after HUANG provided the account information to someone at LIPPO GROUP, HUANG went to Hong Kong to attend a wedding. This was the end of his direct involvement in LIPPO GROUP and J. RIADY related payments made to HUBBELL. When HUANG returned from China, he left LIPPO GROUP to begin work for the DEPARTMENT OF COMMERCE (DOC). When asked if HUANG thought that J. RIADY gave HUBBELL \$100,000 as friendly gesture or for some other purpose, HUANG replied, "Everything has a purpose."

In August 1994, HUANG met HUBBELL for lunch to introduce HUANG's successor at LIPPO GROUP, JOSE HANNA, to HUBBELL. HUANG introduced HUBBELL to HANNA in case HUBBELL needed a contact at LIPPO GROUP in place of HUANG.

HUANG was aware of a trip that HUBBELL took to Jakarta, Bali and Hong Kong as indicated on a WEIT July 1994, invoice. HUANG

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advised that J. RIADY invited HUBBELL on the trip for a vacation to relax and get to know people from LIPPO GROUP. J. RIADY asked HUANG to get HUBBELL's plane ticket. HUANG did not know who paid for the invoice from WEIT.

HUANG was aware of a trip that SUSAN THOMASES was going to take to Asia as indicated on a WEIT July 1994, invoice. J. RIADY invited THOMASES; however, HUANG was not sure if they actually went. This trip was not planned in connection with the HUBBELL trip listed on the WEIT July 1994, invoice. HUANG did not recall who arranged the trip.

TRANSITION TO THE COMMERCE DEPARTMENT

HUANG's last day working for LIPPO GROUP was July 15, 1994, and he began working for the DOC in July 1994, subsequent to his last day at LIPPO GROUP. However, HUANG continued to receive payments from LIPPO GROUP entities for reimbursement of business expenses incurred while he worked at LIPPO GROUP at least through October 1994. AUSA O'BRIEN showed HUANG a LIPPO GROUP reimbursement request for \$872 for attending expenses related to the attendance of a DNC meeting on August 2, 1994. HUANG advised that the reimbursement was for his wife, JANE HUANG, rather than JOHN HUANG. HUANG believed that JANE HUANG took HANNA, HUANG's replacement at LIPPO GROUP, to the meeting. HANNA knew JANE HUANG; therefore, it was logical for him to call her regarding attending the DNC meeting.

Because HUANG could not show HANNA around and train him as HUANG's replacement at LIPPO GROUP, JANE HUANG assisted in this function. HUANG had a discussion with JANE HUANG and HANNA wherein HUANG asked JANE HUANG to assist HANNA in his fundraising role at LIPPO GROUP since HUANG could not assist HANNA in such capacity while working for the DOC. HUANG thought that it was fair to have JANE HUANG assist HANNA for a short period of time due to HUANG's concerns regarding his job at the DOC as a conflict in assisting HANNA. HUANG did receive some phone calls from HANNA in which HANNA asked HUANG questions regarding procedures to be followed in HANNA's job at LIPPO GROUP.

HUANG did not believe that HANNA asked HUANG to introduce HANNA to people at the DNC. However, JANE HUANG knew DAVID MERCER and some other DNC people that she could have introduced to HANNA. HUANG thought that he had been introduced to MERCER by MELINDA YEE.

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In August 1994, HUANG, JANE HUANG and HANNA attended a birthday party for PRESIDENT CLINTON. HUANG himself did not contribute to the event, but HUANG agreed that JANE HUANG made a \$5,000 contribution to the DNC around August 15, 1994. HUANG himself did not make a contribution because he felt that enough money had already been given, and HUANG tried to stay away from making contributions himself when he first started working at the DOC.

HANNA did not attend many political functions other than the President's birthday party. HANNA may have visited Little Rock, Arkansas.

JANE HUANG did not have an understanding with J. RIADY to make contributions. HUANG decided to which political campaigns to contribute for his wife JANE HUANG. After August 1994, JANE HUANG had no political involvements. She only attended events as a spouse with HUANG.

After HUANG left LIPPO BANK, his contributions were made "from his own pocket" and were not reimbursed by LIPPO GROUP. In order for the HUANGS to maintain their ties to the political community, they continued to donate to political campaigns. HUANG agreed that the first contribution made in his name while he worked for the DOC was a \$1,000 contribution to CLINTON GORE '96 PRIMARY COMMITTEE in October 1995.

MAELEY TOM

MAELEY TOM started to work at LIPPO GROUP in early 1993 or 1994 as a consultant. TOM and HUANG were good friends, and HUANG thought that she was a good person for the community. When HUANG left LIPPO GROUP, TOM was to work with HANNA in the same capacities as she had assisted HUANG. HANNA did not like the U.S. and did not work for LIPPO GROUP in the U.S. for very long. After HANNA left the U.S., TOM was not considered a replacement for HANNA. However, TOM "filled in some of his shoes" at LIPPO GROUP. J. RIADY traveled more to the U.S. after HANNA left.

TOM and her husband owned the business TOM & ASSOCIATES. TOM also worked at CASSIDY & ASSOCIATES.

In August 1994, TOM accompanied some LIPPO GROUP executives, including TONG PADILLA (phonetic), on a visit to the White House. The

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purpose of the visit was to see the White House.

In 1994, TOM contributed to political campaigns and was reimbursed. The reimbursements were included with TOM's consulting fee bills to LIPPO GROUP. This plan of reimbursement was initiated by HUANG with respect to non-political contributions and went into effect at the time TOM was hired as a consultant. There were two or three instances when TOM was reimbursed in this manner for costs unrelated to her consulting work for LIPPO GROUP. The initial discussion between TOM and HUANG may have occurred in HUANG's office in Los Angeles.

TOM's original purpose was to do community outreach, not to make contributions for LIPPO GROUP. While HUANG was going through the transition period between LIPPO GROUP and the DOC, HUANG asked TOM to pay \$5,000 for a lunch in Washington, D.C. attended by California delegates in approximately August 1994. HUANG suggested to TOM that she add the \$5,000 to her consulting bills to LIPPO GROUP over a few months. The \$5,000 was not a contribution. However, this was the first situation where TOM added amounts to her consulting bills to LIPPO GROUP as suggested by HUANG for costs unrelated to consulting. There were no witnesses to HUANG's conversation with TOM.

The first political contribution TOM was reimbursed for through her consulting bills to LIPPO GROUP occurred when TOM made a \$10,000 contribution for an AL GORE DNC event held approximately November 2, 1995. Prior to the event, it was determined that the number of people to attend the event was less than desired. CONGRESSMAN MATSUI was going to be at the event, and it was important for the event to be a success because it was an Asian American event. HUANG did not want to embarrass CONGRESSMAN MATSUI by not "making the numbers." In order to "make the numbers," HUANG encouraged TOM to attend the event. TOM's response was that she would not be able to come up with the money for "that sort of thing." HUANG suggested that she be reimbursed for her event contribution through additions to her LIPPO GROUP consulting bills over the next few months. HUANG believed that his conversation with TOM regarding the event was most likely in person and occurred in late September or early October 1995. There were no witnesses to HUANG's conversation with TOM. The conversation probably took place at a restaurant. The restaurant could have been in the hotel she was staying at in Washington, D.C. at Ninth and I Streets.

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HUANG did not characterize his conversation with TOM regarding the AL GORE DNC event a solicitation of contributions because he thought that the DNC had already solicited TOM. Also, HUANG merely encouraged TOM to attend in order to "make the numbers." However, the phrase "make the numbers" referred to both the number of people in attendance at an event and also the amount of dollars in contributions received for an event.

TOM may have been reimbursed through her LIPPO GROUP consulting bills for a contribution made in November 1995, to JESSE JACKSON, JR.

TOM had not been reimbursed by LIPPO GROUP for contributions prior to being hired as a consultant for LIPPO GROUP. HUANG may have had a general conversation with J. RIADY regarding giving TOM an increase in her consulting fees for her regular consulting services to enable her to make contributions from the regular fees.

KENNETH WYNN

HUANG did not give the DNC the authority to list him as the solicitor for a DNC contribution made by WYNN for \$5,000 in August 1994, at the event for PRESIDENT CLINTON's birthday. WYNN did not attend the President's birthday party. HUANG did not speak to WYNN regarding the contribution. HUANG asked HANNA to attend. There were two possible reasons why WYNN made the \$5,000 contribution. First, HUANG might have suggested to HANNA to ask WYNN to make a contribution so that HANNA, who was a Brazilian citizen, could attend. HUANG informed HANNA about the FEC rules prohibiting contributions from foreign citizens. HUANG explained to HANNA that someone could pay for HANNA's ticket to an event so that HANNA could attend even though HANNA was a Brazilian citizen. Second, HUANG believed that he may have asked JANE HUANG to call WYNN regarding the event. However, JANE HUANG told HUANG that she did not contact WYNN regarding the event.

HUANG described his involvement in two \$5,000 contributions made by WYNN and his wife for the PRESIDENT CLINTON Voter Outreach dinner held approximately two weeks after the August 1994, PRESIDENT CLINTON birthday dinner as the same as the circumstances which WYNN's contributions for the birthday dinner were made.

HUANG did not know why his name was originally listed as the solicitor on the check tracking form of a \$12,000 DNC contribution

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received from WYNN in October 1995. HUANG also did not know why his name was later crossed out on the same check tracking form and JANE HUANG listed as the solicitor. HUANG had no conversations with WYNN regarding the \$12,000 contribution. However, J. RIADY handed the \$12,000 WYNN check to HUANG, and HUANG delivered the check to the DNC. J. RIADY and HUANG had no prior conversations regarding the \$12,000 WYNN contribution. However, J. RIADY knew that HUANG would be going to work for the DNC and thought he was doing HUANG a favor by giving HUANG the check to deliver to the DNC.

ENTERGY

In March 1994, HUANG went on a COMMITTEE OF ONE HUNDRED (C100) trip to Beijing. People from ENTERGY and JOE GIROIR were there as well. HUANG met with the ENTERGY people in Beijing regarding Chinese officials. There was also a large group meeting for the C100. LI RUI HUAN (phonetic) was at the large group meeting. The ENTERGY project was not discussed on the C100 trip to Beijing at any meetings. Such discussions would have been improper because the ENTERGY project was not part of the C100's business.

In April 1994, HUANG took a trip to Arkansas and attended a meeting with representatives from LIPPO GROUP and ENTERGY. Some people traveled from China to attend the meeting. The meeting was held in order to discuss a possible joint venture between LIPPO GROUP and ENTERGY with some investment bankers.

While HUANG worked for the DOC, GIROIR traveled to Washington, D.C., and visited the DOC. While GIROIR was at the DOC, HUANG introduced GIROIR to DAVID ROTHKOPF. MELINDA YEE was present during the introductions. HUANG was not involved in any future dealings between GIROIR and ROTHKOPF. HUANG's only role was to introduce them.

HUANG attended a meeting on October 23, 1994, at B SMITH's RESTAURANT in Washington, D.C. at Union Station. HUANG was invited as a guest to join in the meeting. HUANG did not say much at the meeting and did not get involved. HUANG had no working knowledge of the ENTERGY project even while HUANG worked for LIPPO GROUP because the project was handled in Hong Kong. HUANG had no financial interest in the ENTERGY joint venture with LIPPO GROUP. HUANG doubted that the U.S. government was in a position to help the ENTERGY joint venture. However, RON BROWN was pitching the joint venture because it could

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increase jobs in the U.S.

STEPHENS GROUP

JACK STEPHENS and J. RIADY were close business associates. As a courtesy to HUANG, VERNON WEAVER of STEPHENS, INC. offered HUANG the use of office space at STEPHENS, INC. in Washington, D.C. HUANG used the office space for any matters he dealt with that had no relation to his job at the DOC. For example, HUANG assisted C. DE QUELJOE by helping get C. DE QUELJOE's son into the Naval Academy. HUANG used the phone and office at STEPHENS, INC. regarding this matter. HUANG also used the phone and office for C100 matters.

During the time when HUANG worked for the DOC, HUANG introduced FONG to WEAVER and WEAVER's assistant at STEPHENS, INC. The introductions took place in Los Angeles on a Friday. HUANG was on government travel for another matter and stopped in Los Angeles for the weekend on his return trip to Washington, D.C. WEAVER wanted to meet FONG to solicit bond business from him. HUANG would not rule out that he may have informed FONG that STEPHENS, INC. could effectively handle bond business. HUANG made the introductions and favorable comments regarding STEPHENS, INC. to FONG. HUANG did not receive any payments from anyone in return for introducing FONG to WEAVER.

KEN YUEN

KEN YUEN, who was a friend of HUANG's, had a daughter with down syndrome. YUEN's daughter was over the age of twenty-one and had not yet qualified for permanent residency in the U.S. Therefore, there was a possibility that she was going to be deported. YUEN's wife had a small nervous breakdown due to her concern about the daughter's possible deportation. As a favor to the YUEN family, HUANG asked a friend at SENATOR SIMON's office to expedite YUEN's daughter's application for permanent residency. HUANG did this while he worked at the DOC.

CLASSIFIED INFORMATION

HUANG never shared any classified information that he received at the DOC with anyone not entitled to such information, including any LIPPO GROUP personnel. HUANG did not share any nonclassified information that he received at the DOC with anyone for an improper purpose. He did not share any nonclassified information

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with anyone unless the information was already public knowledge.

DEPARTURE FROM THE COMMERCE DEPARTMENT

HUANG joined the DOC for various reasons. First, there were few people in his community that worked in government. People from HUANG's community suggested to him that he get involved in U.S. government. Second, by working for the government, HUANG thought that he might be able to help more Asian Americans work for the government in the future. Lastly, J. RIADY encouraged HUANG to join the DOC. HUANG thought that J. RIADY was a bit "naive" regarding the benefit that would be obtained from HUANG working for the DOC. The most benefit that J. RIADY obtained from HUANG working at the DOC was that J. RIADY could tell other people that he knew someone that currently worked for the U.S. government.

HUANG left his job at the DOC because he never did any meaningful work. HUANG was only assigned administrative duties at the DOC.

The "power struggle" between CHARLES MEISSNER and DAVID ROTHKOPF began before HUANG worked for the DOC. HUANG was associated with MEISSNER. As a result of ROTHKOPF and JEFFREY GARTEN's dominant roles, HUANG received less responsibilities. HUANG had little contact with GARTEN while HUANG worked for the DOC. GARTEN and ROTHKOPF's offices were next to one another at the DOC.

HUANG could have started working at the DOC earlier than he did; however, HUANG wanted to work for someone that he knew at the DOC. HUANG knew RON BROWN and started working for the DOC subsequent to RON BROWN's appointment at the DOC.

By the end of 1993, HUANG was ready to begin working for the DOC. However, HUANG did not begin working there until July 1994, because he had to fill out numerous forms and background checks had to be performed on him. HUANG did not delay his appointment to the DOC in order to participate in a fundraiser.

In August 1993, HUANG interviewed with GARTEN, and GARTEN asked HUANG for the names of HUANG's references.

In October or November of 1993, HUANG met MEISSNER to determine their "chemistry" since HUANG would be working with

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MEISSNER.

MEISSNER told HUANG that his job at the DOC was going to be Deputy Assistant Secretary for Asia. HUANG had no knowledge of what went on behind the scenes at the DOC which resulted in HUANG's position getting changed. The Deputy Assistant Secretary for Asia position was given to NANCY PATTON. HUANG's position at the DOC was Principal Deputy Assistant Secretary.

HUANG'S FUNDRAISING AT THE COMMERCE DEPARTMENT

HUANG participated in a fundraiser for TOM DASCHLE in Washington, D.C. HUANG solicited contributions for DASCHLE's campaign when HUANG worked for LIPPO GROUP.

DR. TIMOTHY YU was a businessman who specialized in environmental matters. HUANG and YU got to know one another through the PACIFIC LEADERSHIP COUNCIL (PLC). YU contributed to campaigns, and HUANG solicited contributions from YU while HUANG worked for LIPPO GROUP. HUANG did not recall ever soliciting YU for contributions when HUANG worked at the DOC. HUANG did provide information to YU regarding a November 1995 AL GORE DNC fundraising event. In the Spring or Fall of 1995, HUANG or JANE HUANG made a contribution at a DSCC event in Washington, D.C. for TOM DASCHLE. HUANG probably did not invite people to the DSCC event. However, HUANG may have given YU's name to others as a possible contributor.

The night before the DSCC event described above, there was an event for GEPHARDT held at MARVIN DAVIS' home. HUANG did not ask anyone to attend or contribute to the event. AL GORE attended the event. Tickets to the event were \$5,000. HUANG and JANE HUANG attended.

AUSA O'BRIEN read a letter, typed on TOM DASCHLE letterhead, dated April 13, 1995, from STEVE ERPENBACH and SENATOR TOM DASCHLE to DR. TIMOTHY YU which stated that HUANG had attended an event for DASCHLE and that HUANG encouraged DASCHLE to meet with YU. HUANG did not have any discussions with DASCHLE regarding YU but possibly discussed YU with DSCC fundraisers. HUANG could not recall any specific conversations he had with anyone at the DSCC regarding YU. At most, HUANG gave names of individuals who could "help" the DSCC to DSCC fundraisers.

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HUANG and YU had both been members of the DSCC in the early 1990s. HUANG possibly had a conversation with YU wherein YU expressed interest in getting involved in the DSCC again. HUANG did not ask YU to make a contribution to the DSCC. HUANG did not suggest to YU that he give money to the DSCC BUSINESS ROUND TABLE or the DSCC LEADERSHIP CIRCLE. However, HUANG may have suggested to YU that he become a member of the DSCC BUSINESS ROUND TABLE or the DSCC LEADERSHIP CIRCLE. HUANG knew that YU already knew the dollar amounts of contributions associated with being a member of the DSCC BUSINESS ROUND TABLE and the DSCC LEADERSHIP CIRCLE. However, HUANG did not ask YU to become a member of the DSCC BUSINESS ROUND TABLE or the DSCC LEADERSHIP CIRCLE. Rather, HUANG's discussions with YU regarding DSCC BUSINESS ROUND TABLE or the DSCC LEADERSHIP CIRCLE were more general in nature.

SHARI YOST was a fundraiser for the DSCC. The most HUANG could recall of any conversations he had with YOST while HUANG worked at the DOC consisted of HUANG suggesting names of possible contributors to YOST. HUANG may have given YU's name to YOST as a person interested in becoming involved in the DSCC again.

The name STEVE ERPENBACH sounded familiar to HUANG. HUANG may have suggested names of possible contributors to ERPENBACH and TRICIA RIFFENBERG.

AUSA O'BRIEN showed HUANG handwritten notes written on DSCC letterhead which had the heading "Prospects from DNC Lists" and had the following noted: "(John HUANG - in D.C.? has pres apptmt but can raise - ASIAN \$?" HUANG did not recognize the handwriting on the note. HUANG responded that the person who wrote the note did not know what he/she was talking about.

HUANG did not ever solicit MI AHN to make a contribution while HUANG worked for the DOC. M. AHN and HUANG knew each other from their involvement in the DSCC in earlier years. While HUANG worked at the DOC, M. AHN called HUANG at his office and advised that she and her sister SUZANNE AHN were upset with the DSCC regarding the WARD's COVE civil rights suit in Alaska. M. AHN and S. AHN had lobbied the SENATE to override the decision and only got twenty signatures. M. AHN told HUANG that she no longer wanted to support the DSCC and asked HUANG for his advice regarding how to handle her dissatisfaction with the DSCC. In response, HUANG suggested that M. AHN support the DNC rather than the DSCC. HUANG thought that M. AHN was in California when she called him regarding the DSCC matter.

HUANG had spoken to M. AHN on the phone prior to the call regarding the DSCC and WARD'S COVE. Sometimes, HUANG spoke to M. AHN on the phone for no particular reason other than to say hello and see how she was doing. HUANG could not specifically recall why he called M. AHN in Seoul, Korea, in late May 1995. HUANG thought there were two possible reasons for the call. First, he may have called M. AHN for no particular reason other than to say hello. Second, he may have spoken to her about a visit to the U.S. by the President of South Korea, KIM YONG SAN. Either way, the call to M. AHN was not regarding fundraising.

HUANG tried to contact M. AHN to discuss her attending the DNC AL GORE event held in November 1995. HUANG's style and approach was to ask individuals to attend the event rather than to contribute money. M. AHN did not attend such event. HUANG did not know why M. AHN did not attend the event but thought that M. AHN may have already had previous plans to attend another fundraising event. MERCER did not ask HUANG to contact M. AHN regarding the event.

HUANG met with M. AHN at the SHERATON CARLTON in July 1995, for one of two possible reasons. First, they may have met regarding a visit to the U.S. by the President of South Korea, KIM YONG SAN. Second, they may have met to discuss the appointment of members of the Advisory Committee to the U.S. Trade Representatives Office. Later, M. AHN was appointed to such committee. HUANG did not know when she was appointed.

There was a state dinner held when KIM visited the U.S. in 1995. Normally, a guest list was formed for such dinners, which included various members of the community. HUANG received a call from MRS. MATSUI asking HUANG for suggested names of persons in the community to invite to the dinner. HUANG suggested the names of M. AHN and her sister, SUZANNE AHN, to attend the dinner. RICHARD PARK and RICHARD BERTCH attended the dinner but were not invited by HUANG or their names suggested by HUANG.

HUANG knew the distinction between inviting persons to attend events verses soliciting persons for monetary contributions. HUANG understood that the Hatch Act provided that it was permitted to invite people to attend fundraising events and to recommend names of possible contributors to the DNC. However, the Hatch Act prohibited the solicitation of contributions. HUANG received a memo while he worked at the DOC regarding the Hatch Act regulations. The memo had

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been issued by GINGER LEW's office of General Counsel.

When HUANG asked a person to attend an event with a price tag on it while he worked for the DOC, HUANG's state of mind was that he was in dangerous territory with respect to the Hatch Act. Prior to September 1995, when he decided to work for the DNC, the idea to raise money while employed at the DOC did not come to HUANG's mind.

MONA PASQUIL raised the issue with HUANG of HUANG helping get people to attend the DNC AL GORE event held in November 1995. The event cost \$10,000 per person to attend. PASQUIL might have asked HUANG to call M. AHN regarding the event.

PASQUIL definitely discussed the "CHONG LO situation" with HUANG. The DNC had been calling LO to invite her to fundraising events. However, LO was not attending such events. PASQUIL told HUANG that she had called LO. HUANG told PASQUIL that he would call LO. Therefore, HUANG called LO and urged her to attend the November 1995, DNC AL GORE event. LO told HUANG that she would rather use her money for other things. Later, HUANG learned that LO had a LOTUS fund and wanted to use her money for it. HUANG never asked LO to contribute \$100,000 to the event.

HUANG first met LO in the late Summer of 1995. HUANG did not know LO by any other names at that time. HUANG did not recall ever meeting LO through YVONNE LEE; however, HUANG did know LEE. HUANG did not recall ever discussing fundraising with LO while LO was physically at the DOC. HUANG spoke to LO's brother regarding fundraising events when HUANG worked at the DNC.

HUANG did not attend a White House coffee in August 1995, which LO attended. LO's LOTUS fund failed, and HUANG read accusations made by LO in the newspaper which indicated that LO blamed HUANG for the failure of LO's event. However, HUANG did not believe that LO held any grudges against HUANG.

HUANG physically moved his office to the DNC on December 4, 1995.

HUANG did not contact people regarding the February 1996, DNC event held at the HAY-ADAMS HOTEL before he physically began working at the DNC.

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BEN TANG attended an AL GORE function while HUANG worked at the DNC. However, HUANG did not solicit TANG for contributions or invite TANG to any fundraising events while HUANG was employed at the DOC.

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NON-PUBLIC CRIMINAL INVESTIGATION

HUANG and/or JANE HUANG did not contact the following individuals regarding the AL GORE DNC event held in November 1995: BHUPIE PATEL, SANT CHATWAL, DAVID WONG, SUZANNE AHN, HENRY OTA, WHAJA PARK, GELLY BORROMEO, DR. MARWA, SUNIL PURI, DAVID KIM, HERBERT KIM, ED CHIN, DANG PHAM, LAM NGUYEN and STEVE KAHNG. HUANG may have contacted BONNIE WONG regarding the AL GORE DNC event held in November 1995. JANE HUANG did not contact A. WIRIADINATA, S. WIRIADINATA and M. AHN regarding the AL GORE DNC event held in November 1995. HUANG did not think that JANE HUANG met the WIRIADINATAS but thought that she had met M. AHN.

While HUANG was at the DOC, MERCER called him and wanted to meet HUANG outside. HUANG met MERCER in the lobby of the WILLARD HOTEL. MERCER wanted to know if HUANG had any names to refer to MERCER regarding fundraising. This meeting was unrelated to the AL GORE DNC event held in November 1995, and occurred months before the AL GORE DNC event. HUANG had lunch during his early employment at the DOC with MERCER at the OLD ABBOTT GRILL (phonetic). No substantial matters were discussed.

HUANG had a separate, telephonic conversation with MERCER regarding the AL GORE DNC event held in November 1995. MERCER told HUANG that the DNC really needed help for the event. However, MERCER did not ask HUANG to perform any specific tasks to help the DNC or MERCER.

MERCER must have been aware of the HATCH ACT provisions based on the following. Once, HUANG told MERCER not to get HUANG involved in all "this regarding fundraising." Also, MERCER asked HUANG to meet MERCER outside regarding the WILLARD HOTEL meeting. Lastly, MERCER listed JANE HUANG as a solicitor when she did not solicit funds.

HUANG did not recognize the name GARY CHRISTOPHERSON.

PAULINE KANCHANALAK visited HUANG regarding her organizing

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the U.S. THAI BUSINESS COUNCIL. The husband of DEBBIE SHON was hired by KANCHANALAK as the Executive Director of the U.S. THAI BUSINESS COUNCIL. SHON's husband demanded from KANCHANALAK commissions for enlisted people's support. KANCHANALAK came to HUANG's office at the DOC to ask HUANG for advice on KANCHANALAK not continuing her employment with DEBBIE SHON's husband. HUANG advised KANCHANALAK to talk directly to DEBBIE SHON about KANCHANALAK's problems.

KANCHANALAK attended the AL GORE DNC event held in November 1995. HUANG asked PASQUIL of the DNC to get KANCHANALAK a seat at the event. KANCHANALAK did not make a contribution to the event.

#### JOINING THE DNC

HUANG traveled to the White House "quite a lot." While HUANG was employed by LIPPO GROUP and before June 1994, HUANG visited the WHITE HOUSE approximately twenty times. However, HUANG did not visit the Oval Office every time he visited the White House. HUANG visited the Oval Office on April 19, 1994, which was HUANG's first time in the Oval Office. GROBMYER was in the Oval Office at that time as well. The visit was not in connection with HUANG's DOC appointment. Rather, the discussions consisted of casual conversation, and some photos were taken. The visit was strictly social and was very brief because PRESIDENT CLINTON was very busy at the time because it was during the incidents in Waco, Texas, involving DAVID KORESH. HUANG could not recall any additional visits to the Oval Office during his employment at LIPPO GROUP.

During his employment at the DOC, HUANG visited the White House approximately thirty to forty times. HUANG recalled three visits to the Oval Office while he worked for the DOC. Two of the visits were to attend Saturday Night Addresses. J. RIADY and GIROIR accompanied HUANG on his third visit to the Oval Office while he worked at the DOC. BRUCE LINDSEY was also present. Originally, HUANG was not scheduled to go into the Oval Office at all on the third visit. However, GIROIR called NANCY HERREICH (phonetic) and got HUANG into the Oval Office. While in the Oval Office, J. RIADY suggested that HUANG could be very helpful in the Asian American community and discussed HUANG working for the DNC. HUANG said little while in the Oval Office but expressed interest in working for the DNC after J. RIADY had brought up the topic. Previously, HUANG had discussed working at the DNC with J. RIADY in late Summer or early Fall. Huang could not recall any additional visits to the Oval Office during his

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employment at the DOC.

After HUANG's visit to the Oval Office with J. RIADY and GIROIR, LINDSEY called HUANG and asked him if he really wanted to work for the DNC since HUANG had not said much during the meeting.

After HUANG's discussion with LINDSEY regarding HUANG's interest in working for the DNC, HUANG had a meeting with HAROLD ICKES in September or October of 1995 regarding HUANG's possible employment at the DNC. In the meeting, HUANG raised the matter of the importance of Asian American issues. HUANG told ICKES that Asian Americans in the Silicon Valley were good sources for contributions. HUANG was not aware of when ICKES got involved in assisting HUANG getting employment at the DNC. HUANG believed that ICKES may have been tasked by PRESIDENT CLINTON or by LINDSEY to make sure that HUANG went from working for the DOC to working for the DNC.

HUANG may have had a telephone conversation with ICKES subsequent to the one in September or October of 1995 in which ICKES discussed HUANG helping find people in the Asian American community to support JESSE JACKSON's campaign. This conversation took place while HUANG worked at the DOC. HUANG knew that ICKES meant support in the form of financial support. HUANG and ICKES did not discuss the Hatch Act in the conversation. The conversation was very brief.

HUANG did not know if MARIA HALEY was involved in the process of getting HUANG hired at the DNC.

During his employment at the DNC, HUANG visited the White House approximately eighty something times. HUANG visited the Oval Office twice for radio addresses while he worked for the DNC. Huang could not recall any additional visits to the Oval Office during his employment at the DNC. HUANG never met one on one with PRESIDENT CLINTON while HUANG was employed by the DNC.

HUANG's response to the allegations regarding PRESIDENT CLINTON pushing him to the DNC was that they were not true. HUANG did not know what went on behind the scenes. However, PRESIDENT CLINTON may have asked LINDSEY to assist in getting HUANG a job at the DNC. RON BROWN knew that HUANG was leaving the DOC for the DNC. GIROIR may have spoken to DON FOWLER regarding HUANG working for the DNC. MIDDLETON may have also helped.

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HUANG knew of no improprieties to get HUANG hired at the DNC as a vehicle for J. RIADY to get foreign money funneled into election campaigns. J. RIADY did not suggest to HUANG that he work for the DNC in order for J. RIADY to get foreign money funneled into election campaigns. No suggestion was made by J. RIADY to HUANG regarding changing the manner of making contributions once HUANG was employed by the DNC.

HUANG did not recall ever meeting with FOWLER regarding employment at the DNC. While HUANG worked at the DOC, there was a group of people from Taiwan that were going to visit the DNC. A person who worked for the DNC in an area other than fundraising called HUANG and asked HUANG to brief FOWLER about Taiwan.

While HUANG worked for the DOC, J. RIADY visited the U.S. and met with RICHARD SULLIVAN, FOWLER and GIROIR. GIROIR set up the meeting. J. RIADY was staying at the FOUR SEASONS HOTEL at the time. Asian community issues were discussed in the meeting, and HUANG may have been discussed as well. HUANG came in at the end of the meeting.

While HUANG worked at the DNC, FOWLER asked HUANG to ask some of HUANG's friends to check up on FOWLER's daughter while she was visiting Jakarta.

#### SOLICITATIONS OF FOREIGN RESIDENTS

HUANG never discussed with FOWLER traveling overseas to obtain foreign contributions. However, HUANG discussed with FOWLER the idea of traveling overseas to locate contributors that were overseas that had green cards or were U.S. citizens. HUANG had heard that HALEY BARBOUR (phonetic) of the REPUBLICAN NATIONAL COMMITTEE had obtained contributions by taking a similar trip overseas. HUANG and FOWLER never discussed reimbursing people for contributions.

#### THE MEDIA FUND

During HUANG's employment at the DOC, HUANG had a meeting with MARVIN ROSEN, GIROIR and MIDDLETON in MIDDLETON's office next to the WILLARD HOTEL. Words might have been mentioned about the media fund at the meeting.

HUANG did not participate in any discussions regarding using soft money contributions for television advertisements used to obtain

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general party support. There were two reasons why HUANG was not involved in any of such discussions. First, HUANG was new at the DNC at the time. Second, HUANG's position at the DNC was not at a level appropriate to make decisions regarding such matters.

HUANG could not recall making a commitment around October of 1995 to HARTIGAN or anyone else to raise money for a media fund. If a media fund was mentioned to HUANG, he would not have even known what it was at that time. HUANG did not recognize the name ERICA JESSELSON.

TERRY MCCOLUFF had a conversation with a group of people from the Asian community regarding helping the Asian American community get involved in the next campaign. HUANG did not believe that he had any conversations in which he made commitments of any kind with State Democratic parties while at the DOC.

ROGER TAMRAZ

HUANG did not know ROGER TAMRAZ.

HUANG had no knowledge of any contacts the DNC had with the CIA to facilitate contribution receipts.

LIU AND REN

HUANG knew of SHU-LAN LIU and YUN-LIANG REN from the Asian American community. HUANG may have met LIU and REN initially at a social function, but HUANG couldn't recall exactly where he had met LIU and REN. LIU and REN told HUANG that they were from China. HUANG contacted LIU and REN regarding the DNC event held at the HAY-ADAMS HOTEL on February 19, 1996, prior to the event. LIU and REN immediately showed an interest in participating in the event. Prior to the DNC HAY-ADAMS hotel event, HUANG asked LIU and REN if they had green cards. LIU and REN told HUANG that they had green cards.

At the DNC HAY-ADAMS HOTEL event, LIU and REN gave HUANG the impression that they were very wealthy. LIU and REN told HUANG that they could help much more and were willing to even give \$500,000 in contributions.

After the DNC HAY-ADAMS HOTEL event, LIU and REN's pictures were in the local Chinese newspapers regarding their attendance at the

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event. HUANG thought that LIU and REN were "showing off" that they had attended the event. HUANG did not approve of this but did not make a big deal about it with LIU and REN.

LIU and REN asked HUANG to let them know when the next event was going to take place. HUANG called them and informed them about a DNC event that took place on May 13, 1996. HUANG asked LIU and REN additional questions regarding their backgrounds. HUANG had an "inkling" that he needed to ask LIU and REN additional background questions before accepting any additional contributions from them. HUANG was not sure why he had this feeling. It was possible that HUANG decided to make such extra inquiries because LIU and REN were being so public about their attendance at the DNC HAY-ADAMS HOTEL event. HSIA was at the DNC HAY-ADAMS HOTEL event, and HSIA could not confirm LIU and REN's green card status with HUANG. Perhaps, this was why HUANG felt the need to perform additional checks on LIU and REN's background and green card status.

HUANG asked LIU and REN again whether or not they had green cards. LIU and REN told HUANG that they had alien registration numbers. HUANG may have had a conversation with LIU and REN's bookkeeper, NANCY SUN, regarding the contributions but all of the final answers regarding LIU and REN's background and green card status came directly from LIU and REN.

HUANG told SULLIVAN first and then SANDLER when HUANG found out that LIU and REN did not have their green cards. When HUANG told SANDLER that the LIU and REN contribution checks needed to be returned, SANDLER said okay. HUANG returned the contribution checks that had been received by the DNC from LIU and REN for the DNC HAY-ADAMS HOTEL event. NEIL REIFF was not involved with the return of the LIU and REN contribution checks. HUANG had very little interaction with REIFF. The checks were returned prior to the May 13, 1996, DNC event but subsequent to HUANG's conversation with LIU and REN regarding the May 13, 1996, event.

HUANG saw LIU and REN at the HAY-ADAMS HOTEL around the time of but prior to the May 13, 1996, DNC event. At that time, HUANG had already returned LIU and REN's previous contributions to them. However, LIU and REN still showed "eagerness" to go to the May 13, 1996, DNC event, which was held at the SHERATON CARLTON. HUANG let LIU and REN attend the May 13, 1996, DNC event. HUANG suggested to LIU and REN that they make a contribution to VOTE NOW '96. LIU and

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REN gave HUANG a check for a contribution to VOTE NOW '96 while at the SHERATON CARLTON HOTEL after the event.

LIU and REN's daughter attended events with them but did not make contributions. LIU and REN wanted their daughter to attend because they thought that she could assist them with their English.

JANE DEWI TAHIR

J. RIADY mentioned to HUANG that J. TAHIR had a green card and could contribute; therefore, HUANG invited J. TAHIR to the DNC HAY-ADAMS HOTEL event held February 19, 1996. J. TAHIR could not attend the event because of an exam she had at school. J. TAHIR attended the UNIVERSITY OF CALIFORNIA, BERKLEY (U.C. BERKLEY). GRACE TAHIR, J. TAHIR's sister, VICTORIA (LNU) and an unknown male attended the event in place of J. TAHIR. VICTORIA may have been J. TAHIR's cousin. HUANG did not make the decision of who or how many persons would attend in place of J. TAHIR.

HUANG did not think that J. TAHIR knew TRIE. It was possible that HUANG used TRIE's phone to contact J. TAHIR.

J. TAHIR still made a contribution to the DNC for the HAY-ADAMS HOTEL event even though she was unable to attend. G. TAHIR or VICTORIA gave HUANG J. TAHIR's contribution check. HUANG understood that J. TAHIR's father was very wealthy and thought that J. TAHIR would have money herself due to her family's wealth. In HUANG's mind, the money for the contribution was J. TAHIR's. HUANG did not explain FEC rules regarding conduit contributions or any other FEC rules to J. TAHIR. HUANG did not ask J. TAHIR the source of the money for the contribution.

It was important to MR. TAHIR, J. TAHIR's father, for his daughters to attend good schools. HUANG introduced CHANCELLOR TIEN to MR. TAHIR. However, HUANG did not get J. TAHIR into U.C. BERKLEY. HUANG also helped MR. TAHIR by offering his family a place to stay when in the Washington, D.C., area.

HUANG did not feel as if he had done much to help MR. TAHIR. However, the evening before the DNC HAY-ADAMS HOTEL event, G. TAHIR gave HUANG a \$10,000 check payable to HUANG personally. G. TAHIR told HUANG that the check was from MR. TAHIR. The check was a gesture of appreciation from MR. TAHIR to HUANG for all of HUANG's help. \$10,000

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was not a large amount of money for MR. TAHIR, who was very wealthy. HUANG felt uncomfortable accepting the \$10,000 check because he did not feel that he had helped MR. TAHIR a great deal. However, HUANG deposited the \$10,000 check. The \$10,000 check was absolutely not given to HUANG with the understanding that HUANG use it to make a contribution to the DNC. HUANG viewed the \$10,000 check as a gift to HUANG. HUANG mentioned the \$10,000 check from MR. TAHIR to J. RIADY, and J. RIADY said that he already knew about the check.

#### TRAINING AT THE DNC

SANDLER reviewed the contribution checks HUANG had received from the DNC HAY-ADAMS HOTEL event with HUANG. SULLIVAN called HUANG and told HUANG to review the checks with SANDLER. While reviewing the checks with SANDLER, SANDLER inquired about the checks received from the DAVIDSON WOO company, JIMSWOOD INTERNATIONAL INC. (JII). HUANG told SANDLER that he did not have information about JII at the time but would check up on it. HUANG asked TRIE about JII. TRIE told HUANG that JII was an American company with U.S. revenues.

HUANG never attended a special, one on one training session with SANDLER. HUANG's review of the DNC HAY-ADAMS HOTEL event checks with SANDLER was not a training session. The only FEC training session that HUANG attended was a general training session held by SANDLER. There were some written materials regarding FEC rules that HUANG had at his desk at the DNC. Some of these materials were obtained by HUANG himself rather than being distributed to him.

#### MISCELLANEOUS

HUANG thought that a \$5,000 contribution received from TOM for the DNC HAY-ADAMS HOTEL event was probably reimbursed to TOM through her LIPPO GROUP consulting bills. HUANG based this knowledge on past experience rather than on a conversation with TOM regarding reimbursement of the \$5,000 contribution.

HUANG did not reimburse YONG XING HUANG for contributions. HUANG asked Y.X. HUANG to contribute, and HUANG thought that Y.X. HUANG had the financial means to contribute. It was HUANG's perception that Y.X. HUANG was the owner or part owner of restaurants even though Y.X. HUANG was a cook in a restaurant. HUANG knew that Y.X. HUANG had the legal status to contribute.

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ROGER PAN was a wealthy businessman who owned hotels. HUANG had known R. PAN since 1988 and thought that R. PAN was a permanent resident of the U.S. with legal status to contribute. HUANG based his knowledge of R. PAN's legal status on the fact that R. PAN "had been around for so long."

HUANG did not recall having a conversation with RAM EMMANUEL (phonetic) in the Fall of 1996 in the White House.

HILLARY CLINTON attended an event for GARY LOCKE FOR GOVERNOR. SAM CHEN told HUANG that CHEN shook hands with HILLARY CLINTON at the event and said, JOHN HUANG is in trouble, and he is my friend. HILLARY CLINTON replied that she was HUANG's friend too.

DOJ-H000088

**JOHN HUANG FBI INTERVIEW SUMMARY**  
**JANUARY 19, 1999 – JANUARY 20, 1999**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 01/25/1999

Pursuant to a proffer agreement with the United States Attorney's Office, JOHN HUANG, born 04/14/1945, SSAN 045-50-1063, was interviewed at the U.S. Federal Courthouse, 312 North Spring Street, Los Angeles, CA. AUSA Daniel O'Brien, AUSA Lawrence NG and Special Agent Jennifer M. Teasdale were present during the interview. JOHN C. KEENEY, JR., JOHN POTTER, and TY COBB (01/20/1999 only), all from the firm of HOGAN & HARTSON LLP, representing HUANG, were also present. After being advised of the identity of the interviewing agents and the nature of the interview, HUANG voluntarily provided the following information:

Before being questioned by the interviewing agents and AUSA's, HUANG advised that he recalled additional information since his interview of 11/30/1998. AMY WEISS TOBE was present during his September 1996 discussion with JOE SANDLER relating to CHEONG AM AMERICA (CHEONG AM), INC. However, she was not present for their subsequent discussions regarding DR. JOHN K.H. LEE'S August 1996 contribution of \$10,000.

Returning to the beginning of the events related to Cheong Am, HUANG explained that ROSE OCHI initiated their meeting with TOM KEANEY to take place at BULLFEATHER'S RESTAURANT. The lunch meeting may have been made with KEANEY, but HUANG thought that it was initiated by OCHI. Prior to the BULLFEATHER'S lunch, he did not know that the people in the group, which OCHI was speaking on behalf of, were Korean. He only knew that they were a foreign group with a U.S. subsidiary.

BULLFEATHER'S was the first face to face meeting to discuss the CHEONG AM transaction. Although HUANG had frequent discussions with KEANEY during the relevant time period, BULLFEATHER'S was the first time they discussed CHEONG AM. HUANG was not sure of what OCHI said, at the time, as to why KEANEY was needed to attend the BULLFEATHER'S meeting.

OCHI and DORIS MATSUI (wife of congressman BOB MATSUI) played key roles in the Clinton/Gore '96 re-election campaign. HUANG thought OCHI and DORIS MATSUI might be cousins. DORIS MATSUI was a Deputy Public Relations Liaison at the White House. CONGRESSMAN NORMAN MINETTA was also a key figure in Washington politics for Asians. HUANG advised that there was a rivalry

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| Investigation on | 01/19-20/1999         | Los Angeles, CA |
| File #           | 58A-HQ-1193317        | -302-4334       |
| SA               | Steven A. Goldman/sag | Sheoam -95      |
| SA               | Cathleen A. Connolly  | (01/20)         |
| Date dictated    | 01/25/1999            |                 |

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between the MINETTA and MATSUI caucuses, and that the Asian Pacific American (APA) group was actually comprised of 18-20 ethnic subgroups which HUANG was trying to bring together.

The BULLFEATHER'S meet was to further explore the possibilities for a CHEONG AM political contribution. At that time, HUANG explained the guidelines, the parameters for making a political contribution, to OCHI and KEANEY. HUANG recalled that he told OCHI and KEANEY about a contribution made by TOYOTA OF AMERICA, as an example a U.S. subsidiary of a foreign company making a political contribution.

HUANG did not remember what specifics OCHI told him at the meeting. In other words, HUANG could not differentiate between what he may have learned at the BULLFEATHER'S meet and what he subsequently learned from OCHI and MIKE MITOMA through phone conversations during the same period of time. He did know, before BULLFEATHER'S, that there was a figure of up to a million dollars in donation/contribution being discussed.

HUANG was shown a copy of his steno pad notebook which his attorney's had previously stamped AP0280. HUANG did not know of any special meanings for the triangle-circle-triangle notation or the N-circled notation. HUANG advised that the notes written on AP0280 regarding a joint venture with a U.S. firm were for CHEONG AM. The notes were written at or shortly after the BULLFEATHER'S meeting. Regarding his steno pad notebooks, HUANG said that he did not have a secretary and he took the notes because he did not have the additional help.

HUANG did not recall if he had conversation with OCHI prior to KEANEY's arrival, or if they waited for him. KEANEY was late to the BULLFEATHER'S meeting. HUANG recalled that it was a rainy day in March '96. KEANEY payed for his own lunch, following a congressional rule. HUANG advised that everyone at the table knew that OCHI could not participate in fund raising because of the Hatch Act. However, she continued to make several phone calls subsequent to the lunch meeting, which involved the CHEONG AM contribution. The lunch meet lasted 40 minutes to an hour.

HUANG advised that he was not pushy regarding the contribution from CHEONG AM. These circumstances were not the normal way for which HUANG raised money. He did not push OCHI or KEANEY. At BULLFEATHER'S, he laid the groundwork by explaining the rules and then sat back to see how they would respond.

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After receiving the contribution, HUANG advised that he would not embarrass the CHEONG AM people by asking them questions regarding the money. He would not do any additional vetting since he already explained the rules. He believed that the Democratic National Committee (DNC) had a vetting unit.

If HUANG knew the person that gave the check, then he would not ask additional questions. For the U.S. subsidiary of a foreign company rule, HUANG relied on the people he spoke with to do the vetting. In the CHEONG AM transaction, HUANG relied on OCHI and MITOMA. HUANG advised that OCHI was intelligent and sophisticated, he thought he could rely on her, he put his trust in her to do the vetting.

HUANG advised that the DNC memo, which explained the rules for fund raising, did not discuss what HUANG was supposed to do for vetting the contributions. Additionally, he did not recall any directions being given by the DNC with regard to vetting. HUANG attended one DNC training session with 40-50 people. HUANG did not know what a LEXIS/NEXIS search was while he was working at the DNC.

HUANG responded to a question as to where he had learned a U.S. subsidiary of a foreign company could legally make a political contribution if a majority of its board of directors voted to do it (HUANG later learned from his counsel that his understanding of the rule was wrong). HUANG'S response was that while he was working for the DNC, and prior to receiving the CHEONG AM corporate contribution, he explained his understanding of the rule to RICHARD SULLIVAN, DNC Finance Director, and since SULLIVAN did not correct him, he assumed it was right. HUANG understanding as told to SULLIVAN was that the President of TOYOTA OF AMERICA was not a U.S. citizen, so if a majority of the board made the decision, was it acceptable to take the contribution? SULLIVAN replied that it was.

He also operated under this assumption while he was working at LIPPO BANK. LIPPO was a U.S. entity which made political contributions and used the majority of the board rule when it made them. HUANG said that while he was working for LIPPO someone at the DNC explained the rules to him. He did not remember who, but did recall being told that persons making a contribution had to be a U.S. citizen or a green card holder (i.e. a permanent resident). HUANG could not recall who told him these rules, nor the time period.

HUANG did not tell OCHI or KEANEY to explain the rules to MITOMA. He advised that he did not play an active role in raising money from CHEONG AM. HUANG knew that the person or people making the

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contribution wanted to meet the President of the United States. HUANG explained the rules for how political contributions could be made while they met at BULLFEATHER'S. He did not recall OCHI expressly requesting him to set-up a meeting with the President. Given the amount of the contribution being discussed, a fund raiser which included a meeting with President Clinton was assumed by HUANG to be requested by the contributor(s). At BULLFEATHER'S, HUANG did not think that the contribution would happen. HUANG did not recall anyone at BULLFEATHER'S telling him that CHEONG AM AMERICA was not in operation or did not have revenue.

MITOMA's name was not brought up at the lunch meeting, but it came to him within a few days after. HUANG knew MITOMA from when he worked in banking in Los Angeles. MITOMA was aggressive about the contribution. HUANG could not guarantee MITOMA's initial request which involved dinner and a private meeting with the President on a specific date. HUANG could not control the President's schedule so he knew he couldn't make any promises to MITOMA. MITOMA was so aggressive that HUANG then began to believe in the contribution actually happening, but he didn't know how many people were going to come to Washington, D.C.

In order to meet the President, each person had to provide their background. MITOMA provided biographies to HUANG for each person coming to see the President. HUANG knew, before the meeting with the President that DR. LEE was a Korean, and he was coming into D.C. from Korea.

HUANG checked the schedules to see if he could fit the CHEONG AM party into a fund raising dinner with the President. The date that the CHEONG AM people were coming into D.C. was set. PETER KNIGHT had worked for AL GORE while he was a U.S. Senator. HUANG called him and asked if he could get the CHEONG AM party into a fund raising dinner with the President, which KNIGHT was organizing on April 8, 1996. KNIGHT said he only had a couple of seats available. The dinners on April 8 were limited to 20 people maximum per dinner. The Sheraton Carlton was a small hotel with small meeting rooms.

HUANG identified LUCY HAM, WON HAM, DR. LEE and MITOMA from a photo of the group meeting President Clinton. MITOMA had told HUANG about the HAM's prior to them coming to D.C. HUANG also identified LUCY HAM and DR. LEE as the only ones from the photo that came to the DNC Gala in August of 1996.

HUANG did not repeat the rules for fund raising to MITOMA. MITOMA asked HUANG how to fill out the check for the contribution.

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That was when MITOMA told HUANG that it would be a corporate check. HUANG asked him if the company was a U.S. entity and MITOMA told him it was.

HUANG did not recall asking anyone at CHEONG AM about the composition (citizen/non-citizen) of the board of directors. The information may have come from the HAMS, WON or LUCY, or from MITOMA. HUANG knew there were three people on the board, DR. LEE, WON HAM, and LUCY HAM, and he knew this prior to receiving the \$250,000 contribution.

At the August 1996 DNC convention, LUCY HAM gave HUANG three checks, all at the same time. HUANG knew that he had to have received the checks prior to the VIP reception, because they were exchanged for the admission tickets. He took the checks to the floor of the hotel which had been set-up for the DNC finance department. The checks had to be received prior to the VIP reception. There were badges given for admission to the convention hall. The VIP reception had a separate ticket. He did not recall who it was that he turned the check over to, but it was a woman working at the event. HUANG advised that he probably filled out the check tracking forms at the convention when he turned the checks in to the DNC finance staff.

Additionally, HUANG advised that he knew at the time of the convention that DR. LEE did not have the legal status to make political contributions. He knew DR. LEE was a Korean national.

When LUCY HAM gave the three \$10,000 checks to HUANG, HUANG saw one of the checks was from a COMETE HONG. HUANG asked LUCY about COMETE HONG. LUCY told him that she was DR. LEE's secretary. He asked HAM who's money actually comprised the \$10,000 on HONG'S check. LUCY told him it was DR. LEE'S money. LUCY told HUANG that the secretary gave LEE the check so that the Korean Congressman, who was brought to the Gala by DR. LEE, could attend the VIP reception and meet President Clinton.

HUANG told HAM that he could not accept the HONG check because she was not at the event and the money was DR. LEE'S, a foreign national. HUANG could not explain to the interviewing agents why he accepted the HONG check, turned it in, and why it was deposited. The only explanation he had, after thinking about it for several minutes was that his conversation regarding the HONG check may have come after the checks were already turned into the finance department. Normally, HUANG would have told MARCI ROSENBERG to hold the check until it could be replaced. HUANG did not do that with the HONG check. HUANG thought that LUCY sent a replacement check for the

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HONG check. He could not explain his understanding of the HONG check being replaced, even after he was shown documents from the interviewing agents which established the check being deposited and not being replaced by HAM's cashier's check.

HUANG remembered LUCY HAM sending a cashier's check the following week after the event. Although the cashier's check raised the issue with HUANG, that he thought the money might be DR. LEE'S and not LUCY HAM'S, he did not question her about it. Because of the details given regarding the HONG check, HUANG knew there was an obvious issue as to where any contributed money, which was associated with CHEONG AM or DR. LEE, was actually coming from.

HUANG attributed the COMETE HONG check to LUCY HAM even though he knew it was from DR. LEE. HUANG admitted to interviewing agents that he did not question the checks as he should have at the time.

DOJ-H000023

**JOHN HUANG FBI INTERVIEW SUMMARY**

**FEBRUARY 5, 1999**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 02/06/1999

JOHN HUANG, born 04/14/1945, social security number 045-50-1063, of 1978 Starvale Road, Glendale, California, was interviewed at the United States Attorney's Office, 312 North Spring Street, Los Angeles, California, in the presence of his attorneys, JOHN C. KEENEY Jr., and TY COBB, of HOGAN AND HARTSON, 555 Thirteenth Street, N.W., Washington, D.C., telephone number 202-637-5600. Assistant United States Attorney DANIEL O'BRIEN and Assistant United States Attorney GEORGIANN G. CERESE were also present during the interview. AUSA O'BRIEN provided HUANG, KEENEY and COBB copies of the proffer agreement on 02/05/1999, and HUANG signed the agreement prior to any questioning. After being advised of the identity of the interviewing agents and the nature of the interview, HUANG provided the following information:

HUANG first heard of YOGESH GANDHI from CHARLIE TRIE a few days before a DEMOCRATIC NATIONAL COMMITTEE (DNC) event scheduled for 05/13/1996. HUANG learned from TRIE that GANDHI's group was a reputable group, that GANDHI was a distant relative of MAHATMA GANDHI, and had approached TRIE and indicated that they wanted to attend the 05/13/1996 event. HUANG talked to SHARON SINGH, an Indian American DNC representative to see if she knew GANDHI. SINGH did not really know GANDHI but she may have asked around in the Indian community about him.

TRIE informed HUANG about how many people from GANDHI's group were going to attend. TRIE did not tell HUANG how much GANDHI's group had to pay to attend the event. However, the cost of a seat at the event was \$10,000 per person. TRIE had established credibility for fund raising.

HUANG had asked TRIE to help HUANG get more people to attend the event. HUANG told TRIE that the event was a DNC fund raising event so TRIE knew it was a DNC fund raiser.

HUANG recalled that they were rushing to make reservations for GANDHI's group and that there was some confusion over the hotel reservations because some people from GANDHI's group had made their own reservations. GANDHI's group was staying in the same hotel where the DNC event was supposed to take place.

HUANG was the organizer for the 05/13/1996 event. The event took place at the SHERATON CARLTON HOTEL in Washington, D.C. The event was a DNC fund raiser put on

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| Investigation on | <u>02/05/1999</u>                                     | at | <u>Los Angeles, California</u> |                   |
| File #           | <u>58A-HQ-1193317</u>                                 | -  | <u>GANDHI -HUANG -302</u>      | Date dictated     |
| by               | <u>SA Ramyar Tabatabalan, SA Jennifer M. Teasdale</u> |    |                                | <u>02/06/1999</u> |

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by the Asian Pacific American community. As the organizer, HUANG got a list of the attendees of the event for security purposes. The attendees had to supply their names, social security numbers, or passport numbers (in the case of foreign nationals).

HUANG first met GANDHI in person on 05/13/1996 in the lobby of the SHERATON CARLTON HOTEL shortly before the dinner portion of the event. TRIE probably introduced GANDHI to HUANG. HUANG would have been introduced as a fund raiser for the DNC, or by his formal title, the Vice Chair for Finance of the DNC. TRIE would most likely have introduced HUANG by his formal title.

HUANG was also introduced to JITU SOMAYA, a Japanese man (name unknown), and others from GANDHI's group. GANDHI had brought a statue in an egg shell like container as a gift for CLINTON. This was the first time HUANG learned that GANDHI wanted to give a statue gift to CLINTON. After HUANG met GANDHI, the gift issue arose almost immediately.

HUANG talked to CRAIG LIVINGSTONE, the White House staff person, to see if it was okay if GANDHI's group could give the statue gift to CLINTON. LIVINGSTONE expressed reservation to HUANG about allowing the giving of the gift because it would be unfair to the other guests because they would not be permitted to do the same. At some point, LIVINGSTONE, HUANG, GANDHI, SOMAYA, and TRIE were together and LIVINGSTONE said that they would have to wait and see if there was an opportunity to give the gift to CLINTON. GANDHI was pushing for allowing the presentation of the gift but GANDHI was very polite, calm, and distinguished. It appeared to HUANG that GANDHI was a person who had a lot of money. There were over one hundred people attending the event, so HUANG had to spend time with other guests as well.

The lobby area of the hotel may have had a large DNC banner on the wall, as was usually the case at DNC fund raisers, but HUANG was not sure if there was a banner hanging at this event. All attendees had to have their name on a check list in the lobby area where they were given a name tag before they entered the dining room area. The name tag read DEMOCRATIC NATIONAL COMMITTEE across the top of it, in addition to the persons name. Every attendee needed a name tag because access to the dining area was controlled by security. HUANG stated that he would be very surprised if GANDHI did not know that this event was a DNC fund raiser. HUANG recalled GANDHI saying that GANDHI wanted to support the President.

HUANG understood that GANDHI's group was led by GANDHI, but SOMAYA was a person of important stature. HUANG learned later that SOMAYA was an investment banker from San Francisco.

HUANG was handed a personal check of GANDHI's for \$325,000 from either

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SOMAYA, GANDHI, or TRIE before the dinner. The check was made payable to the DEMOCRATIC NATIONAL COMMITTEE. One of the three, SOMAYA, GANDHI, or TRIE asked HUANG to hold the check. SOMAYA, GANDHI, or TRIE did not want such a large check coming from one person because such a large contribution might draw too much attention. SOMAYA, GANDHI, and TRIE proposed that HUANG hold the check so that GANDHI could collect a little from a few different people from GANDHI's group to total \$325,000. HUANG did not care how they decided to break up the donation so long as it totaled \$325,000. It was either SOMAYA, GANDHI, or TRIE who indicated that the decision on how to divide up the donation was going to be made after GANDHI and SOMAYA returned to California.

The attendees had different table assignments. Some spaces were allocated for people to sit at the head table. HUANG recalled that SOMAYA sat at the head table and GANDHI sat at another table.

On the day of the event, HUANG met GANDHI's wife. Sometime during the event, GANDHI told HUANG that GANDHI was a United States citizen. GANDHI told HUANG that GANDHI was a United States citizen in the context of GANDHI stating that he supported President CLINTON. HUANG could not recall specifically about how the conversation of GANDHI being a U.S. citizen came up.

At the event, after people were given their table assignments, they were given the opportunity to take a photograph with President CLINTON. Each person was permitted about six seconds to take a photograph with CLINTON. The photographer was a contractor arranged by the DNC. The White House or Secret Service made a video tape of the event. It was routine procedure for the White House or Secret Service to video tape events of this nature.

CLINTON gave a speech. In the speech CLINTON specifically mentioned TRIE. During the dinner, LIVINGSTONE told HUANG, GANDHI, SOMAYA, and TRIE that the gift would be allowed to be given to CLINTON after the dinner in a side room, but that only three people could attend from GANDHI's group.

At the end of the dinner, GANDHI, SOMAYA, a Japanese man, TRIE, HUANG, and LIVINGSTONE met in a side room with CLINTON to give CLINTON the gift. The gift was a statue of MAHATMA GANDHI. There was not a lot of conversation in the side room. The small group was in the side room with CLINTON for just a few minutes. There was a photographer there, but HUANG could not recall if the side room activities were recorded on video tape.

ANTONIO PAN may have been at the event. HUANG vaguely recalled meeting a man named MATIN ROYEEN from GANDHI's group. HUANG may have received a letter from ROYEEN

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shortly after the event, but HUANG could not recall responding to the letter.

SOMAYA never gave any money for the event. However, SOMAYA was heavily involved in the conversation about the form that the donation was going to take. After the event, HUANG and SOMAYA traded several telephone calls. HUANG learned from SOMAYA that SOMAYA had political ambitions. SOMAYA wanted to be an Ambassador. SOMAYA had conversations with HUANG about raising funds from SOMAYA's community of Indian-Americans, but nothing materialized from these discussions.

HUANG called SOMAYA about whether GANDHI and SOMAYA had made alternative plans for the single \$325,000 check. After exchanging about ten telephone calls without getting an answer, HUANG called GANDHI directly from the DNC office. GANDHI told HUANG to go ahead and cash the check because GANDHI said "it was my money anyway." The plan to divide up the donation into several checks did not work out.

HUANG later invited SOMAYA and GANDHI to an AL GORE event in September of 1996. Both SOMAYA and GANDHI attended this event. SOMAYA and GANDHI did not donate funds to attend this event because they were attending as HUANG's guests.

HUANG never discussed the campaign fund raising rules with GANDHI. HUANG thought it was TRIE's responsibility to handle the eligibility of the donors with whom he dealt. HUANG knew that TRIE knew the campaign fund raising rules, including the rule that an individual needed to be a United States Citizen or Green Card holder to donate. TRIE would have been educated about the campaign fund raising rules from the fund raisers he dealt with.

In connection with the HAY ADAMS event that took place in February or March of 1996, JOSEPH SANDLER asked HUANG about a company that donated \$50,000 or \$100,000. SANDLER wanted to know if the donation was within the campaign fund raising rules. TRIE had solicited the donation. HUANG asked TRIE about the company. TRIE told HUANG that the company was a United States company owned by a United States citizen so it was okay for the company to give the donation.

Around September or October of 1996, after the news came out about GANDHI's contribution, SOMAYA told HUANG that SOMAYA was not aware of GANDHI's background and that he was shocked and surprised about what he had read in the newspaper articles.

GANDHI did not mention to HUANG that GANDHI may have donated to the REPUBLICAN NATIONAL COMMITTEE.

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A woman named KESHI ZHANG did some part-time work for TRIE. FRANCIS LIM YONG BERG works in Washington, D.C., and may still be the director of an organization called CAPACI.

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**JOHN HUANG FBI INTERVIEW SUMMARY**

**FEBRUARY 5, 1999**



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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 02/07/1999

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NON-PUBLIC CRIMINAL INVESTIGATION

Investigation on 02/05/1999 at Los Angeles, California  
File # 58A-HQ-1193317-JESSI - HUANG Date dictated -302  
by SA Mark Matsumura

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Continuation of FD-302 of JOHN HUANG, On 02/05/1999, Page 3

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Continuation of FD-302 of JOHN HUANG . On 02/05/1999 , Page 4

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DOJ-H000099

**JOHN HUANG FBI INTERVIEW SUMMARY**

**FEBRUARY 5, 1999**

- 1 -

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/9/99

Pursuant to a proffer agreement with the United States Attorney's Office, JOHN HUANG, date of birth 4/14/45, social security number 045-50-1063, 1978 Starvale Road, Glendale, California, was interviewed on 2/5/99 at the United States Attorney's Office, 312 North Spring Street, Los Angeles, California. Also present during the interview were Assistant United States Attorney (AUSA) DANIEL O'BRIEN, Special Agent (SA) ANITA PRZYSTAWIK, SA ANTHONY R. GORDON, and legal representation for HUANG, JOHN C. KEENEY, JR., Attorney at Law, HOGAN & HARTSON L.L.P. 555 Thirteenth Street, NW, Washington, D.C., 20004. AUSA O'BRIEN provided copies of the proffer to HUANG and his legal counsel on 2/5/99. HUANG signed the proffer agreement prior to any questioning. HUANG was asked a series of questions pursuant to the proffer agreement signed on 2/5/99. The following information was provided:

HUANG advised he first met RICHARD PARK approximately 1988-89 at a DEMOCRATIC SENATORIAL CAMPAIGN COMMITTEE (DSCC) function when MARIA HSIA took the lead of the ASIAN AMERICAN PACIFIC FOUNDATION.

HUANG does not know how PARK works in the Korean community. HUANG noted that because he is Chinese and PARK is Korean the two cultures do not interact.

HUANG advised that PARK attended almost every major event held by the DEMOCRATIC NATIONAL COMMITTEE (DNC).

HUANG recalled that PARK attended an Asian American business leaders' meeting held at a law firm prior to a fund-raiser held at the KAUFMAN BROAD in September 1993. HUANG noted that JIM BURAEZT (ph) was the Chairman of the fund-raiser.

HUANG stated he heard that PARK told people to come to him (PARK) if they needed anything done. HUANG also heard that PARK skims money from people who pay him (PARK) to see the President of the United States (POTUS). HUANG noted that PARK may have received blank checks from some of these individuals. However, HUANG could not provide any names of individuals who gave PARK money to see the POTUS.

|                  |                             |               |                        |
|------------------|-----------------------------|---------------|------------------------|
| Investigation on | <u>2/5/99</u>               | at            | <u>Los Angeles, CA</u> |
| File #           | <u>58A-HQ-1193317-302,</u>  | -HUANG,       | -PARK                  |
| by               | <u>SA ANTHONY R. GORDON</u> | -LOTUS        |                        |
|                  | <u>SA ANITA PRZYSTAWIK</u>  | Date dictated | <u>2/9/99</u>          |

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58A-HQ-1193317-302, -HUANG, -PARK -LOTUS

Continuation of FD-302 of JOHN HUANG, On 2/5/99, Page 2

HUANG advised that PARK was not happy with HUANG because HUANG was involved with the DNC. HUANG added that there was no direct contact to reflect this opinion.

HUANG does not know Minister YOON-SIK PARK but had heard that Minister PARK had paid PARK a large sum of money to see the POTUS.

HUANG advised that RICHARD CHOI, and RICHARD CHOI BERTSCH would have additional information regarding PARK.

HUANG added that BERTSCH and PARK worked together at one time on fund-raisers. He recalled that they worked together on a fund-raiser hosted by RON BERKLE at his house in Beverly Hills. HUANG recalled several Koreans attended this event and that PARK brought a Korean businessman from Silicon Valley. He believes his last name was LEE.

HUANG does not have any knowledge of the operation of LOTUS FUND or LOTUS FUND PAC. He stated CHONG LO was considered a major contributor and was on the list to solicit money. He recalled that LO was planning a major event to honor the Asian Americans. He stated that she invited Asian movie stars and entertainers from aboard to the event and told them that President CLINTON would be giving them awards. HUANG stated she had a good concept but did not seek appropriate approval from either the White House or the DNC.

HUANG noted LO called him the "gatekeeper" because she felt he was trying to control access to the politicians in the Asian community.

DOJ-H000101

TOTAL P.03

750

**JOHN HUANG FBI INTERVIEW SUMMARY**

**FEBRUARY 9, 1999**

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 02/11/1999

Pursuant to a proffer agreement with the United States Attorney's Office dated 02/09/1999, JOHN HUANG, born 04/14/1945, social security account number 045-50-1063, home address 1978 Starvale Road, Glendale, California was interviewed at the United States Attorney's Office, Federal Courthouse, 312 North Spring Street, Los Angeles, California. Also present were JOHN C. KEENEY, JR, business address 555 Thirteenth Street NW, Washington, D.C., counsel representing HUANG, of HOGAN & HARTSON, L.L.P., and Assistant United States Attorneys LAWRENCE NG and DANIEL O'BRIEN. After being advised of the identity of the interviewing agents and the nature of the interview, HUANG voluntarily provided the following information:

The purpose of the lunch meeting between JOHN HUANG, ROSE OCHI and TOM KEANEY held in late March, 1996 at BULLFEATHERS was to discuss the contribution that was eventually made by CHEONG AM AMERICA, INC. (CAA) on 04/08/1996. The meeting was organized by OCHI via telephone conversations. OCHI suggested bringing KEANEY on line. KEANEY is Chief of Staff for Congressman ROBERT MATSUI. MATSUI was the leader of the Asian Pacific American community at that time. HUANG speculated that OCHI may have wanted KEANEY involved to keep MATSUI in the loop for what happened in the community so that OCHI would receive some recognition for bringing in this large contribution. HUANG stated that people could get ambassadorships and appointments in that way. OCHI could get "credit" if MATSUI, the leader of the community, knew of her efforts. She might eventually have been rewarded.

It was always HUANG's understanding that this would be a political contribution and not a charitable donation. OCHI used the word "contribution" and not donation. HUANG was a fundraiser for the DEMOCRATIC NATIONAL COMMITTEE (DNC) and people did not approach him for the purpose of making or facilitating charitable contributions. OCHI did not ask HUANG about charities. The only time a charitable contribution was mentioned was at the 04/08/1996 meeting between the CHEONG AM Group, MIKE MITOMA and the President of the United States (POTUS). The CHEONG AM group told the POTUS that they wanted to contribute to the community.

*Agents  
February 2, 1999  
(C. Connolly)*

Investigation on 02/09/1999 at Los Angeles, CA

58A-HQ-1193317 - CHEONG -94 -302 -4809  
SA Steven A. Goldman SA Jennifer M. Teasdale  
SA Cathleen A. Connolly Date dictated

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Continuation of FD-302 of JOHN HUANG, On 02/09/1999, Page 2

at BULLFEATHERS, OCHI told HUANG that some people were interested in making a \$1,000,000 contribution. HUANG assumed the contribution would be to the Democratic Party because he was working for the DNC.

The lunch meeting at BULLFEATHERS lasted for approximately 40 minutes. The purpose of the meeting was to discuss how the contribution could get done. KEANEY played a passive role at the meeting and mostly listened. HUANG does not remember KEANEY taking notes at the meeting. HUANG told OCHI the rules. For example, a US citizen or green card holder can give an individual contribution. A foreign corporation's US subsidiary, provided it has revenue, can give money. HUANG used Toyota America as an example at the meeting. The name of the Korean company was not revealed. No real conclusion as to whether this contribution could be done or not was reached by the end of the meeting. HUANG considered this meeting to be a general, informational meeting and he was not sure if "this" would ever be done.

Meeting with the POTUS was not discussed or requested by anyone at the BULLFEATHERS meeting. HUANG did assume that a meeting with the POTUS would be involved; people wouldn't give that much money if no meeting with the POTUS were to be involved. HUANG understood that if the contribution were to materialize, then a meeting with the POTUS would be desired. HUANG would not rule out that a US subsidiary was discussed during the BULLFEATHERS lunch meeting. He does not think that he knew the US subsidiary was in California either prior to or by the end of the BULLFEATHERS meeting.

HUANG advised that the notes he wrote in his notebook referring to Dr. LEE were probably written after the BULLFEATHERS meeting and possibly contemporaneously with a telephone conversation between he and OCHI that took place one to two days after the BULLFEATHERS lunch meeting. HUANG was asked about a 25 minute telephone call made 03/30/1996 to his in-laws house in Maryland. He does not remember the specific telephone call, but thinks the call would have been from OCHI as she, not MITOMA, would have his telephone number for his in-laws house.

HUANG stated that his first telephone conversation with MIKE MITOMA would have been after the 25 minute telephone conversation with OCHI. HUANG thinks that he learned of the urgency and time frame of the meeting with the POTUS during this 25 minute telephone call with OCHI. HUANG would have learned MITOMA's name during the long conversation with OCHI, and before MITOMA called HUANG. HUANG may have learned MITOMA's home telephone number from a message MITOMA left with HUANG stating his city council and home telephone numbers.

No one other than HUANG from the DNC should have called both OCHI and MITOMA on the same day after the BULLFEATHERS meeting. HUANG did tell OCHI the \$50,000 per head parameter for an intimate dinner meeting with the POTUS. HUANG also discussed the cost of \$50,000 per head with MITOMA.

HUANG received the facsimile from MITOMA to HUANG dated 04/01/1996 containing the biographies of the CHEONG AM AMERICA, INC. (CAA) representatives and the CHEONG AM GROUP structural organization chart. This is when he learned the name of the Korean entity, CHEONG AM. This is also when he learned DR. LEE would be coming from Korea. He is not sure if he reviewed the CHEONG AM structural organization chart very thoroughly. He probably stuck it in a file. HUANG would have requested at least the names and social security numbers (SSN) of those meeting with the POTUS from MITOMA. HUANG reviewed each of the short biographies and stated that LEE and CHUNG YOUNG CHULL would not have SSN's as they were from Korea. He was not concerned that there were no SSN's listed for WON and LUCY HAM as they were US citizens.

HUANG and OCHI continued to have conversations until the event on 04/08/1996 was over. HUANG kept her informed as to the progress of the CHEONG AM contribution. She was in the loop, but not as involved because MITOMA became more active. OCHI may have relayed information from MITOMA to him at times when MITOMA could not connect with HUANG directly. HUANG feels that OCHI was on the borderline of violating the Hatch Act.

HUANG does not recall meeting with OCHI either the morning of or the morning after 04/08/1996. He does not recall OCHI dropping anything off at the DNC for HUANG from MITOMA. HUANG advised that if OCHI contacted him after the group received the photos for the 04/08/1996 event, it would not have been related to the contribution or CHEONG AM.

HUANG was shown a 2 page handwritten document labeled "APA Participants Convention". HUANG confirmed that he wrote the document either prior to or at the beginning of the Democratic National Convention (Convention) held in August, 1996. He created this document for the Asian Pacific American (APA) team so they would know who the APA people going to the Convention were and where they were staying. HUANG identified the smaller stars with circles around them in front of certain names as his notations. They signified major contributors. HUANG advised that ROBERT LEE is a Korean American who gave \$150,000 to the DNC, but not through HUANG. The stars with circles around them in front of names 12, and 17 through 23 were not placed there by HUANG. The APA team met at the Convention every

morning at 7:00.

Prior to the Convention, HUANG received a call from LUCY HAM. She expressed her desire to attend the Convention and told HUANG the number of people from CHEONG AM that were planning to attend. HUANG gave that information to the Convention housing staff and the housing staff then made accommodation arrangements for the CHEONG AM Group.

At the Convention, HUANG received 3 checks from LUCY HAM for 3 people to attend the VIP reception and Gala dinner held the last night of the Convention. HUANG was aware that LEE, HAM and an individual from Korea were to attend.

The names imprinted on the 3 checks were LUCY HAM, COMETE HONG and KYUNG HOON LEE. HUANG questioned HAM regarding the HONG check as he did not recognize the name. He asked who HONG was and HAM stated that HONG was LEE's secretary. He asked how HONG got the money and HAM stated that it was LEE's money. HUANG told HAM that he could not accept the check. HUANG did not think that he accepted the HONG check until he was shown the DNC deposit ticket showing that the HONG check was in fact deposited by the DNC. HUANG speculated that perhaps he brought all 3 checks over to the finance division and filled out the check tracking forms. He may have had the vetting conversation with HAM after he took and examined the check.

HUANG has no answer for why he raised questions on the HONG check, a name he did not recognize, but did not raise questions on the KYUNG HOON LEE check.

HUANG advised that he received a replacement check from HAM after the Convention. At the time, he believed that the check was to replace the HONG check. The replacement check was a cashier's check. HUANG advised that this leads one to believe that the money was still LEE's. A cashier's check is more likely to be improper. HUANG did not follow up vetting the cashier's check with any questions to HAM.

HUANG advised the interviewing agents that he did not receive the DNC financial spreadsheet dated 08/31/1996 showing the names and amounts for his contributors that attended the VIP reception and/or Gala dinner.

HUANG was shown a memo dated 09/11/1996 from MARCI ROSENBERG to TERESA STIRK regarding contributions that were expected but not received from the VIP reception and Gala dinner. HUANG advised that ROSENBERG was in charge of finance at the Convention. HUANG probably

Continuation of FD-302 of JOHN HUANG, On 02/09/1999, Page 5

gave the 2 names, KOOS SOO CHOI and DAI CHUL CHUNG, as people expected to go to the VIP reception and Gala dinner. HUANG stated that he would have explained to STIRK that they didn't go, so they didn't need to give the money.

At the Gala dinner, HUANG remembers LEE asking about playing music with the POTUS. LEE wanted to do an event and raise money for President CLINTON.

HUANG was shown a letter dated 09/16/1996 from DR. JOHN K.H. LEE to HUANG regarding inviting President CLINTON to LEE's house for an event. HUANG probably received this letter on or around 09/19/1996. He did not respond to the letter because the newspaper stories involving HUANG and CHEONG AM were already running. HUANG also recalls receiving a letter dated 09/16/1996 from LEONARDO KANG, Executive Secretary for CHEONG AM.

HUANG received this letter after he first spoke with JOE SANDLER regarding the press questioning the \$250,000 CAA contribution. This telephonic conversation took place while HUANG was in Los Angeles, California and SANDLER was in Washington, D.C. He did not receive the letter until he returned to Washington, D.C.

HUANG's first conversation with SANDLER regarding the legality of the CAA contribution took place while HUANG was in Los Angeles. HUANG called LUCY HAM and asked about CHEONG AM's US Subsidiary after speaking with SANDLER. He determined that the funds needed to be returned. HUANG then returned to Washington, D.C.

HUANG had several meetings with SANDLER and AMY WEISS TOBE, Press Secretary for the DNC, because the media was constantly calling. At some point, the fact that LEE went to Chicago came up in conversation. SANDLER commented that hopefully LEE did not give money at the Convention. SANDLER checked his sources and determined that LEE did not give money. HUANG called HAM and asked if LEE contributed. HAM said that LEE did contribute at the Convention. HUANG asked HAM how come she let LEE contribute.

SANDLER told HUANG that LEE did not contribute. HUANG told SANDLER that LEE did contribute. The contribution from KYUNG HOON LEE was located. HUANG stated that no one at the DNC asked him if JOHN LEE gave money under a different name.

HUANG was shown a memo titled "Briefing for Chairman Don Fowler" regarding the fundraising dinner at the Convention. HUANG advised that if a person was able to commit to raise or give a certain

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Fowler" regarding the fundraising dinner at the Convention. HUANG advised that if a person was able to commit to raise or give a certain amount of money, they would be given an honorary title. This briefing was prepared prior to the event. HUANG was shown where DR. JOHN K.H. LEE was listed as a Vice Chair. HUANG stated that he provided LEE's name and information for the briefing, which he got from his files. HUANG told the interviewers that he "could not escape this" and he "couldn't explain this right now."

HUANG was then shown the Memorandum for DAVID EICHENBAUM dated 09/20/1996 from JAKE STEWART and JOE SANDLER. HUANG had not seen this memo until shown it during his previous interview session on 11/30/1998. HUANG provided the information contained in the memo to SANDLER. HUANG was asked to explain paragraph 2 where the memo stated that he (the DNC fundraiser) was led to believe that all three were US Citizens or residents. HUANG advised that he may have misled SANDLER. SANDLER may have said "you thought they were all citizens, right?" and HUANG responded in the affirmative. At no time did HUANG believe that LEE was a citizen or green card holder. HUANG advised that much of the information contained in the memo may have come about in this manner. Additionally, the memo used not only information known to HUANG at the time of the \$250,000 contribution, but also information that he had obtained subsequent to the contribution. The information in the memo regarding LEE's son having a social security number was given to HUANG by HAM during their phone conversation in September, 1996 subsequent to the LEE contribution. In that conversation HAM told HUANG that LEE did not have a green card, but LEE's son had a green card.

HUANG did not mention ROSE OCHI's name or involvement with the \$250,000 contribution as he was trying to keep her out of it to protect her. HUANG did not want OCHI to get into trouble regarding this contribution.



**JOHN HUANG FBI INTERVIEW SUMMARY**

**FEBRUARY 23, 1999 – MARCH 26, 1999**

JOHN HUANG INTERVIEW FD-302  
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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/29/99

As part of a proffer agreement signed by John (NMN) Huang, Asian male, date of birth 4/14/45, social security number 045-50-1063, and the United States Department of Justice, Huang participated in a proffer session conducted at the offices of the Campaign Financing Task Force (CFTF), located at 1001 G Street N.W., Suite 440, Washington, D.C., 20001. Interviews were conducted between 2/23/99 and 2/26/99 and between 3/23/99 and 3/26/99.

Present during part or all of the interviews on 2/23/99 were the following: John Huang, his attorneys from Hogan and Hartson, Ty Cobb and John C. Keeney, Jr., Assistant United States attorneys Dan O'Brien and Larry Ng, U.S. Department of Justice Trial Attorneys Jonathan Biran, George Vien and briefly, David Vicinanzo. Also present during all or part of the interviews were Supervisory Special Agent David F. Reign, and Special Agents Marcie Houk, Anne Hopkins, C. S. Kim and George D. Webster III.

Present during part or all of the interviews on 2/24/99 were the following: John Huang, his attorneys Ty Cobb and John C. Keeney, Jr., Assistant United States Attorneys Dan O'Brien and Larry Ng, U.S. Department of Justice Trial Attorneys Eric Yaffe, John McEnany, Special Agents John Hanson, Gregory Timberlake and George D. Webster III.

Present during part or all of the interviews on 2/25/99 were the following: John Huang, his attorneys Ty Cobb and John C. Keeney, Jr., U.S. Department of Justice Trial Attorneys Eric Yaffe and John McEnany, Supervisory Special Agents David F. Reign and Wayne Corpening, Special Agents John Hanson, Gregory Timberlake, Martin Harris, Frederick R. Schmied and George D. Webster III.

Present during part or all of the interviews on 2/26/99 were the following: John Huang, his attorneys Ty Cobb and John C. Keeney, Jr. and Special Agents Martin Harris, Frederick R. Schmied and George D. Webster III.

Present during part or all of the interviews on 3/23/99 were the following: John Huang, his attorneys Ty Cobb and John C. Keeney, Jr., U.S. Department of Justice Trial Attorneys Eric

Investigation on 2/23/99-3/26/1999 at Washington, D.C.File # 58A-HQ-1193317Date dictated 3/29/99by SA George D. Webster III

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Yaffe, John McEnany and Michael McCaul, and Special Agents Andy Carlie, Gregory Timberlake and George D. Webster III.

Present during part or all of the interviews on 3/24/99 were the following: John Huang, his attorneys Ty Cobb and John C. Keeney, Jr., U. S. Department of Justice Attorneys Kim Kessler and Jonathan Biran, and Special Agents Marcie Houk, Kevin Comisky, Martin Harris and George D. Webster III.

Present during part or all of the interviews on 3/25/99 were the following: John Huang, his attorneys Ty Cobb and John C. Keeney, Jr., FBI Intelligence Research Specialist (IRS) Cecil Spurlock and Special Agents Lawrence Strayer, Eduardo Hegewisch, and George D. Webster III and Supervisory Special Agent David F. Reigh.

Present during part or all of the interviews on 3/26/99 were the following: John Huang, his attorneys Ty Cobb and John C. Keeney, Jr., Intelligence Research Specialist (IRS) Cecil Spurlock and Special Agents Lawrence Strayer, Eduardo Hegewisch, George D. Webster III and Angela Byers.

After being advised of the identities of the above listed individuals, Huang provided the following information:

HUANG AT LIPPO BANK

Huang stated that as a banker for LippoBank, one role he played was to identify good and hard working people and help them succeed by giving them loans. By doing this, their companies could, in turn, be successful and they could hire people and provide them wages. These individuals could, in turn, take care of themselves and not become a burden on society. Both Huang and James Riady thought that "this was our agenda." Huang stated that he definitely would check the individual's reputation in the community before the bank loaned money, but that this was the basis of Lippo's "character lending" that he and Riady felt they had a duty to do. In doing this type of lending, Huang built up a number of friendships. Huang never gave loans with the idea of it being a "quid pro quo" but the people who received these type of loans remembered what Huang and the bank did for them. This type of lending got LippoBank scrutiny from bank regulators, who asked how the bank could lend money to people

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with "these type of numbers." As a result of these type of loans, the regulators reclassified the loans which lowered the bank's financial ratings. The bank remained in operation as the owners, meaning the Riady's, always had the intentions and abilities to put in more cash as needed. Huang stressed that it was "never" the case that Huang and the Riadys made contributions to obtain favorable reviews from bank regulators.

#### LIPPO REIMBURSEMENTS

Huang believed that employees at Lippo who made political contributions would be "taken care of." Although Huang could not say specifically why the employees would feel that they would be taken care of or reimbursed, he explained that in Asian businesses, employees go ahead and do what is asked of them and hope that they will be taken care of at some later date. All Lippo employees knew of Riady's Arkansas connections and before President Clinton was elected in 1992, they saw it as a task of theirs to help get Clinton elected as President. By doing so, Lippo's status would be increased. Huang added that it was not simply for Riady himself that this was important, but that it would be good for the company as a whole.

Huang did not explain to Lippo employees why he was asking for their account numbers prior to their being reimbursed. Huang stated that he was "very subtle" when asking for this information. Huang added that not all Lippo employees were asked to make contributions that would be reimbursed and that the employees that were asked were "pre-screened." The ones that were asked typically held higher level posts and were in a better financial status than others. Huang did not meet resistance in any of these employees when asked to make contributions. Huang did not know if James Riady had talked to these employees prior to Huang's solicitation, however, he somehow did not believe that Riady had spoken with them. On some occasions, when soliciting the employees, Huang would state something to the effect "James would like you to help" which carried a lot of weight.

Huang never suggested to anyone that he could reimburse them more than what they paid for political contributions.

Regarding Huang's year end reimbursements from Lippo, he stated that in 1993 and 1994, he submitted a report of all of

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the work he had done, as well as the contributions he had made. Most of the Lippo employees who were reimbursed for their contributions were "well off." Huang did not take a big interest in whether or not these individuals were, in fact, getting reimbursed. Bis Ong was the only Lippo employee who was asked to contribute who was "at odds with Riady."

When Huang received his annual bonus, he was able to tell by the amount of money he received whether or not the reimbursement for his contributions was made. Huang never had conversations with Riady regarding the reimbursements for his contributions. Regarding Huang's requests of other Lippo employees to make contributions, Huang stated "if you hit on five, all five did it," meaning they made the contributions.

Huang did have a conversation with Riady about Joseph Sund, who had drawn against his line of credit in order to make a contribution. Huang was concerned about Sund ~~getting~~ reimbursed for his political contribution as he had to draw on the line of credit for it. Because of this, Huang requested Sund's bank account information.

Regarding the year end report which was sent to Riady, Riady asked Huang to write down all of the tasks which he had performed in the previous year. Huang included his contributions in this list. While Huang worked for Lippo in Hong Kong, he never submitted a number of expenses for two to three years.

Huang explained that there is some direct and/or indirect benefit for Lippo to be involved in the U.S. political system. Huang reiterated that there was no explicit conversation with Riady about Huang putting his political contributions on his year end report. Huang did report to Riady over the phone about how much different people gave to political campaigns. This conversation took place during the process of Huang and Riady's identifying individuals who could help with Riady's pledge to President Clinton of raising one million dollars for his campaign.

Huang did not receive any refunds of contributions he made to the DNC. Senator Mitch McConnell likewise did not refund his donation as he said there was no reason to. No political contributions made by Huang were submitted to Lippo for

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reimbursement after he started working at the DOC.

Some of the money which Huang contributed to political entities other than the DNC was returned to him. Huang believes the total amount that was returned to him amounted to about \$24,000. Huang did not return this money to Lippo, even though it had been submitted for reimbursement. Huang stated he did not know how to go about returning this money, and he also had been instructed by his attorneys not to have contact with anyone from Lippo.

Since Huang's departure from the Lippo Group, he has not received any fees or payments from them including consulting fees. Huang stated he had not received any gifts from the Riadys from the time he left Lippo in July, 1994 forward except he indirectly received a "small gift" on two occasions when he left the DNC. Each one of these gifts was \$20,000.00. One was from James Riady and one from James' wife to the Huang family. Huang has had to sell one of his two homes in order to pay for expenses related to his defense.

#### RIADY AND PRESIDENT CLINTON'S LIMOUSINE RIDE

Regarding a limousine ride that Riady took with President Clinton before his 1992 election, President Clinton was surprised at the one million dollar amount that Riady had proposed to raise. After this conversation between Riady and the President, Riady and Huang began working on identifying names of Lippo employees who had the means and the immigration status to be able to make contributions. None of the individuals Huang asked to make contributions asked if or how they were going to get reimbursed. There was never any documentation at Lippo which spelled out that making political contributions was part of one's job. During the discussions between Huang and Riady, Agus Setiawan and Susanto Widjaja were identified as people who could give political contributions. In some cases, Huang reimbursed contributions to these individuals in cash and other times by check.

When asked why Riady simply did not give one large lump sum donation to the DNC, Huang offered the following two explanations: IF Riady had done this, all of the press would "get after him." In addition Riady wanted to show a "wider

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appearance of support" in the Asian American community, and wanted the community to be involved and have an impact.

#### HUANG'S MOVE FROM LIPPO TO THE DOC

Huang decided to move from the Lippo Group to the Department of Commerce (DOC) for two reasons. The first was a personal reason, that being that Huang had never worked in the government before and wanted to find out what it was like. Huang wanted to take a position in government to inspire younger Asian Americans to strive for government positions. Huang's second reason for wanting to come to the DOC was a "community reason" in that so few Asians currently worked in government, and Huang wanted Asians to have a representative voice in federal government. Huang filled out his applications for the DOC at the end of 1993. He did not realize how long the application process would be to get into government. The process took approximately four to six months to do background checks and complete the paperwork on Huang's position. Huang did not want to start work at the DOC immediately, as he needed to clean up some of his work at Lippo, and he felt that he needed to complete helping out with fund-raising activities he had already committed to in 1993. Huang indicated an additional reason for wanting to come to the DOC was that he wanted to work with someone that he knew, namely DOC Secretary Ron Brown.

During Huang's application process, his position was never finalized, and he could not "pick and choose" which position he would receive at the DOC. Personnel at the DOC decided what was available, and they believed that Huang would be suited for a position in the trade area. Huang indicated he was a friend of Melinda Yee, who also worked at the DOC. It was decided that Huang would work in the International Economic Policy (IEP) Department of the International Trade Administration (ITA). At the time of his application, the head position for the IEP job was vacant; however, this position was given to Huang's future supervisor Charles Meissner. Huang's personal preference for a job was one where he knew the head of the department he would be working in before he started. Before Huang started working for the DOC, he and Meissner met in Washington, D.C. and had a brief lunch. Meissner already knew Huang's background, and Huang was the only applicant who had a background in banking, which complemented the position available.

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In April, 1994, Huang had a conversation with Meissner and was under the impression he would be receiving a Deputy Assistant Secretary (DAS) of Asian affairs. At some point, this job was filled with someone other than Huang, and Huang was slotted to receive the principle Deputy Assistant Secretary for IEP. Huang found out that this position entailed working on the budget, personnel, and administrative matters. By May, 1994, a decision was firm that Huang would be joining the DOC.

Prior to his application at the DOC, Huang had also applied to other federal positions including a job at the National Security Council (NSC) and the U.S. Department of State (DOS). Huang had also gone for an interview at the Small Business Administration (SBA) and had interviewed with Erskine Bowles. The SBA did not involve any foreign policy making, and Huang did not know what the position would have been at the SBA. The NSC and DOS positions were looked into at the suggestion of James Riady. Riady knew that Huang wanted to go into government service, and suggested to Huang that he try "this or that one." Huang knew that the NSC stood for the National Security Council and it involved policy making, but he did not have significant understanding of this government entity.

Huang was approved for the position in late Spring of 1994. Subsequent to his work at the DOC, he learned from the news media that in actuality he had been approved in late 1993.

Individuals from the Lippo Group did not want anything from Huang's position with the U.S. Government. Huang's view of Riady and Lippo's suggestions to put him in a government job were that it would be important for Huang to know the "person in charge" of the greatest country in the world, meaning the United States. Huang believed that Riady felt that it would help to have someone in a position to maintain the business that they had built up overseas and not see it destroyed. Huang believes that Riady felt it would be important for him to say that one of his former employees was high up in a U.S. government position. Huang added that Lippo's interests in the United States at the time were small, and involved a community bank and some real estate ventures that were not successful.

At the time of his move, Huang really did not have very much to do in California for Lippo. Huang believed that with the

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lack of significant work for him at Lippo, he would either be fired, or continue to be paid for not doing much. He and Riady never openly talked about his future at Lippo, and Huang's not having a great deal to work on. Riady made no promises of future employment once Huang transferred to the U.S. government. Because of the nature of the Riadys, Huang felt that he probably would have been able to go back after government service, but this was not in his mind at the time he transferred to the DOC. Huang and Riady did not talk about Huang's possible return after government service. Huang reiterated that he wanted to inspire more people from the Asian community to get involved in government. He believed that President Clinton and Vice President Gore would be in office for many more years and it would be good opportunity for him to go into government service.

Huang does not know why Riady suggested that he go to work for the NSC, nor did he say why he recommended Huang apply at the U.S. Department of State. Huang was the one who had the interest in leaving Lippo first, and he subsequently asked James Riady's father, Mochtar Riady if he suggested that Huang move to government service. Mochtar Riady agreed that it was a good idea for Huang to begin working for the government.

Huang was not sure when he first learned of his having obtained a security clearance at the DOC. He believes that Meissner told him that he was obtaining a clearance for Huang prior to his coming to the DOC. Huang did not know anything about how many tiers or levels of security clearances there were. Huang was not aware that he had an interim clearance at the DOC prior to the time he started working there.

The interviewing Agents asked Huang to describe the composition of his severance pay which had received media attention. Huang stated that the Lippo Group is a loosely defined entity which never had a retirement or savings plan and at one point had no health insurance. The amounts given to Huang as severance pay were to compensate for these shortcomings. Huang also had vacation time which would have been included in these payments. The "bulk" of a \$132,530.00 payment in 1993 to Huang from Lippo was for political reimbursements. The remaining amount of this payment was for business expenses. Part of the 1993 payment by Lippo to Huang in the amount \$57,438.98 was for political contributions. Huang served on the Lippo board and

→ after  
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Amount

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received approximately \$19,000.00 for attending board meetings. Huang also received a \$30,000.00 payment which was "on the side" that did not have a W-2 form made for it. Huang reported this \$30,000.00 as income on his tax returns.

Huang would receive a yearly bonus from Lippo which was received in February of the following year. The amount of bonus listed as \$788,000.00 on Huang's financial disclosure forms to the DOC includes his bonus for 1992. Huang reiterated that an amount listed for \$18,950.00 on his financial disclosure form is almost all for director's fees for his serving as Vice Chair of LippoBank.

When Huang left the bank on July 15, 1994, he had a few "residual" expenses which had not been paid and were not reported on his financial disclosure form. These expenses were for gas and miscellaneous expenses, for which he received payment probably a few months after he left Lippo. These amounts were not for expenses he incurred after he became a DOC employee.

Huang recalled Maeley Tom writing a recommendation letter on Huang's behalf. Huang stated that Tom is a good friend and a community leader in the Asian American community, and was trying to help him out in obtaining a job. Huang did not remember asking Tom for her recommendation.

Huang's position at the DOC involved budgetary issues and personnel matters. The IEP handled all countries, and Huang was assigned matters involving Taiwan through Meissner. The issues which would have been dealt with regarding Taiwan by Huang were any policies, contact or visitors from Taiwan, and the logistics of their visits. Career personnel who are assigned to specific countries handle specific areas or issues regarding these countries. During Huang's tenure at the DOC, he traveled to Taiwan two times. One was for an economic conference between the United States and the Republic of China which had been taking place every year alternately in Taipei and the United States for approximately twenty years. In late November, 1994, Huang took a trip to Taipei which was lead by Transportation Secretary Pina. This trip cost Pina the ability to go on a subsequent China trip. Huang's second trip to Taiwan at the DOC was in January, 1995, which was a U.S. Chamber of Commerce trip in Taipei. Meissner had wanted to go on this trip to win projects from the government

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authorities in Taiwan. At the time, there was a multi-billion dollar nuclear power plant deal where the United States was one of the final two or three bidders. Huang does not know if this deal ever went through.

ENTERGY JOINT VENTURE

There was an ongoing joint venture between the Lippo Group and Entergy prior to the time Huang came to the DOC. When Secretary Brown of the DOC went to China, this was one of the projects which was being worked on by him. Huang was not selected to go on the DOC trip to China to deal with the Northern China Power Group, so Huang did not see his having been associated with Lippo as a conflict. A group of Lippo employees came to the DOC with Joe Giroir and went to Deputy to Under Secretary Rothkopf's office. Huang's role in this meeting was to introduce the individuals to Rothkopf and Assistant Secretary Garten. Huang brought in Giroir to meet Rothkopf and Garten, however, they had a negative feeling about Giroir. Huang had initially gone to see Melinda Yee at the Under secretary's office and Giroir happened to be there at the time. This meeting took place at August or September, 1994, and the trip to China by Secretary Brown was in the latter part of August. The Lippo/Entergy, Northern Chinese Power Group, deal had been going on for a long time and Huang knew that the deal was about to come to fruition. The deal, however, never materialized.

Prior to Huang's moving to the DOC, he met with Entergy representatives in the beginning of the Spring of 1994. Huang went to the representative's hotel to say hello. Huang was present during this meeting because he was there for a meeting of the Committee of One Hundred. Huang's involvement with the Entergy deal had been to help some Chinese representatives obtain visas to come to the United States for the purpose of discussing the joint venture in early 1993. Representatives from Lippo in China had asked him to help with this matter. At the time Huang started work at the DOC, Rothkopf knew of Huang's involvement with Lippo in this energy deal. After the above referenced meeting that was held at Rothkopf's office, Huang had no discussions with Rothkopf regarding the Entergy matter.

In 1993, while working at the LippoBank, Huang became aware of the joint business venture between Lippo and the Entergy

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Corporation, located in Little Rock, Arkansas. Joseph Giroir and James Riady of Lippo established the Arkansas International Development Corporation (AIDC) to specifically deal with the joint venture. This joint venture involved the construction of power plants in Northern China. The Chinese interests regarding the joint venture were represented by a group of Chinese officials called the North Chinese Power Group (NCPG). This construction project was later featured on Secretary Ron Brown's trade mission trip to China in 1994.

Huang was not directly involved in the negotiation with the joint business venture and had no specific knowledge of the project. Huang also traveled with Giroir to New York, New York to meet with investment bankers regarding the financing of the project. During that time, Huang was Head of U.S. Operations for Lippo. He also had experience in investment banking. Huang opined it was only natural that he accompany Giroir to the meeting in New York. Huang characterized his involvement in the Lippo/Entergy project as limited, and only through Giroir. Huang had "almost zero" contact with Entergy executives. On one occasion in 1993, Huang met Terry Ogletree of Entergy through James Riady, but he had no direct contact with Entergy representatives.

Huang did not have any direct or independent contact with the representatives of the NCPG. Huang may have attended a business dinner in Arkansas with representatives from Lippo, Entergy, and NCPG held in April 1994. Huang recalled he was invited to the dinner but was unsure whether or not he actually attended. Huang did attend another similar dinner held in October 1994 at B Smith's Restaurant in Washington, D.C. Huang was working at the Department of Commerce during that time. Giroir and Huang had remained friends and may have casually discussed the joint venture and the October 1994 dinner over the telephone. Huang was invited to the dinner out of courtesy. Huang had no business dealings or interest with Lippo, Entergy, and NCPG. Subsequent to Huang being employed at the DOC, he did not assist with the joint venture in any way. Huang had no financial interest in the Lippo/Entergy venture. Ultimately, this business venture never materialized.

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## CONTACTS WITH LIPPO WHILE AT DOC

While employed at the DOC, Huang maintained contact with employees and associates of Lippo. This contact was primarily with his former colleagues at the LippoBank in California. Huang explained that after he left the LippoBank, LippoBank continued to receive mail and telephone calls for Huang. Huang routinely contacted the LippoBank to receive any messages and mail left there for him. Huang recalled having a high volume of telephone contact with Dewi Tirto, formerly of Lippo. Tirto was a secretary at Lippo. The LippoBank was also experiencing a change in management. In addition to Huang leaving, two colleagues Julian Yu and Cindy Lee also left Lippo to work elsewhere. Occasionally, the new management of the LippoBank may have asked Huang for advice on dealing with particular banking issues and/or how to deal with former clients of Huang's at Lippo. Some of the clients may have defaulted on loans or contracts and subsequently the new management at LippoBank was seeking Huang's advice. LippoBank President James Per Lee called once on this matter.

Huang recalled that on several occasions he was required to call the LippoBank and/or Lippo on behalf of the DOC. DOC Secretary Ron Brown sponsored "outreach" programs which required Huang to obtain names and telephone numbers of individuals in support of the "outreach" program. Huang called individuals in San Francisco, Lippo, and LippoBank.

Huang also had a personal friend and former colleague named Ken Yuen. Huang and Yuen worked together in Hong Kong where Yuen was head of the international section. While working at the LippoBank, Huang assisted Yuen in traveling to the United States and getting a "Green Card" for employment with Lippo. Huang had significant telephone contact with Yuen. Huang also had telephonic contact with people who were planning to come to Washington, D.C. for visits.

During his employment with the DOC Huang did not represent the United States in any matter which he had a financial interest. He did not knowingly represent the interest of Lippo in any way when he was at the DOC. Huang did not have any expectations from anyone at the Lippo Group regarding his employment at the DOC. While he had been at Lippo, Huang's

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salary was \$75,000.00 a year from Hip Hing Holdings and another \$30,000.00 from Lippo.

#### USE OF STEPHENS OFFICE

Huang occasionally used an office space located at Stephens, Inc, Washington, D.C. This office space was located across the street from Huang's DOC office. Vernon Weaver of Stephens, Inc., was a personal friend of Huang's and James Riady's. Weaver was also a Naval Academy classmate with Stephens Inc., executive Jack Stephens. Stephens Inc. was also involved in the Lippo/Entergy joint venture. Weaver had previously allowed Lippo employees to use the Stephens Inc. office prior to Huang working at the DOC. Huang had previously used the Stephens, Inc. office for Lippo related business and "political events." Weaver extended this invitation to Huang after he (Huang) began employment at the DOC. Huang used the Stephens Inc. office to conduct "personal" business. Huang used the telephone and facsimile machines and occasionally received mail. Huang recalled an occasion when he received a Federal Express package there from his family. Huang does not remember ever sending out any packages from the Stephens office. Huang was a member of the Committee of 100. Huang did not think it was appropriate for him to receive anything from the Committee of 100 at his DOC office. Therefore Huang received facsimiles and telephone calls from the Committee of 100 at the Stephens, Inc. office. Huang did not receive any facsimiles, mail, or telephone calls from or related to the Entergy Corporation at the Stephens, Inc. office.

#### TRADE MISSION TO CHINA

Shortly after beginning employment at the DOC, Huang became aware of and attended DOC meetings regarding a trade mission to China. Huang attended one or more meetings regarding the "logistics" of the China Trade Mission in place of his supervisor Meissner. These meetings did not address who would be attending the trade mission and/or which projects would be featured. Because of Huang's origin, he (Huang) naturally desired to attend the trade mission trip to China. Huang indicated that "political appointees" were given preference over more qualified, long term career employees on trade missions. Huang opposed of such practices. Huang was not aware if he was

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ever scheduled or considered to attend the trade mission. Huang was not aware if he was ever on a list to go. Huang did not ask or let it be known to Brown that he (Huang) desired to attend. Huang opined that if he had pressured Brown, Huang would have been allowed to attend the trip. Huang did attend meetings regarding this trip when filling in for his boss, Meissner; however, Huang did not provide any input. Huang also attended meetings regarding trips to Vietnam and Indonesia.

Huang added that he was not in a position to influence decisions regarding Lippo/Entergy being featured on the trade mission and/or who would attend. Huang had no knowledge of an Entergy sponsored dinner held in Arkansas in August 1994, in honor of Jeffrey Garten. Huang was not invited, nor did he attend any such dinner. Huang had no knowledge of a practice of offering special consideration to participate in DOC trade missions in exchange for political contributions. Huang recalled that DOC employee Melissa Moss was directly involved in handling participants of trade missions.

#### HUANG'S TELEPHONE CALLS AT DOC

Huang is a personal friend and associate of Mark Grobmeyer. Grobmeyer was at one time a consultant for Lippo. Grobmeyer stopped all consulting work for Lippo prior to Huang becoming employed at the DOC. The Riadys did not view Grobmeyer as having provided any services of value. Huang and Grobmeyer have continued to be personal friends. Grobmeyer's employment required that he routinely visit Washington, D.C. As a result, Grobmeyer and Huang would meet with each other during those visits. Any records indicating telephone contact between Huang and Grobmeyer, from the DOC, would reflect contact between the two for the purpose of arranging to meet one another during Grobmeyer's visits. Huang's contact with Grobmeyer was personal in nature and in no way associated with Lippo/Entergy.

Huang did not specifically recall having telephone contact with Terry Ogletree of Stephens, Inc., from his (Huang's) DOC office. Huang may have spoken to Ogletree on a few occasions regarding assisting Ogletree in obtaining an appropriate DOC representative to speak at an event.

Huang had similar contact with an individual name

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Douglas Buford. Huang met Buford while he (Huang) was employed at Lippo. Buford provided Lippo with legal services. Huang became personal friends with Buford and continued that friendship at the DOC.

While employed at the DOC, Huang had a significant amount of telephone contact with U.S. Senators, Congressman, and various elected officials. The majority of this contact was in an official capacity on behalf of the DOC. Huang was requested by his supervisors at the DOC to telephone such individuals to generate support and inform them of issues regarding the Most Favored Nations (MFN) actions. Huang specifically recalled telephone contact with Congressman Joseph Kennedy in May 1995. Huang telephoned Kennedy regarding an Asian American Heritage event that Huang was involved in. Huang telephoned Kennedy regarding setting up appointments for "banking matters" for the event. Huang attended a meeting on this issue with Kennedy.

Prior to the summer of 1995, Huang made no solicitations while working at the DOC. Huang advised he never solicited political contributions from his telephone at his DOC office. In support of several "isolated events," including events for Vice President Gore, Huang encouraged people to "participate" in the event. This was at a time when he was already on his way to the DNC. Huang characterized his activity during this time as that of generating enthusiasm for the events on behalf of the Asian community. Huang knows of no additional illegal, foreign or conduit contributions other than what he had previously told the interviewing Agents in Washington and Los Angeles.

Huang advised that at no time did he represent the U.S. Government as a DOC employee in any matter in which he had a financial interest. Huang did not provide any type of services for Lippo, Entergy, their affiliates and/or joint business partners. Huang did not knowingly promote the welfare and business interest of Lippo, and/or affiliates and business partners in any while employed at the DOC.

Within the first three weeks of arriving at the DOC, Huang received a government ethics training class. Huang also received written material on the Hatch Act, but does not currently remember the details of that document. At the time he

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received this document, he read it and understood the implications.

#### CONTACTS WITH DAVID MERCER WHILE AT THE DOC

Because Huang was involved in fund-raising prior to his employment at the DOC, Huang had met and worked with David Mercer of the Democratic National Committee. While working at the DOC, Huang occasionally telephoned and met with Mercer. Calls to and from David Mercer during the first part of Huang's tenure at the DOC were to renew his friendship with Mercer. Later, Huang provided "referrals" to Mercer of potential campaign contributors and solicitors. Huang also had similar contact with other DNC officials to include Richard Sullivan and Don Fowler. As head of the Asian Pacific American Community (APAC), on one occasion Huang briefed Fowler on "cultural issues" in preparation for visitors from Taiwan.

Regarding one meeting with David Mercer at the Willard Hotel, Huang said this was not a preset meeting, but that Mercer happened to be there at the same time as Huang. Mercer asked Huang if he could refer names to him of people to support the DNC. Huang stated that he did not produce results for Mercer in regards to referrals except for Mi Ahn. The only "true" meeting that Huang had while he was at the DOC with Mercer which was planned was at the Old Ebbitt Grill. This meeting was simply a way to exchange greetings with Mercer.

Huang described his three meetings with David Mercer while he was at the DOC as follows: The first meeting with Mercer while Huang worked at the DOC occurred at the Old Ebbitt Grill. One meeting was scheduled and held at the Willard Hotel in Washington. Another, brief, unscheduled meeting occurred at the Willard Hotel. This was the instance where David Mercer submitted a parking receipt for the meeting.

#### MATT FONG MEETING

In January 1995, Huang introduced Matt Fong, then newly elected Treasurer for the State of California, to Vernon Weaver of Stephens Inc. and one of Weaver's colleagues. Huang was returning home from an official DOC trip to Taiwan and Japan. Huang's itinerary enabled him (Huang) to spend the weekend with

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his family at his home in Los Angeles. Huang arranged for the meeting and introduction ahead of time. Huang was not on official duty at the time of the introduction.

Huang had been a friend and associate of both Weaver and Fong. Out of his friendship with Weaver, Huang agreed to the introduction as requested by Weaver. Stephens, Inc. had an office in California during the time of the meeting. The purpose of the meeting and introduction centered around Stephens Inc. petitioning to become underwriters of the California State Bond Issuances.

During that time, Huang opined that this meeting was "good for California." Huang did not receive any type of compensation for arranging the meeting and introduction. Huang attended the meeting between Weaver and his (Weaver's) colleagues and Fong. Huang stayed for the duration of the meeting. At the time, Huang felt that it was not inappropriate to attend the meeting, and opined it would have been impolite to leave during the meeting. Huang recalled that Fong and Stephens Inc. representatives had possibly met previously in California.

Huang recalled he may have used the Stephens Inc. office in Washington, D.C. to telephone Fong's office to set up the meeting. Huang did not use the Stephens Inc. office for that purpose because he (Huang) felt that arranging for such a meeting was inappropriate. Huang did not read any type of Ethic rules regarding government employees arranging for such meetings. Huang relied on his "instincts" when contemplating the ethics of such activities. Huang did not think it was inappropriate to arrange and participate in the introductions. Huang was surprised to hear that Fong made a comment to the media that he thought it was inappropriate for Huang to have stayed for the meeting. Huang did not receive any follow-up calls regarding the meeting.

#### SOLICITATIONS FOR JESSE JACKSON, JR.'S CAMPAIGN

Sometime in late, 1995, a special election was held in Illinois for former Congressman Reynolds' Congressional seat. Reynolds had been "asked to leave" his Congressional seat, and Jesse Jackson, Jr. was running for this slot. Harold Ickes knew that Huang had contacts, and in a telephone conversation with

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Huang regarding Huang's potential move to the DNC, Ickes had asked Huang to obtain some people to get contributions for the Jackson campaign. Ickes indicated that he was trying to "round up people" to support Jackson. This conversation could have been face to face.

After the call with Ickes, Huang obtained a number for Jackson's Washington, D.C. office on K Street and began to call people to get checks for this campaign. Arief Wiradinata was an individual whom Huang obtained contributions from for this election. Huang also asked Maeley Tom, and told her that she needed to support Jesse Jackson, Jr.'s campaign. Huang did not know if he had made the call from home or not and indicated he might have called Tom at the offices of Cassidy and Associates. Huang was able to raise a few thousand dollars for this campaign. After raising the money, Huang left a voice mail message on Ickes' phone saying that he had raised money. Huang never heard ~~anything back~~ from Ickes regarding this. Huang had a subsequent meeting with Ickes regarding his move to the DNC sometime in October, 1994. Ickes and Huang did not discuss Huang's fund-raising for Jackson at this meeting.

Huang indicated he knew it was wrong to solicit contributions while he was at the DOC. Huang did not know if Ickes knew it was wrong for Huang to be soliciting during this time, but Huang got the impression Ickes did not want it known that the administration was showing support for the campaign of Jesse Jackson, Jr.

No other government officials asked Huang to help raise funds for political campaigns while Huang was at the DOC. Huang did not fill out a check tracking form for contributions made to the Jesse Jackson, Jr. campaign. Huang has "no doubts" that he must have received the name or location of Jesse Jackson, Jr.'s headquarters from Ickes prior to this dropping off checks there. Maeley Tom was a good friend of Jesse Jackson's as was Arief Wiradinata. Wiradinata was thus willing to help prior to Huang's suggestion.

Huang believes that his meeting with Harold Ickes regarding his transfer to the DNC took place on October 2, 1995, at the White House. During this meeting, Huang stressed the importance of the Asian American community in the upcoming

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elections and stressed the importance of Asian businesses in the Silicon Valley. Huang also briefed Ickes on the percentages of the population in various areas that were Asian Americans. Huang is not aware of what conversation may have taken place between Ickes and President Clinton in response to Huang's meeting with the President on September 13, 1995. Huang believes that the October 2, 1995, meeting was a follow-up to this previous meeting. During the meeting between Ickes and Huang, Ickes took a lot of notes. This was the first time that Huang had ever sat down for a one-to-one meeting with Ickes. During the meeting, Huang was concentrating on conveying the potential of the Asian American community. During this meeting a Jane or Jeanette (LNU), who was Ickes' assistant, was in the same office, but was not participating in the meeting. Jane or Jeanette shares the same office with Ickes..

Between the September 13, 1995 White House meeting and the October 2, 1995 meeting with Ickes, Huang met with Bruce Lindsey. Lindsey wanted to make sure that the move to the DNC was what Huang wanted to do. Lindsey indicated that he had not heard Huang's opinion during the 9/13/95 meeting about the move, and told Huang that if he took the position, he would be subject to a lot of media coverage. At this time, there had been an article about Huang in the American Spectator Magazine. Huang assumed that there had been some sort of communication between Ickes, Lindsey and possibly the President. The meeting with Ickes was definitely in the afternoon, and possibly at 4:00 for one-half hour. Huang believes that Ickes contacted Huang to arrange this meeting. During the meeting, Ickes and Huang did not discuss specific fund-raising events or participation Huang would be involved in. The subject of Jesse Jackson, Jr. did not come up during this meeting.

Concerning the subject of Jesse Jackson, Jr.'s campaign, this may have come up during the end of the telephone conversation in which Ickes set up the October 2, 1995, meeting. When asked how soon after Ickes' request did Huang help in raising money for the Jackson campaign, Huang stated initially that he probably started telephoning individuals most likely within a week. On further reflection, he believed that he perhaps waited for some longer period of time. Concerning the solicitations for Jackson, the contributions from Arief and Soraya Wiradinata did not require any effort, but this

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contribution did not occur right away as Huang did not have the Wiradinatas in mind for a contribution initially. Huang believes he asked the Wiradinatas for the contribution after a 11/2/95 Vice President Gore fundraising event.

Regarding the Jesse Jackson, Jr. solicitations, Huang believes Ickes said something to the effect of "can you help out from the Asian American community round-up ten to fifteen thousand dollars for Jesse Jackson, Jr." At the time of Ickes' request, Huang realized that the task was to take place in a short time span, although Ickes did not state a time frame to Huang. Huang does not know if Ickes said anything about accomplishing the task quickly. Huang knew himself that there was a special election upcoming, but Ickes did not give any indications on when he wanted Huang to start the solicitations.

Huang was shown a copy of a telephone message dated October 23 from Harold Ickes bearing a call back number of 456-2459 with Bates stamp number A0008-0010-01-1646. Huang believed that this phone message or a similar call from Ickes may have prompted him to get going on his task of finding contributors for the Jackson campaign. Upon seeing this phone message, Huang stated he thought that he did not really begin working on the solicitations soon after Ickes' request. The phone message may have been Ickes calling about Huang's future employment at the DNC. Huang noted that this message came in at a date close to the November 2nd Vice Presidential event and he was busy with that event at the time. Huang might have tried to re-contact Ickes, but he did not get in touch with him. Huang believed he might have attempted to reach Ickes a "couple of times." Huang believed that he would have immediately returned a call from Ickes.

Huang remembers telephoning and leaving a voice mail message for Ickes during a Thanksgiving trip to Las Vegas. During this trip, Huang found out from one of his children that Ickes had called and left a message. Huang immediately called back to Ickes from a pay phone and left a message.

Huang confirmed that he and his wife did stay at the Treasure Island Hotel in Las Vegas between November 21, 1995 and November 23, 1995. Huang's call to Ickes was made from a Freemont Hotel a pay phone. Huang did not know if this call was

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made with a charge card or not. Huang doubts that he had a calling card at that time. Huang knows that the call was not made collect, but he may have charged this call to his home phone.

Huang mostly telephoned the donors for solicitations in November. When asked about a call from 301-681-5583, the number at Huang's in laws, to 916-424-4638, a number associated with Maeley Tom, on 11/15/95 for one minute, Huang stated he did not remember this call but that it may have been tied to the donations. Tom had an answering machine, and this call was probably a short message left by Huang.

The individuals Huang ended up receiving contributions from were the following: Maeley and Ronald Tom, Arief and Soraya Wiradinata, Joseph Ambrose and his partner, and Huang and his wife.

Approximately one year after the Jackson solicitations, Huang found out that Jesse Jackson, Sr. was aware that Huang had raised and given money to his son's campaign. Huang explained that James Riady knew Jesse Jackson, Sr. since Riady had become an Evangelical Christian. While Huang was at the DNC, some former Lippo colleagues found out that Jesse Jackson, Sr. was on his way to Indonesia and asked Huang to find out Jackson's schedule while in Indonesia. Huang "tracked down" Jackson in Japan and found out his travel schedule. Riady had asked Huang to tell Jackson that Riady was willing to help out in Jackson's causes. Huang knows that Riady did, in fact, ~~wife~~ transfer some money to one of Jackson's non-profit entities. Huang does not know how Jesse Jackson, Sr. knew that Huang had helped in his son's campaign.

When asked if the name of the partner of Joseph Ambrose in California was Michael Feddersen, Huang stated he believed it was.

Huang was shown copies of checks in the amount of \$500.00 dated November 20, 1995, from both himself and Jane Huang. Huang stated that these were the checks he and his wife wrote to the Jackson campaign. The handwriting on top of this document marked LA-108-1686-01-0004 is Huang's handwriting. Huang stated he wrote the names of the contributors and their

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occupations on a piece of paper for each of the checks. Huang believes that all of the contribution checks came at approximately the same time.

Huang reiterated that he is inclined to think that the contact with Ickes and request for help in obtaining contributors did take place during the telephone conversation with Ickes which set up the October 2, 1995, meeting. He also reiterated that the Jackson Campaign solicitations were never mentioned during the October 2nd meeting.

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about the request coming from the White House, but not because he knew the solicitation was wrong.

At the time Huang solicited contributions for Jackson, there was a "certainty" in Huang's mind that he would be going to the DNC, and he was "ready to go." Nevertheless, Huang knew that the solicitations were a "mistake."

On further reflection of the sequence of events regarding the solicitations, Huang stated that he had needed "lead time" to think about who he was going to ask for contributions. Huang remembers receiving a message from Ickes and thinking that he needed to get working on the solicitations. Ickes never addressed the legalities surrounding his request to Huang.

Huang did not postdate his checks under the assumption ~~that he would be at the DNC by November 20, 1995.~~ The dates on his and his wife's checks were the dates they wrote the checks.

Huang remembers two meetings with Marvin Rosen regarding his move to the DNC. One of these was at the Willard Hotel and the other was at Mark Middleton's office. Richard Sullivan was not present during these meetings. Huang remembers one meeting at the DNC offices with Don Fowler close to the first day he started work at the DNC. After the Thanksgiving holidays, Huang had still not said good-bye to Ron Brown at the DOC. Sometime during the final week of November, he did meet with Brown and the following day he told David Rothkopf that he would be leaving the DOC. Huang believes that he was given the final word that he had been hired at the DNC by Marvin Rosen.

Huang is not familiar with the name of Brooks Fiber Communications, but stated that the telephone calls bearing this designation could have been from Maeley Tom using someone else's office or space that she was subletting. The numerous telephone calls from Huang's number at the DOC to the number associated with Brooks Fiber Communications could be calls between Huang and Maeley Tom regarding the November Vice President Gore event.

Huang identified the telephone number 916/424-4638 as possibly a home telephone number for Maeley Tom. Huang identified the telephone number 301/681-5583 as the phone number

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at his in-laws' house in Silver Spring, Maryland.

Huang was shown a telephone activity report bearing two calls on November 16, 1995, from the Stephens, Inc. office to Brooks Fiber Communication and from Stephens, Inc. to a number identified with Joseph Ambrose. Huang noted that the call to Joseph Ambrose could be his telephone call to solicit Ambrose for a contribution. Ambrose agreed to make a contribution to the Jackson Campaign to Huang over the phone. Huang believes he only talked with Ambrose, but believes that he may have asked for Peddersen to make a contribution as well. Huang probably did suggest the \$1,000.00 amount for the contributions.

When the checks arrived, they were either sent to Huang's home in Los Angeles or to his in-laws' home in Silver Spring, Maryland.

Huang ~~received the checks~~; he put them together to take to the Jackson Campaign office. <sup>When</sup>

Huang only talked to Maeley Tom and not her husband regarding the contributions. Huang asked his wife Jane to write the check for her contribution.

Sometime around November 20, but probably after his return from Las Vegas, Huang took the checks to the Jackson Campaign office on K Street in Washington, D.C. The office was probably on the seventh or ninth floor. The reason Huang kept the checks together and took them over at one time was that it was easier for him to do "accounting" of the checks when they were together. This enabled him to be able to say how much of the task was complete. Huang gave the checks in an envelope to the receptionist. There was an unrecalled lady in the campaign office that Huang asked the receptionist to give the checks to. Later, Huang talked to this lady on the telephone and asked if she had received the checks, which she had. Huang was asked to review a copy of a letter dated December 2, 1995 from Jackson to Huang and his wife. Upon reviewing this letter, Huang stated that Carol A. Stanley-Robbins, whose name is in the letter, could have been the woman he left the checks for and called back subsequently.

Huang was asked if he took a trip to Chicago on or

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about November 17, 1995, to which he responded affirmatively. A community organization had earlier requested that Huang give a talk to their group. A male named (FNU) Chang had asked Huang to make this talk. Huang had been pushing off Chang for quite a while, and he finally acquiesced about giving the talk. Huang found the cheapest airfare he could and took the "red-eye" flight from Los Angeles in the evening and arrived the next morning. After the talk that day, Huang flew back to Los Angeles. This trip had nothing to do with the Jackson contributions.

After the telephone call with Ickes regarding the solicitations, Huang had no more discussions with Ickes regarding the checks, with the exception of his subsequent voice mail which he left for Ickes from Las Vegas. During the conversation between Ickes and Huang regarding the contributions, Ickes did not say anything about the solicitations being illegal. Huang had the sense that the issue of Ickes' support of Jackson's Campaign was "sensitive" for political reasons. Huang reiterated that nothing Ickes said to Huang regarding the solicitations indicated to him that Ickes was aware that this was illegal. Huang did know that the solicitation was wrong at that time; however, he told Ickes that he would try to help. Ickes did not ask Huang to make a contribution himself. Huang and his wife contributed just to be able to make the contribution amount look better. Huang did not know why Ickes was interested in the Jackson race.

Huang did not ask any of the contributors he solicited to think of anyone else who might be able to contribute. Huang never discussed the solicitations being wrong with Maeley Tom.

Huang had also asked Maeley Tom to pay for a political luncheon, which she did, for \$5,000. Tom put this luncheon charge on her credit card, and does not know for sure if Tom was reimbursed, but is "pretty sure" she was. Huang did mention to James Riady that Tom was going to have to work on a community and political event, and that Lippo should raise the consulting fees to Tom to cover these expenses. James Riady did not have any objection to doing this.

Huang has never spoken with Jesse Jackson, Jr., and Jackson would probably say he does not know who Huang is.

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## HUANG'S DEALINGS WITH MI RYU AHN

While at the DOC, Huang received a call from Mi Ahn. Huang knew that Ahn had a sister-in-law named Suzanne who was a neurosurgeon. Huang had met the Ahns previously at a Democratic Senatorial Campaign Committee (DSCC) function and knew that the Ahns were major players. The Ahns had a specific "cause" which dealt with the "Wards Cove" issue in Alaska. This issue dealt with an employer who separated minority employees in the workplace. This case had been confirmed by the U.S. court system which had said that in this specific instance and for this company, it was allowable for the company to maintain segregation of its employees. The DSCC had been trying to overturn this court ruling, however, they could not get more than twenty people to sign a petition. Suzanne Ahn had indicated to Huang that she no longer wanted to support "hypocrites" and "good weather friends." Huang knew that the Ahns were disenchanted with the DSCC as a result of the Wards Cove issue.

Mi Ahn contacted Huang at the DOC and asked if she had money to give to a political cause in place of the DSCC, what should she do with it. She had mentioned an amount of \$10,000.00 to Huang. Huang said that Ahn should consider giving to the DNC. Huang then gave Ahn's name to David Mercer at the DNC. Huang was shown a copy of a phone message log with Bates number A0008-0010-01-1537 which said "have talked to Mi. Thank you very much." Huang recognized this phone message copy and indicated that it was in reference to his referral to Mi Ahn to Mercer for a contribution.

Huang did not solicit Mi Ahn for her contribution for \$10,000.00 in June, 1995. Huang was not aware if Ahn had made previous contributions to the DNC before this check. Huang was shown a check tracking form of Ahn's check dated June 12, 1995, which bears Bates stamp number A1&A2-0961-05-1665. Huang has not seen this check tracking form before. Prior to her contribution, Ahn had told Huang that she had wanted to donate \$10,000.00 to some political entity.

Huang was shown a document dated October 30, 1995, with Bates stamp A003-0012-07-3009. Huang is not familiar with this document, however, he was shown this document in his previous interview in Los Angeles. The typed words besides Mi Ahn's name

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and contribution "John Huang Call" probably referred to Huang's contact with Ahn while he was at the DOC regarding her contribution. Huang surmised that the initials in handwriting "DM" might refer to David Mercer. Huang was shown a document with Bates stamp A2 3-0022-02-0198. Huang is not familiar with this document. The handwritten names under typed name Mi Ahn might possibly refer to Richard Park and George Chu. Chu was already an established donor with the DNC. Huang did not think that these three names were individuals whom he referred to anyone for solicitations. When asked about the handwritten notation next to Huang's name listing "\$30," Huang stated he was not in discussion with anyone at the DNC regarding anything to do with an amount \$30 or \$30,000.00.

When Huang was asked why Jane Huang's name was listed on a previously shown check tracking form for Ahn's \$10,000.00 contribution, Huang stated that Jane Huang would most likely say that she did not know who Mr. Ahn was. Jane Huang did not do any soliciting for contributions for DNC while John Huang was at the DOC. When asked why his wife's name would be on the check tracking form, Huang said I "don't have a clue."

Huang never discussed the Hatch Act with David Mercer but he knew that Mercer did not want to come to meet with Huang at the DOC, most likely because of his awareness of the Hatch Act. Huang told Mercer something to the effect of "don't get me involved in this" meaning that he had obligations under the Hatch Act. Huang reiterated that a meeting at the Willard Hotel with Mercer, for which Mercer submitted a parking voucher, was not planned by Huang or Mercer.

Between July, 1994 and the Summer of 1995, "it never came to" Huang's mind to get involved in fund-raising matters while at the DOC. With the exception of talking with Chung Lo, whom Huang does not consider he solicited, Huang made no other calls from the DOC which might be construed by others as fundraising during that time period. Other than previously discussed solicitations Huang made for the November 1995 Vice President Gore event and the Jesse Jackson, Jr campaign, Huang made no political solicitations while at the DOC.

Jane Huang was not a trustee in June of 1995, as Huang and his wife did not contribute enough to fall in that category.

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The November 2, 1995, event attended by Vice President Gore was the Asian Pacific American Leadership Council's (APALC) first all Asian American event. Congressman Matsui was taking a lead at this event to have Asian Americans involved politically. Mona Pasquil was in charge of this event, however, she did not have much experience in fund raising and her name did not carry much weight. When it became apparent that the amount that Pasquil would be able to raise was small, Sam Newman, a DNC employee, got involved with Pasquil and David Mercer called Huang and said that he needed Huang's help. Huang's concern was that this first all Asian American community event not cause the community to "lose face." Huang was already aware of the problems Pasquil was having on this event when Mercer called him. Mercer called and said something to the effect of "John you've got to help out." Mercer did not specifically ask Huang to go out and raise money for this event. Huang saw his involvement in assisting with this event as being able to use his name to convince those people who were "sitting on the fence" about attending.

Huang talked to Charlie Trie about this event and stated that it was the first Asian American event and they could not let Congressman Matsui and the Asian community lose face. Huang did not recall soliciting a contribution from Chung Lo for this event. Huang agreed with the interviewing Agent that the "bottom line" of his participation was to have individuals come to the event and contribute. Both of Huang's attorneys then interjected and said that it was important to have Asian Americans attend the event whether or not they paid, and that some people, in fact, did not pay to attend the event. They stated that the number of people attending the event was important in addition to the contributions.

Huang stated he did contact Chung Lo to attend this event as she had the capacity to give and she had a successful track record in Asian American community events. Huang called Charlie Trie in addition to Pauline Kanchanalak to come to the event.

## LUNCH MEETING WITH MONA PASQUIL

At the time of a lunch meeting between Mona Pasquil and

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Huang, Huang had a feeling that Pasquil had pressure on her for the November event and was relatively new at fund-raising. Pasquil was in an awkward position as there had been two camps in the Asian community, one supporting Congressman Minetta and the other supporting Congressman Bob Matsui. Pasquil was having a hard time handling this pressure. Pasquil's two predecessors at the DNC, Melinda Yee and another unidentified individual, had both been on Minetta's side. Pasquil was in a position where she had to answer to Congressman Matsui, as Matsui had in some way possibly enabled her to obtain her present position. Huang remembered that at the meeting with Pasquil he may have given her general advice, and he remembered Pasquil almost being in tears. Huang does not remember this meeting as being particularly close to the time of the November 2nd event. Pasquil asked Huang to refer names to her of potential attendees, and for general advice. This lunch meeting was also attended by Sam Newman who left the luncheon earlier, possibly at the request of Huang. Huang wanted to discuss Pasquil's concerns with her in private.

## LAURA HARTIGAN MEMO

Huang was shown a memo from Laura Hartigan dated 10/20/95 to Harold Ickes, bearing Bates stamp number A0629-0935-01-2337. Huang stated he had not seen this document. He did not know why his name was listed as making a commitment of \$75,000.00. Huang had previously been asked this question in his interview in Los Angeles and reiterated that he did not know anyone by the name of Erica Jesselson. At the time of this memo, Hartigan was at the Clinton/Gore headquarters. Huang had participated in a meeting with Melinda Yee, Hartigan, Trie and another unidentified individual from Washington, D.C. trying to get the Clinton/Gore administration not to leave Asian Americans out of the political process. Huang did not remember committing an amount of \$75,000.00 to anyone at that time. The term "hard" in the document could not refer to hard dollars in Huang's opinion because of the amount listed being over \$20,000.00.

## HUANG'S INTERACTION WITH MARK MIDDLETON

Huang knew Mark Middleton as a friend and had frequent contacts with him. Middleton was an individual who respected Huang's philosophical thinkings. Huang had contacts with Middleton while he was at the DOC where they talked about issues.

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Huang liked Middleton and had a number of encounters in the past including lunches. Middleton knew James Riady and knew about Huang's previous work at Lippo.

One conversation between Huang and Middleton surrounded Middleton's trip to Asia where he said he met a Mr. Liu of the China Development Corporation. Liu had told Middleton that they had the ability to make a contribution of fifteen million dollars to campaign efforts. Middleton then asked Huang if he thought it was possible for this individual to have the means to give fifteen million dollars. Huang then told Middleton that he should be "very careful." There was no further conversation between Huang and Middleton regarding this matter. None of the calls that Huang had with Middleton at the DOC regarded fund-raising.

Larry Middleton is the brother of Mark Middleton. Larry Middleton was considering doing some business on his own and asked Huang for some advice in this regard. Huang encouraged Larry Middleton to look to Asia for any business opportunities.

Huang was not aware of any attempts by foreign governments or individuals to funnel money into the United States political system, with the exception of Mark Middleton's overseas contacts. Huang reiterated Middleton's discussion with him as questioning whether these individuals had the capability of making this type of payment. Had Middleton accepted this payment, he would have known that the payment would have to go to an account such as the President's Birthplace Fund. Huang was not aware of Middleton's discussing this allegation with anyone else. It was only on further reflection that Huang connected the name of the individual Middleton met with the person named Liu connected to Taiwanese party finances. Liu took the female reporter who initially wrote this allegation to court in Taiwan, however, the female defendant won the lawsuit.

#### CHUNG LO

Chung Lo was introduced to Huang by Melinda Yee during the Summer of 1995, when Chung Lo visited Washington, D.C. Yee and Lo knew each other previously, and Yee brought Lo to meet Huang at his office. Huang described the meeting as a "friendly meeting" and added that Lo had brought her camera to get a

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picture with Huang. Huang had phone conversations with Lo after this introductory meeting. Huang described these conversations as "general" and was sure that they were not fund raising calls. Lo had previously done fund raising work prior to her introduction to Huang. Huang added that he did encourage Lo to go to the Vice President Gore event in November, 1995. During this call he stressed the importance of Asian American involvement. Huang did believe that Lo could have interpreted his call and invitation to the Gore event as a solicitation.

The Lotus Fund, which was affiliated with Lo, was set-up in the San Francisco Bay area to achieve "political empowerment" for the Asian American community and at the same time it served as a vehicle to raise money. Lo had planned for a kick-off for the Lotus fund to be attended by President Clinton, and she wanted a thousand or so people to attend. Lo had also intended on having movie stars from Hong Kong attend this event with the President. One of the "movie stars" said that she was coming to the event to receive an award from the President. This event never received White House approval for the President's attendance, and in the end, this event did not materialize. Lo ended up blaming Huang for the failure of this event.

Huang explained that the failure of this event to materialize had to do with a DNC event which was to be held concurrently in San Francisco. There was a thought to have both events held at the same hotel, allowing the President to be able to attend both functions during the same evening. Even though the Lotus fund raiser did not transpire, the DNC event went ahead. To soothe some of the individuals from the Lotus fund who were not able to attend the Lotus function because it did not transpire, the DNC invited some of these people to attend their program for free. Some of the people from the Lotus fund passed around a flyer denigrating Huang at the DNC's fund raiser. Lo was embarrassed by the failure of the Lotus fund event, and blamed Huang.

Norman Young, an individual who had a connection with the Lotus Fund had some type of criminal record. Chung Lo was also put in jail on some type of mortgage fraud and for using a different name. Huang does not know of the Lotus Fund being used as a vehicle to funnel money to activities other than its stated purpose. Huang does not know of anyone in the Taiwanese

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government, or any other foreigners funneling money through the Lotus Fund.

Huang was again shown the October 30, 1995, document and asked what the comment beside Chung Lo's name and \$100,000.00 amount meant. The comment read as follows "I've been told she's holding out for another fund raiser or something. John Huang and Charlie Trie to work on this." Huang did not know that Charlie Trie worked on this event, meaning the November Vice President Gore event. Huang did suggest to either Mona Pasquill or David Mercer that Trie should be invited to this event.

#### HUANG'S DEALINGS WITH KENNETH R. WYNN

Huang was shown check tracking forms with three \$5,000.00 checks from Kenneth and a Sihwarini Wynn to the DNC dated August 1, 1994. Huang believed these contributions were related to the August, 1994 Presidential birthday event. Wynn was leaving Lippo and Huang was trying to get a successor to be in Washington, D.C. to take Wynn's place. Jose Hanna was an individual who Huang was trying to get up to speed on Wynn's position at Lippo. Huang and Hanna both attended this August, 1994 event. Huang does not believe that he solicited these contributions, and believes he asked his wife to contact Mr. Wynn regarding the event. Jane Huang, however, has told John Huang that she did not contact the Wynns. Jose Hanna is now in Indonesia. When asked by the interviewing Agents why Huang did not believe he solicited this contribution, when he had in fact solicited other contributions at the DOC, Huang stated that this was at the beginning of his tenure at the Commerce Department, and he did not think it was a "good thing to do." Huang believes that the reason there were three Wynn checks for \$5,000.00 issued to the DNC on the same day instead of one large check was that the event was probably \$5,000.00 per person. The Wynns, however, did not attend this event. Hanna and Huang both attended this event. Huang suspects, although he does not know, that the Wynns would be reimbursed by Riady through Lippo in the same way that he had been reimbursed when he was at Lippo.

Huang believes that he either asked his wife to call the Wynns to attend this event or possibly asked Hanna to call. Huang did not have any discussions with Hanna regarding the process or existence of reimbursements from Lippo for political

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contributions. Hanna was reluctant to move to a position with Lippo from Indonesia, and for personal reasons he did not want to come to the United States. Hanna was at the birthday event, which was also attended by David Mercer. Huang did not remember whether he introduced Hanna to Mercer at that event. Huang reiterated that he had no conversations with Hanna regarding the role of reimbursement in regard to his new employment with Lippo.

The writer asked Huang what he had meant when he said he was in a "danger zone" at the DOC regarding contributions when he talked with the Los Angeles Agents in his prior interview. Huang stated that the term danger zone meant Huang thought he was possibly crossing the line of violating the Hatch Act.

HUANG'S DEALINGS WITH

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BECAUSE IT PERTAINS TO A PENDING  
NON-PUBLIC CRIMINAL INVESTIGATION

HUANG'S DEPARTURE FROM THE DOC

Huang remembered a meeting on September 13, 1995, at the White House. Giroir was staying at the Four Seasons Hotel and Huang and James Riady went with Giroir to the White House for a meeting that had been set-up. The appointment was set-up with the President for five o'clock and Huang "tagged along" with Giroir and Riady to the White House. Riady requested that Huang be able to attend the meeting once they arrived at the White House. It was not planned for Huang to attend this meeting. Within the space of about five minutes, Huang was cleared, along with Riady and Giroir, to attend the meeting. During the meeting, it was discussed that Huang was frustrated about his role at the DOC, and that he was not able to participate in the roles that he wanted. There was a discussion by someone of the next election cycle, and how Huang could be more effective in the upcoming election in a position at the DNC. Huang had previously talked to Riady about his frustrations with his DOC position and Riady knew that Huang was not happy in his job. Huang believed that Giroir also knew of this frustration through discussions with Riady.

The "gist" of the meeting was Riady's discussion of the importance of the Asian American Community, and their role in the upcoming election. Riady also pointed out he wanted to bring in a person helpful to this community in the area of fund raising. Bruce Lindsey, a good friend of the President's, was also at the meeting and talked about Huang. It had not been decided previously about Huang's move to the DNC, however, the move was

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mentioned during the meeting. Giroir added to what Riady said about the Asian community and talked of the importance of the Asian community in California. The President said something to the effect of we will "see what we can do" regarding Huang's move to the DNC. Huang stated that it was important for the President to be reelected, as the President was the "base" of any activities the Asian community would be successful in, and added that the President had to win in order for these objectives to come to fruition.

In the following day or two days after the meeting, Lindsey called Huang in for a meeting. Huang went to Lindsey's office and Lindsey asked him if he really wanted to "do this" meaning move from the DOC to the DNC. Lindsey stated that based on a previous article about Huang in the American Spectator Magazine, that the media would "attack him." Huang said something to the effect of "what ever happens, happens" and that he was okay with the media.

Huang believes that after this meeting, Harold Ickes was handed the responsibility of Huang's movement to the DNC and that there was contact between the White House and the DNC regarding Huang. In Huang's first meeting with Ickes, Ickes asked him questions, and Huang talked about the Asian American community. Huang stated that he believed that he would be able to mobilize permanent Asian Americans in the Silicon Valley area of California. At a subsequent meeting, with Ickes at his office, Ickes brought in March Fong Eu, who was currently the Ambassador to Micronesia. Eu wanted to mention to Ickes that she could be helpful in the election by mobilizing people to vote and to be better utilized. Eu was also looking for another position with the government. Ickes at that time was handling political affairs at the White House.

Huang's intent had always been to leave the DOC on December 3, 1995. Huang had been ready for some time to leave, however, he wanted to see Secretary Brown prior to his departure. Huang did meet with Brown a few days prior to December 3, 1995, and then talked to Rothkopf. Rothkopf had seen from the Secretary's schedule that Huang had already been in to see him, and surmised that he was leaving. The only person who knew of Huang's departure at the DOC prior to his official resignation was his boss Charles Meissner. Huang felt obligated to tell

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Meissner about his departure and told him four to five weeks ahead of his actual departure.

Immediately after Huang's meeting with Ron Brown, he began to tell people at the DOC he was leaving. On December 3, 1995 Huang turned in his keys and had everything completed that he needed to at the DOC. This was during the time of the government shutdown. Huang never asked anyone about going on any type of "leave without pay" status. Sometime in January, 1996 Huang got a call from the Personnel Office at the DOC for him to come back in regarding some paperwork. Huang was told that he had not, in fact, officially resigned and that a paycheck was being held for him. Huang replied that he had left the DOC but was told he had to sign paperwork to that effect. Because Huang did not know what was required for his leaving government service, he did not sign this paperwork when he left on December 3, 1995, but rather on January 17, 1996.

Out of what Huang believes to be "good intentions," Meissner continued to hold Huang's job open after he left because he had indicated to Huang that once the elections were done Huang might need to return to a job in the government. Meissner indicated he might need Huang's advice on Asian issues in the future and wanted to keep him as a consultant. Meissner indicated that by keeping him as a consultant he would not have to go through the process of getting new security clearances for Huang if he did, in fact, come back to work at the DOC. John Huang mentioned this suggestion of Meissner's to Rothkopf. Huang believes Meissner was more inclined to doing this than Rothkopf or Garten because Meissner had hired Huang and had known of his background prior to the DOC. Meissner thought more highly of Huang's background than either Rothkopf or Garten.

Huang believes that paperwork reflects his leave without pay status until January 17, 1995, was caused by the government shutdown at the end of 1994. Huang does not know if the consultant position ever was approved and reiterated it was Meissner's idea to do this. Huang's attorney John Keeney stated he believed the DOC had recreated documents to reflect a leave without pay status to cover their mistakes in not having him officially off the DOC books as of December 3, 1995.

When asked if James Riady may have played a role in

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having Huang stay on a leave without pay status and maintain security clearances, Huang replied "not at all." Huang had no conversations with James Riady regarding clearance issues.

Although Huang never knew how the decision to move him from the DOC to the DNC was actually effected, he did meet with Marvin Rosen at the DNC two or three times prior to his move to the DNC. Huang believes that Rosen then went to Don Fowler to make a decision and they both agreed to have Huang come to the DNC. Huang's two or three meetings with Rosen occurred outside both the DOC. One meeting was in the lobby of the Willard Hotel where Mark Middleton was also present. The second meeting with Rosen occurred in Mark Middleton's office. A third meeting with Rosen possibly took place with Rosen at the DNC.

Huang reiterated his reasons for wanting to leave Lippo as the following: Huang's role at Lippo was not effective and the real estate deals that Lippo entities were working on in California "went dead." The Lippo group did not have much work for Huang to do. If Huang had stayed with Lippo, he might have had a chance to return to Asia, however, deals that Lippo was working on in China deteriorated. Huang added that he personally wanted to leave Lippo as he wanted to tell people that it was important to go into public service. Huang believed that his movement to a government position could encourage Asian people to be useful, and he believed that by having a role in public policy he could reach more people than if he were at Lippo.

#### HUANG AT THE DNC

Huang did not recall any other conversations with the President regarding his move to the DNC besides his September 13, 1995 meeting. Once at the DNC, Huang received only one group training session regarding fund raising regulations. Huang knew that a United States subsidiary had to have revenue in the United States to make a contribution.

After the Hay Adams event, Huang had a review of checks with Joseph Sandler at the DNC. Sandler asked Huang about whether Jimswood International was a United States company. Huang knew that this check had come in as a result of Charlie Trie's solicitation and he asked Trie about it and was satisfied that the check was acceptable. Sandler also asked about Maria

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Hsia's group and Huang was able to answer from previous discussions with Hsia that all of her guests were green card holders. Sandler did not raise any questions about Ren and Liu's checks.

Generally, to solicit for smaller events, Huang went to people whom he knew well and who had been in the "game" for awhile. No written materials on campaign financing laws were provided by Huang to contributors. Huang did not use donor cards during his fund raising activities, and stated they were not generally used at the DNC. Huang did not feel he needed to use donor cards as he transferred the pertinent information onto the check tracking forms. Huang did not know what was done as a practice at the DNC with donor cards after they were received. He likewise did not ask anything about the retention policy for the cards. No one at the DNC raised the issue of donor cards with Huang. Huang looked at donor cards as a way to collect information from the donor rather than providing information from the DNC to the donor.

Huang liked to have people who did not have great financial means attend his fund raising events. The people he would like to invite were politically active and involved in grass roots efforts. One of the events where he invited these people was in Los Angeles and he held another one in San Francisco. Political appointees also attended some of Huang's events without making any payments. The daughter of Ren and Liu got into the Hay Adams for free, as she came as Ren and Liu's translator. Ted Sioeng did not pay to attend the Hsi Lai Temple event as Huang assumed that Sioeng was going to give in the future. Huang allocated some of the money given by the Wiradinatas to invite people such as Mohammed Hekal and his brother, both children of an individual from Indonesia, to attend events.

Huang would initially set a financial goal for a particular event. Huang had a goal for the Hay Adams event to raise one million dollars, and he came close. The committed amounts for the Hay Adams event exceeded one million dollars, however, he believes that approximately \$900,000.00 eventually came in for the event. Richard Choi gave a check to Huang for \$100,000.00 for the Hay Adams event, however, he later put a stop payment on it and reissued a \$20,000.00 check to the DNC. Choi

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said the additional amount would follow but it never came through. Richard Park was the individual who brought Richard Choi to the event. Huang stated his objectives for the events were two fold: one, was to have people show up, and the second was to have people give.

#### HUANG'S DEALINGS WITH JAMES BELCHER

Another individual referred to Huang by James Riady for possible contributions to the DNC was James Belcher. After Riady gave Huang Belcher's name, Huang went to visit Belcher in Connecticut. Huang described the connection between Riady and Belcher as follows: Riady had a friend who was a indigenous Indonesian named (FNU) Bakrie. This individual was affiliated with the Bakrie Group which is one of the top ten private business groups in Indonesia. The Bakrie Group had many joint ventures with other businesses in the United States including Freeport Macmoran, a company in Louisiana which had mining interests in Indonesia. Belcher had a rubber business, headquartered in Connecticut and was a "substantial person" with business interests in Indonesia and Africa. Belcher's companies had joint ventures with Lippo entities similar to the Bakrie Group. FNU Bakrie has two children named Ditha Bakrie and Anin. Ditha is a student at Georgetown University and Anin is at Northwestern University.

Belcher was financially very helpful to Huang in his solicitations for the DNC. Belcher made approximately \$100,000.00 to \$110,000.00 in contributions, and became a trustee with the DNC. Huang's contact with Belcher occurred almost immediately after Huang arrived at the DNC in December of 1995. Huang made plans to visit Belcher in Connecticut also in December, 1995. Belcher had most likely been identified to the DNC through Senator Dodd, however, Huang was the individual who took the initiative to go and visit with Belcher. Huang went to Connecticut in December, 1995, for one day. During the discussions with Belcher, he was told that Belcher had business interests of three hundred to four hundred million dollars a year. Belcher is a Caucasian individual. Huang had no contact with Belcher prior to the time he went to the DNC.

Huang believes that Belcher contributed \$10,000.00 for the Bakrie children to attend the Hay Adams event. Belcher also

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contributed \$100,000.00 later. Huang believes he is listed as the solicitor on the Belcher contributions.

#### HUANG'S DEALINGS WITH BEN TANG

Ben Tang was a research scholar at the Claremont Institute and served as the head of the China section. Huang knew Tang through the Asian American community, and stated that Tang was a good writer and a scholar who was opinionated. While Huang was at the DNC, Tang had an interest in attending an event. Tang may have attended the Gore event and then attended the Hay Adams event in February. Huang was shown a check tracking form from Tang in the amount of \$11,000 with Bates number VDNC-1314-04-1150. Huang probably solicited this contribution from Tang early on when he moved to the DNC. Huang remembered that Tang brought a friend to an event as a result of this contribution. Tang had expressed an interest to Huang in participating in the Asian American fund raising events and might have called Huang at the DOC. Regarding the date of Tang's check in early December, 1995, Huang stated that he wanted to create an impact quickly when he came to the DNC.

#### HUANG'S DNC FUNDRAISING EVENTS

John Huang was asked about his knowledge of the \$100,000 worth of contributions made by Davisson Wu, through his business, that were allocated to the Hay Adams event. Huang did not know Davisson Wu and that to get specific information about Wu we would have to speak with Charlie Trie. Huang said Charlie Trie arranged for Davisson Wu to contribute to the DNC and attend the event.

Huang was shown a photograph of Davisson Wu posing with President Clinton at the Hay Adams event. Huang thought he recognized Wu in the photograph but did not remember ever speaking to him. Huang never solicited the \$100,000 worth of contributions provided by Davisson Wu.

Huang was shown three photocopies of DNC check tracking forms with the corresponding contribution checks provided by Davisson Wu from Wu's business named, Jimswood International, Incorporated. The three contribution checks were in denominations of \$25,000, \$25,000, and \$50,000. On the check

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tracking forms for these contributions, John Huang's name is listed in the line under DNC contact. Huang filled out the check tracking forms listing himself as the DNC Contact but failed to list Charlie Trie as the solicitor. Huang was the DNC contact because he organized the Hay Adams event.

Huang had never previously heard of Jimswood International, Incorporated. Huang was shown a photograph of an individual named Jun Yin, who attended the Hay Adams event with Davisson Wu. Huang recognized Yin's face but did not remember meeting Yin or anything specific about him. Huang never heard of a business owned by Jun Yin named, Weicheng International, Incorporated.

HAY ADAMS EVENT - 2/19/96

Huang indicated that before an event he would set a target goal and then a target price for the event. As people were coming from out of town for the Hay Adams event and would stay overnight, he wanted to set-up events with both the President and Vice President. The Vice President's schedule was clear for the morning after the Hay Adams dinner and he was scheduled for a breakfast. Because of this, Huang set the price of the dinner at \$10,000.00 and the breakfast with the Vice President at \$2,500.00. Huang asked himself how many people he needed to attend in order to reach his event goal. The next step Huang took to try to raise money was to go out to a number of various Asian ethnic groups and then to solicit these individual groups within a number of different cities. Huang indicated once he spread out his goals in this manner, the one million dollar goal was not "insurmountable." Most of Huang's friends who attended the Hay Adams dinner came from the Los Angeles area. Huang knew that he could rely on a few people who were known to the DNC such as Maria Hsia, Pauline Kanchanalak, Charlie Trie and the newly established Ted Sioeng. Huang was "flattered" that a number of people he contacted said that they would do whatever he wanted and were interested in coming to the event. A number of these people were former clients of Huang's and banking business partners. When asked who his banking and business associates in Los Angeles were that he invited to the Hay Adams event, Huang provided the following names: Andrew Cherng, Herbert Huang, Huey Yu, Ahn Ly, Yeh Kang Song .

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Huang generally knew the people's background who attended the Hay Adams function. Huang, however, did not know the friends of Mr. Ng from Macau. Charlie Trie raised "one hundred some thousand" dollars for the event. Ted Sioeng brought a group of eight or nine to the event and raised over \$100,000.00, which came through his daughter.

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IN UNITED STATES v. MARIA HSIA, Cr. No. 98-57-PLF  
 BECAUSE IT PERTAINS TO THE PENDING TRIAL IS SCHEDULED FOR JANUARY 18, 2000  
 CRIMINAL TRIAL OF MARIA HSIA

This event was mostly the first contact that Huang had with Ted Sioeng. Sioeng knew that Huang worked at the DNC and he had expressed a desire to help. Huang felt comfortable with Sioeng coming to the event as he had seen him at one of his daughters' wedding. Huang remembered having a one-on-one conversation with Sioeng regarding corporations needing to have United States revenues in order to make contributions. Sioeng told Huang his daughter, Jessica Elnitiarta had "status" in the United States. He told Huang that he had a real estate company in Beverly Hills and Huang believes Sioeng said this company had revenues over one million dollars.

Huang did not advertise the Hay Adams event in any Chinese newspapers, however, he had spoken within the Chinese community and a local paper may have picked up the story and written about Huang. Huang thinks the Hay Adams event was also reported in a paper in San Francisco. The paper that would have picked up the story would have been either the World Journal or International Daily, and the story may have run in the paper's second section.

Huang stated that "without doubt" some people with Sioeng did not have United States status, however, Huang did not question these people being there as he knew that the giver, Elnitiarta, had United States status.

A few people from New York attended the Hay Adams event including Charles Wang who is the Vice-Chair of the Civil Rights

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Commission. Huang relied on Wang to tell him about other individuals in New York who might be interested in coming to the event. Huang gave Wang names of individuals and he may have talked with him about their "parameters" of attending the event.

Huang did not have any conversations with anyone after the event indicating that he did not meet his financial goals and needed help. Richard Sullivan at the DNC thought that the results from the Hay Adams event were "okay" so Huang did not pursue raising money with anyone else. Huang did not push either Maria Hsia or Charlie Trie about when the remainder of their invites' contributions would be coming into the DNC.

POTUS ASIAN DINNER - 5/13/96

John Huang organized a fundraising event for President Clinton on 05/13/96 in Washington, D.C. This event was named the POTUS Asian Dinner and was a Presidential fundraising event organized for the Asian Pacific American Community (APAC). Huang said the event's fundraising goal was approximately \$1,000,000. Approximately 100 people attended the event, not including political appointees. Huang said the individual cost of the event was \$10,000 per plate but stated that some attendees may have paid \$5,000. Huang remembered that Gary Locke was at the event with a group of people.

Huang was asked about the \$325,000 contribution that was made to the DNC and allocated to this event by Yogesh Ghandi. Huang said that Charlie Trie arranged for Ghandi and a small group of Ghandi's colleagues to attend the event. Huang said Charlie Trie handled all of the matters pertaining to Ghandi. Huang had not previously met Yogesh Ghandi before the event and was not aware of Ghandi's background or anything specific about the individuals with whom he attended the event. Huang first learned about the problems with the Ghandi contribution from media reports. Huang said the \$325,000 contribution contributed by Ghandi was sent directly to the DNC. Huang hoped to get some of Ghandi's colleagues to contribute but they never did. During a brief conversation that Huang had with Ghandi, Ghandi told Huang to "go ahead and cash the check, it's my money anyway." Huang also spoke briefly with Ghandi at the event and was requested to set up a brief meeting between Ghandi, his guests,

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and President Clinton. Huang said Ghandi and his colleagues spoke briefly with President Clinton. After the brief conversation, they were photographed with President Clinton.

Huang had an additional encounter with Yogesh Ghandi when Ghandi attended another APAC fundraising event in San Francisco, California in September of 1996. Huang said Ghandi made a small contribution to the DNC that was allocated to the San Francisco event. Huang did not solicit this contribution from Ghandi and is unaware if Ghandi was reimbursed. Ghandi attended the event with an Indian man named Jito Somayo. Huang said these were the only two times he encountered Yogesh Ghandi.

Yong Xing Huang contributed \$10,000 to the DNC and the contribution was allocated to the POTUS Asian Dinner on 05/13/96. John Huang said Yong Xing Huang is his first cousin and resides in the New York city area. Yong Huang and his extended family own Chinese restaurants on Long Island, New York. John Huang periodically contacts his cousin when he is in the New York area. Huang said his cousin had previously shown him his home in Flushing, New York and his restaurants in Long Island in the past and felt he was a successful business person.

Huang solicited his cousin for a contribution because he knew he was a U.S. citizen and thought he could afford to give. Huang thought his cousin would like to attend an event and meet the President. Huang's cousin contributed \$10,000 and attended the event with a female business associate. John Huang did not reimburse his cousin for the contribution, and was not asked to do so.

Huang was asked if he was aware of "money pooling" arrangements that are frequently organized in traditional Chinese groups. Huang said that he was aware of them and said that the arrangements are usually made between close friends or family members. The money pooling arrangement is usually the collection of a set amount of cash allocated to a "pool" and given to one of the participants in the form of a "loan." The individual who takes out a loan must return the money plus interest. Huang said these arrangements are made in order for people to make major purchases, such as for the opening of a business, when obtaining a loan at a reasonable rate from a bank is impossible. John Huang said if his cousin obtained the money for the contribution

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from this type of money pool he would be surprised because he thought Yong Huang made significant money from his Chinese restaurants. Huang added that obtaining \$10,000 from one of these pools would not be considered a significant amount of money.

**CENTURY PLAZA EVENT - 7/22/96**

Huang organized a large DNC fundraising event for the APAC on 07/22/96 at the Century Plaza Hotel in Los Angeles, California. The name of this event was the Los Angeles Asian Gala. Approximately 700 people were in attendance and the cost for each attendee was between \$500 and \$1,000. The higher priced tickets gave the contributors better seats at the event. The goal for the event was approximately \$500,000. This event was the first large fundraiser that was specifically geared for Asian Americans and Huang wanted a broader section of the Asian community to be able to attend. There was also a smaller reception that was held before the large dinner on that evening. Approximately 100 people contributed at least \$5,000 in order to meet and be photographed with President Clinton.

Sang Minh Nguyen contributed \$7,500 to the DNC that was allocated to this event. Huang was aware of Sang Nguyen and knew that he owned a farm in southern California. Huang met Nguyen through a business partner of Nguyen's named JOSEPH CAMPOS. CAMPOS was politically active in Democratic politics in California and owned promotion and construction businesses in Las Vegas, Nevada and other areas. Huang remembered speaking with CAMPOS and meeting Nguyen at a political event that was held in Palm Springs, California. Huang remembered Nguyen as being very quiet and reserved.

Huang said CAMPOS visited Huang while he was employed at the Department of Commerce in Washington, D.C. CAMPOS was attempting to work with the construction industry and was interested in working with Sang Nguyen on projects in Vietnam. CAMPOS wanted to get any information or assistance he could in order to get his business ventures in Vietnam started. Huang did not think any of the projects that Nguyen and CAMPOS attempted in Vietnam had ever been successful. Huang had not heard from CAMPOS since 1995.

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Huang has never heard of Nguyen's agricultural business named the American Mantiev Corporation. Huang was not aware of Nguyen's financial status at the time of Nguyen's contribution to the DNC at this event, or at any other time. Huang advised that if Nguyen was a farmer, he would not be able to contribute money until his crops were harvested. Huang did not know the origin of Nguyen's contributions or if he was reimbursed by CAMPOS or anyone else.

Huang met Doris Pokras SUNG at the Los Angeles Asian Gala. Huang said Pokras was politically active and Huang had conversations with her about politics. Pokras was planning to attend the Hay Adams event in February of 1996 but was not able to come. Pokras was married to a Caucasian American man whom Huang believed was Jewish. Pokras lived in Long Island, New York. Huang believed that Pokras was a United States citizen but never questioned it when he realized she was married to a Caucasian American.

Pokras attended the Los Angeles Asian Gala with a male Chinese national. Huang did not know the name of the Chinese national or what type of business he was engaged in. This individual did not make any contributions. Huang was shown a photocopy of the check tracking form and a personal check from Doris Pokras for \$7,000 to the DNC. Huang remembered that Pokras made this contribution because she wanted a photograph with the President and the rate at this event for the photograph and was \$5,000. Huang believed that if attendees of the LA Gala brought guests it was still required that an additional \$1,000 be paid for each additional guest at the event. Huang was not exactly sure why Pokras contributed an additional \$1,000 for the total of \$7,000.

Huang never heard of an individual by the name of Zhang Si Min or a business named Shenzhen Neptunas Group. Huang had no knowledge of an individual named Lorraine Wang.

POTUS ASIAN D.C. DINNER - 7/30/96

Huang organized an APAC event that was held on July 30, 1996 called the POTUS Asian D.C. Dinner. The event was held at the Sheraton Carlton Hotel. This event was actually a small dinner with approximately 17 people in attendance. Huang said

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DNC Chairman Donald Fowler and DNC Vice Chairman Marvin Rosen attended the dinner as well as Department of Labor Secretary Alexis Herman.

The attendees of the dinner from Taiwanese businesses were Sen Jong "Ken" Hsui and his wife, Betty Lee Hsui; Eugene Tung-Chin Wu and his wife, Shirley Wu; James L.S. Lin and his wife, Zu-Ling Lin; James Riady of Lippo Group Incorporated, and his wife, Aileen Riady; and Peter Yuen.

KEN Hsui is a U.S. citizen and may have also possess citizenship status in Taiwan. Hsui is the President and CEO of Prince Motors of Taiwan and operates a real estate and investment business in Los Angeles, California called C.K. Victory Investment. Hsui also maintains a residence in Beverly Hills, California. Huang said Hsui's father has been a friend of the Riady family for many years.

Huang advised that the Asian businessmen in attendance at the dinner are all related by marriage. EUGENE TUNG-CHIN Wu is KEN Hsui's brother-in-law because he is married to KEN Hsui's sister. JAMES L.S. Lin is EUGENE Wu's brother-in-law because his wife, ZU-LING Lin, is EUGENE Wu's sister. Huang said EUGENE Wu's family business is much larger than the businesses owned by Hsui. KEN Hsui is extremely wealthy in his own right.

Huang was shown photocopies of the DNC check tracking forms and corresponding checks written to the DNC for a total of \$150,000. Huang recognized the check tracking forms and said that Hsui paid for EUGENE Wu and JAMES Lin because they were not U.S. citizens or green card holders. Huang had no knowledge if KEN Hsui was reimbursed by EUGENE Wu and JAMES Lin for the contributions. Huang definitely did not reimburse Hsui for the contributions. Huang said again that KEN Hsui, EUGENE Wu, and JAMES Lin are very wealthy.

In addition, KEN Hsui donated approximately \$150,000 to individual state Democratic campaigns. Huang anticipated that approximately \$500,000 would be collected from Mr. Hsui but when reports of Huang's fundraising problems surfaced in the media, the checks from KEN Hsui were stopped.

Huang arranged for KEN Hsui and his wife to meet

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President Clinton in 1993 when Hsui visited Washington, D.C. Hsui also arranged for Hsui to speak with White House staffers MARK GROBMEYER and MARK MIDDLETON. Huang went to Taiwan in 1996 and met with Hsui there. Republican National Committee Chairman HALEY BARBOUR also made trips to Taiwan for the National Policy Forum and raised several hundred thousand dollars.

Huang said that historically most Taiwanese are partial to the Republican party. Huang thought that it would be beneficial to arrange for these Taiwanese businessmen to speak with the President in order for them to communicate to the President their opinions and concerns about the role of the United States in issues pertaining to the relationship between China and Taiwan. Huang and the Taiwanese businessmen felt that it would be wise to continue to deal closely with China because the more the Chinese experience Western or U.S. influence the better it will be for the people of Taiwan. Huang also felt that it would be beneficial for President Clinton to be able to communicate to these men his vision about the relationship between the U.S., China, and Taiwan.

Huang participated in a large DNC fundraiser in honor of President Clinton's birthday on 8/19/96 at the Radio City Music Hall in New York, New York. Huang assisted in some of the planning for this event but it was primarily run by DNC management and this event was not an APAC event. The goal for this event was approximately \$10,000,000.

Huang was listed as being the DNC contact for approximately \$100,000 worth of contributions from Asian individuals solicited by Charlie Trie. Approximately \$75,000 worth were deemed to be illegal conduit contributions arranged by Charlie Trie. Charlie Trie was an established DNC fundraiser and DNC trustee before he ever met Huang and Huang did not question Trie about his individual contributors. Huang said that Trie did not conduct himself as an underling to Huang but instead answered directly to DNC Finance Chairman Richard Sullivan. Huang said that Charlie Trie gave the contribution checks to Sullivan who in turn gave them to Huang so they could be recorded.

Huang denied any knowledge of the illegal conduit activities conducted by Charlie Trie.

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Continuation of FD-302 of JOHN (NMN) HUANG , On 2/23/99-3/26/99 , Page 54**SAN FRANCISCO VPOTUS EVENT - 9/19/96**

Huang organized a small "grass roots" event for Vice President AL GORE in San Francisco, California on 9/19/96. Huang named the event the Asian VPOTUS Event in San Francisco. The event's financial target was very small at only \$125,000. Individual contributors gave between \$250 to \$20,000. Most of the attendees gave under \$750. This event was set up so middle class Asians could attend and listen to the Vice President speak about Asian issues.

An individual contributor named Subandi Tanuwidjaja contributed \$20,000 to the DNC which was allocated to this event. Huang knew Tanuwidjaja was related to Ted Sioeng but did not deal directly with him on his contribution. Huang did not have any knowledge about how the Tanuwidjajas came to contribute a total of \$100,000 to the DNC.

Another contributor named SY ZUAN Pan contributed \$20,000 to the DNC and that contribution was also allocated to this event. Huang said Pan worked in California in different types of antique trading. Pan's family owns the Regent Taipei Hotel and is very affluent. Pan traveled with Vice President AL GORE on a trip in 1989 and Huang thought that Pan was at least a green card holder. Huang did not solicit Pan for his contribution and is unaware if he was reimbursed.

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DAVID LI contributed \$8,000 to the DNC that was allocated to this event. DAVID LI attended the event and is a very politically active person and assisted in the campaigns of Asians running for political office in California. LI is from Hong Kong. He is a real estate investor and graduated from UCLA and may have earned a degree from Oxford. Huang had no knowledge of any wrongdoing pertaining to any contributions made by DAVID LI.

Huang was asked about other contributors who made contributions to the DNC that were allocated to this event.

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Netscape computer executive JAMES H. CLARK contributed \$50,000 to the DNC on 9/18/96 and it was recorded on some DNC records that Huang was the solicitor. Mistakes were made routinely by the DNC pertaining to minor issues and the contribution was most likely allocated to Huang's event because CLARK's check was dated on or near the 09/19/96 event.

Huang denied any knowledge of the contributions made to the DNC by LAURIE MCDONALD JONSSON (\$140,000) or ROBERT ANNUNZIATA and felt that the same recording error was made regarding these contributions.

#### HUANG'S DEALINGS WITH YUN LIANG REN AND SHU LAN LIU

Huang met Yun Liang Ren and Shu Lan Liu at an Asian community function in the United States where they were relative "newcomers." Ren and Liu did quite a lot of business with China, and Huang believed their principal residence was in the San Gabriel Valley, possibly in Arcadia, California. Ren and Liu's business was here, however, they were from Northeast China. Huang did not know how much time Ren and Liu spent in China versus how much time they spent in the United States. Ren and Liu's children were "mostly here." When asked if Ren and Liu spoke any English, Huang stated that he would rate them at a 10 to 15 on a scale of 100, with 100 being the best. Ren and Liu needed an interpreter, and brought their daughter with them to the Hay Adams event. Huang never heard Ren and Liu speak in English at any of the functions they attended. Huang did not know Ren and Liu's daughter's residency status, and does not know it now. There is no relationship, either business or family, between the Riadys or Lippo and Ren and Liu.

Huang did not know the source of the money used by Ren and Liu to pay for their attendance at the Hay Adams event. Subsequent to the Hay Adams event, there was a May 13th event in Washington, D.C. at the Sheraton-Carlton Hotel where Ren and Liu showed up, even though they had not been invited. Huang had Ren and Liu's checks for the Hay Adams event returned as he subsequently determined that they did not have their Permanent Residency status. Someone had told Huang that Ren and Liu were staying at the Hay Adams Hotel for attendance at the May 13th event and Huang went over to the hotel to see them. Huang met Ren and Liu at the Hay Adams and asked them to write a check to

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Vote Now 96 for the \$25,000.00 they had been refunded from the Hay Adams event. Ren and Liu filled out the check to Vote 96 while Huang was there. Huang indicated Ren and Liu had showed an interest at the Hay Adams event in continuing to attend political functions.

Huang explained Ren and Liu's interest in attending political events as a result of their opening a golf course in northeast China. For the grand opening of this golf course, Ren and Liu had hoped that President Clinton could attend. Huang believed this was their motivation or mind set at the time of the donations.

Huang had previously known of the existence of Vote Now 96 and its ability to accept foreign money as he had been contacted by an unrecalled person in Florida who was running Vote Now 96. In addition, word had been spread at the DNC that money ~~could be given~~ to this organization. Huang does not know why Ren and Liu wrote the check to "Vote 96" instead of "Vote Now 96."

#### HUANG'S DEALINGS WITH JANE DEWI TAHIR

While Huang was at the DNC, James Riady contacted him and told him that his niece could give money to the DNC because she had a "green card." Huang contacted Jane Tahir and asked her if she could come to the Hay Adams event. He indicated that it was good for younger people to meet with a "dignitary."

Huang was shown copies of three checks from Jane Dewi Tahir numbered 762, 763 and 764 in the amounts of \$10,000.00 each payable to the DNC. Huang recognized these three checks as coming from Tahir. Huang did not know why Tahir gave \$10,000.00 each instead of the \$12,500.00 which was standard for the event. Jane Tahir was involved in mid-term exams and could not come to the Hay Adams event. Instead of Jane Tahir coming, Victoria and Grace Tahir, Jane Tahir's sisters, brought one gentleman in place of Jane Tahir. Huang had picked up the sisters at the airport in Dulles, Virginia, and put them up at his in-laws' house. He arranged to have them go back to airport the next day.

Huang did not know anything about a \$50,000.00 payment from Jane Tahir to Susanto Widjaja, nor about a \$20,000.00 check with a blank payee line from Jane Dewi Tahir's account which was

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endorsed by Susanto Widjaja.

In February, 1996, prior to the Hay Adams event, Huang called Jane Dewi Tahir and asked her to come to the event. At the final hour, Tahir indicated she could not because of a college exam. Tahir's two sisters from Northern California came and one male cousin from Southern California came in Tahir's place. Huang believes that his name was known to Tahir at the time of his call because her father is related to James Riady. Tahir also probably knew of Huang's name because of Huang's efforts to get Tahir's father in touch with Chancellor Tien regarding his daughters admission in to U.C. Berkeley. Huang believes he must have discussed a dollar amount figure for the Hay Adams function with Tahir because she did end up contributing.

Huang never had any doubts in his mind that Tahir had her "hands in some money" herself. Although FNU Tahir, Jane Dewi Tahir's father, is very wealthy, it never came to Huang's mind that the money for Tahir's contribution came from Mr. Tahir. Huang looked at Jane Dewi Tahir as a "rich kid." Huang explained that a lot of Indonesian children today have a great deal of money in the United States and Huang thought that Jane would have had money available herself.

Huang did not know that Jane Tahir had left the United States. Huang had heard that Tahir had hired a lawyer, although he did not know why.

Huang is aware of a "large" contribution to UC Berkeley by the Tahirs. It was a result of this contribution that Jane Dewi Tahir gained admission to the University of Columbia-Berkeley. Huang did not believe that Arief Wiradinata's contact with the UC Berkeley Chancellor had anything to do with a contribution such as Tahir's. Huang explained that Arief's partner was a Berkeley professor and that is what the contact may have been concerning. Huang made contact with the Chancellor's office on behalf of Jane Dewi Tahir's father; however, Huang suggested that Tahir contact someone else, namely Augus Setiawan to do the "legwork" of the payment to the university. Huang did not see the "money part" of this transaction, however, he had suspicions about the payment in relation to Jane Dewi Tahir's admittance. Huang also helped a nephew of Mr. Tahir's to gain

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admission to the University of Southern California (USC) and believed that there "probably" was some contribution for this admittance behind the scenes. Although Huang felt he did not do much for Jane Dewi Tahir and her father, he did not know what to do about a \$10,000.00 payment from Jane Dewi Tahir to him personally and felt awkward about it. Huang did not want to insult Mr. Tahir and accepted the check. Huang did not feel wrong about the payment to him from Tahir or his contact with the UC Berkeley.

Later, Huang felt bad for Chancellor Tien at UC Berkeley who had been on the "short list" for the Secretary of Energy position. Because of the U.C. Berkley contribution from Tahir, the media linked Tien with Lippo. People in turn blamed Huang for Tien's failure to be placed in the Secretary of Energy position.

#### ----- HUANG'S DEALINGS WITH MAELEY TOM

Maeley Tom was a consultant for Hip Hing Holdings starting less than a year before Huang left Lippo. Maeley Tom's consulting arrangement with Lippo began in late 1993 or early 1994. Huang assumed that this consulting arrangement continued for at least one half year to one year after he left the Lippo Group.

Tom has a respected position in the Asian American community and worked with the California Senate Pro Tempore and was the Chief Assistant to the Speaker of the California House. Tom's consulting position with Lippo consisted of advising and providing public relations on a part-time basis. During the time that Tom worked as a consultant, she was "between jobs." Tom spent a small amount of time working as a consultant for Hip Hing Holdings, and Huang estimated that the time she spent was probably thirty to forty percent that of a full-time Hip Hing Holdings employee. After some time, Tom obtained a job at Cassidy and Associates and tried to balance her time between Lippo and Cassidy. Huang estimated Tom spent twenty-five percent of her time working for Lippo and seventy-five percent at Cassidy and Associates. Tom had no office space or desk at Lippo offices. Approximately once a month, Tom would provide a report of perhaps one to two pages to James Riady on whatever she deemed important to him.

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Huang was shown a copy of a letter from Tom to David (LNU) with the Bates stamp number A2 & 3-0120-08-2043, dated March 15, 1994. Huang believes this to have been a letter to David Wilhelm at the DNC. Huang was not sure that he recognized this letter. After reading the letter, Huang indicated that he believed the sentence bearing the words "a vehicle to raise dollars from a fresh source for the DNC," referred to James Riady's contacts with the Asian community in California as well as his link to a "younger generation" and people on "both sides of the ocean." Huang himself had talked to many individuals about the untapped potential of Asian Americans and did not think this wording in Tom's letter was unusual. When asked what he believed the words "this could also be an excellent vehicle to re-energize the APA network in time for the '96 campaign and raise \$\$ at the same time" possibly referred to an Asian American caucus that could be set up within the DNC to do grass roots campaigning and raise money. Huang explained that Tom was perhaps lobbying for the APD&C-caucus which was the same type of entity or concept which later took shape as the Asian Pacific American Leadership Council (APALC). Huang did not find this language to mean that Tom was discussing the potential of foreign money being brought to the DNC. Huang commented that the letter referred to Tom's attempts to obtain a job with the Small Business Administration (SBA), which she did not end up pursuing.

Maeley Tom was a member of the California Democratic Delegation in late July or early August of 1994. An event was held in conjunction with this delegation at the Hotel Washington. Huang had made a commitment to cover costs of this function at the hotel. Huang does not know who the individual he had made a commitment to was, but believed it to be someone from the White House. Huang had said he might be willing to find someone to cover costs for a luncheon. Huang believes the person at the White House had come from California and that Huang had known this individual prior to the event. Huang believes this person was a staff person at the White House and at most would have held the title of Special Assistant. This individual had asked Huang for a commitment approximately one to two weeks prior to the event. Huang remembered asking this individual how much the commitment for the lunch would be and he was told around \$5,000.00. This individual told Huang they knew he could not personally be involved in the reimbursement because he was at the time at the Department of Commerce (DOC). This individual asked

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Huang to help find someone who could cover the costs. Huang surmised that this White House individual possibly obtained his name from Doris Matsui. Huang believes that the individual at the White House might have been thinking that Huang could get someone at the Lippo Group to cover this cost, although they did not mention the name Lippo.

Huang knew that Maeley Tom was to be in this delegation and he asked her if she could cover these costs around the time of the event. Huang did not initially have Maeley Tom in mind as the individual who might cover the costs of this lunch. Huang believes the lunch was pre-set at sometime between 1:30 and 2:00. At the time of the lunch, Maeley Tom was a consultant for Lippo. Huang had asked Tom to arrange a visit to the White House for Tom Padilla, who was in the United States at the time.

A few days before the lunch, Huang asked Tom if she could take care of the bill for lunch. Huang proposed that Tom could get repaid by adding the expense into her consulting bills. Huang does not remember the specific discussion with Tom about how to spread out the payments out but he believes he told Tom that she could spread the cost out over several invoices. Tom did not have an objection to doing this. Huang had set up an appointment to meet with Tom at the hotel, and both went to the hotel Manager's office to "settle the bill." Tom paid with her credit card, and Huang thinks the bill was exactly \$5,000.00. Huang himself did not have anything to do with setting up this lunch. Huang recalls that Tom's credit card may have been a Citicorp Visa "AA Advantage" card that gave airline mileage points. Huang does not know if it was a personal or business credit card. Huang himself did not have a corporate credit card, and Tom had no expense account with any Lippo entities.

Sometime after this luncheon, Huang approached Tom about making a \$10,000.00 political contribution to the Vice Presidential event held on 11/2/95. Tom expressed some hesitancy about giving the \$10,000.00, but Huang suggested that she increase her consulting fees to Hip Hing Holdings to make up for this payment. Huang believes that Tom spread this contribution out through her consulting billing payments over the time span of about four months. Huang did not get the impression that Tom was hesitant about getting this amount of contributions reimbursed to her.

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Huang discussed Tom's raising her consulting fees for reimbursement of her contributions with James Riady. Riady agreed with having Tom spreading out the contributions over a period of time. Huang does not know how Tom actually spread the reimbursements out on her consulting bills.

In reference to the November, 1995 Gore Event, Huang knew that Mona Pasquil was not being successful in raising money from contributors. Mercer had asked Huang for his help in this matter. Huang thereafter contacted Tom and asked her to be involved in this event and make a contribution. Tom hesitated about the contribution because of her financial status at the time and wondered how she could give the \$10,000.00. Huang then told Tom she could do the same thing she had previously done and build the contribution into her consulting fees. This idea of getting reimbursed through the consulting fees was Huang's idea not Tom's. Huang believes he did talk to James Riady about this contribution after it was made. Based on Huang's previous experiences with contributions and reimbursements, Huang thought that Riady would be "okay" with Tom getting this reimbursed in her consulting fees. Even though Huang knew this was wrong, he, at that time, put the success of this particular event ahead of any personal problems it might cause for him.

Tom did not object when Huang told her how to spread the payments out. There was no hesitancy from Tom about actually making the contribution once she knew she would be reimbursed. Huang does not know if, in fact, Tom did spread out this contribution over a period of months in her consulting fees, although Tom may have mentioned that she was going to spread out the contribution over four or five months of billings. Huang believes Tom's consulting fee was either \$2,500.00 a month or \$3,000.00 a month. Huang does not know if Tom's consulting fee was ever increased.

Tom did not ever tell Huang if she had actually made a \$10,000.00 contribution for the event, but Huang "trusted" her. Tom did show up for the event but her husband was not there. At the time of the Vice President Gore event in November, 1995, Maeley Tom's name was already on the DNC list of contributors. Huang was not aware of Tom's husband making the \$10,000.00 contribution for this event.

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Huang did not know if an additional \$5,000.00 paid by Tom was reimbursed to her in the same fashion, however, Huang was confident that Tom would not be "in the hole in this." Huang knew that this reimbursement activity was "crossing the line" of what was legal. Huang stated that he would only suggest this type of reimbursement to people he trusted because he knew that it was wrong. Huang stated that he participated in this reimbursement activity even though he knew it was wrong because he was thinking of the "bigger cause" of getting Asian American involvement in the political process. It was this bigger cause which made Huang take a risk of getting caught, and he may have been weighing the illegalities of this activity against this bigger cause. Huang was taking some chances with this reimbursement with Tom and hoping he did not get caught. Huang stated that he did not want to "look like a flop" and did not want Representative Matsui to "look bad" by not having enough participation. Huang acknowledged that this was the "wrong decision." Huang did not discuss this type of reimbursement with others who contributed because they had the ability to give.

Huang did not tell Tom that getting reimbursed for making political contributions was illegal; however, she probably knew that it was. Huang emphasized that the repayment plan was his idea, and that he did not want to get Tom in trouble. Tom also wanted to make sure that the Gore event was successful.

Huang does not remember whether he and Tom discussed if Tom's contribution to Jesse Jackson, Jr.'s campaign could be reimbursed.

Regarding the February 19, 1996, Hay Adams event, Tom came over to the event and helped Huang with such things as preparing name tags and greeting guests in the reception line. Tom also helped Huang with making seating assignments. Tom told Huang that she would contribute to the event, and Huang does not know if he had to solicit Tom for a contribution to this event. Huang does not recall talking to Tom about reimbursement for Tom for this event, and does not know if Tom was ever reimbursed for her contribution to the event through billings. Huang does not believe he asked Tom for any more contributions to events including the Hsi Lai Temple event, the Century City event, or the San Francisco Gore Event. Huang does not know if Tom contributed to the Century City event. Because Tom helped Huang

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at these particular events, he did not solicit her for contributions to attend the events.

Huang's communication with Tom while he was at the DOC concerned what was happening in the Asian American community, particularly in the calls during Huang's early tenure at the DOC.

**RAWELAIN SOBERANO ALLEGATION**

When asked about an allegation made by Rawelein Soberano, Huang's attorney Keeney interjected that the reporting of the allegation involving Soberano had been taken out of context in the newspaper, and he had been told by a reporter that the allegation was false and that the name of the restaurant and date of contact had been changed by Soberano. Huang indicated that he had told Attorney Dan O'Brien in Los Angeles that Soberano may possibly have been thinking of an individual who looked like him who worked at the DOC for the Minority Business Development Agency. Huang recently remembered this individual's name is Eric Jansen. Jansen has a similar appearance but has a little darker skin than Huang. Soberano may have stepped into Jansen's office, however, Huang did not meet with him. Huang reiterated that he did not know Soberano or eat with him. Huang is not familiar with the Asian American Business Council, which Soberano had allegedly indicated was his business. In a newspaper article, a Mr. Parker is mentioned as having known Huang. Huang barely had a chance to even say hello to Parker during a trip from Louisville, Kentucky, to Lexington, Kentucky, when he met with former colleagues from American Security Bank. This is the only time that Huang met Parker. Huang added that he believed Soberano is an individual who likes to get publicity.

**HUANG'S DEALINGS WITH TED SIOENG**

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#### HUANG'S DEALINGS WITH CHARLIE TRIE

Huang stated that he first saw Charlie Trie, but did not speak with him, at the June 1994 Presidential Gala in Washington, D.C. Trie was a major sponsor of that event. Huang recalled that in August of that same year there was a birthday party in Oxen Hill, MD, at which David Mercer introduced him to Trie.

Huang explained that while he was employed at the Department of Commerce he attempted to initiate the ASIAN PACIFIC LEADERSHIP CAUCUS. Trie gave approximately \$25,000, securing a seat on the Board of Directors.

#### TRIE AND HAY ADAMS EVENT

Huang explained that when he worked for the DNC, in order to reach the Asian community, he contacted leaders of each Asian group as well as Asian community leaders in each of several large cities. Huang asked Trie to help raise funds and Trie agreed to. Huang stated that he went to Trie's Watergate apartment prior to attending the Hay Adams event. There Trie introduced Mr. Ng as his partner. Huang had the impression that Trie and Ng had some very successful business dealings in Asia.

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The existence of real estate brochures around the Watergate apartment served to reinforce this impression.

#### TRIE AND NEW YORK BIRTHDAY GALA

Huang recalled that Trie gave checks totaling approximately \$110,000 to Joe Sandler either the day of or the day before the event. Sandler handed the checks to Huang and instructed him to fill out the check tracking forms.

Huang stated that Trie never sought his advice on contributions and they never discussed reimbursements to contributors. He further stated that Trie exhibited an understanding of FEC and DNC rules and never indicated that he did not know these rules. Huang recalled that Ng was aware that he could not contribute because he was a foreigner. Trie knew that as well. At one point Sandler questioned Huang regarding the source of a Jimswood International check for \$50,000. Huang, in turn, asked Trie who explained to him that Jimswood generates revenue in the U.S. and that Daniel Wu, the author of the check, was an American citizen.

Huang stated that in late 1995 or early 1996 Trie hired Antonio Pan to help him take care of the details of his business. According to Huang, Trie was not good at details. When Trie was an Advisor on Asian Trade, a position he obtained through his "Arkansas Connection", he had to have someone else do his paperwork. Huang said that he knew Pan in the early 1990's when Pan was involved in trading and prior to Pan's employment with LIPPO.

Regarding KESHI ZHAN, Huang stated that he met her in June of 1996, and that she worked for Trie. Huang claimed that he never asked her to contribute any money, but David JONES, GEPHARDT's fundraiser, asked Huang to raise funds and Huang asked Trie to help. ZHAN provided checks made out to the "Effective Government Committee".

#### HUANG'S DEALINGS WITH JOHNNY CHUNG

In approximately 7/94, Huang first met Johnny Chung during a meeting with a group of approximately fifteen Taiwanese businessmen and government officials in the Indian Treaty Room

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inside the White House. Chung was leading the delegation. Also present was an unidentified African American lady representing the White House and Melinda Yee from the Department of Commerce. Many of the Taiwanese were members of the Democratic Progressive Party of Taiwan. Their agenda was to promote independence from the People's Republic of China (PRC) and they were lobbying the U.S. government to recognize on passport documentation the distinction between Taiwan and the PRC. Huang told the delegation that the proper forum to discuss the issue was with the U.S. Department of State.

Several weeks later Huang returned to his home in Los Angeles, California. Larry Liu, a Los Angeles based immigration attorney showed him a local Chinese newspaper article concerning the Taiwanese Opposition Party's visit to the White House. Because Taiwan seeks to be recognized in the world community as a separate and independent country from the PRC, any official government recognition like an invitation to the White House is very important. For example, when President Lee (phonetic) of Taiwan was granted a U.S. visa in order to visit his alma mater at Cornell University the PRC government was upset with the U.S.

In approximately 8/94, Huang remembers seeing Chung and his family at President Clinton's Birthday Celebration. Chung told Huang that he knew the Clintons from their days in the Governor's mansion in Arkansas. Chung told him he wore out three pairs of shoes knocking on doors in an attempt to create interest in his facsimile business. Chung said Hillary Clinton gave him a very encouraging letter regarding his fledgling enterprise. Chung showed Huang a company brochure with pictures in it of famous U.S. politicians. Huang believes Chung used the brochure to enhance his credibility with his Chinese business associates.

Several weeks later, Huang recalled meeting the Director of the Taiwanese post in the U.S. The Taiwanese official asked Huang if he knew Chung. Despite his growing reputation, Chung was not successful in landing lucrative contracts with Taiwan. Huang believes the Taiwanese government is knowledgeable and astute regarding lobbying efforts in order to get their issues addressed in the U.S. and decided not use Chung to promote that effort. Huang's impression was that Chung, after being rebuffed by the Taiwanese, attempted to cultivate a closer relationship with PRC.

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In Christmas of 1996, Chung escorted President Chen of the HAOMEN BEER COMPANY into the White House. Chen even posed for a picture with President Clinton. In the PRC access to government officials is coveted and extremely difficult to arrange. For a PRC businessman to meet President Clinton would be highly valued. Chung became well known in the PRC as the person who could deliver access to high level U.S. officials.

Huang could not recall Chung ever asking for or receiving a favor from him with one possible exception. On one occasion Chung did request that Huang set up a meeting with RON BROWN, Secretary of Commerce. Huang was unable to set up the meeting and could not recall the purpose of Chung's request. On a separate occasion Chung was attempting to get access to the White House for a group of PRC businessmen. Chung was complaining that he had given a lot of money to the Democratic National Committee (DNC) and therefore his group should be allowed into the White House. Chung asked Huang if he could help him with his problem, but Huang never did. Huang believes Chung had a good relationship with the First Lady's office which often helped him with such problems.

Huang described Chung as being a very persistent person who fostered the perception he had closer relationships with high level U.S. officials than he actually did. Huang recalled hearing about Chung checking into the same hotel where Ron Brown and his Department of Commerce delegation were staying. Allegedly Chung told a potential business client he was part of Brown's delegation. In fact Chung was not traveling with the delegation, but unless someone investigated Chung's claim it was impossible to find out the truth.

Except for media reports, Huang was unaware of the relationship between Chung and LIU CHAOYING, Vice President of China Aerospace. Huang was unaware of any dealings between Lippo or the Riady family and China Aerospace, Great Wall or Marswell. Huang was unfamiliar with the names Yu Shi Jin, Andrew Wong, Ji Shengde, Thomas Lee, Yiu Yat Hung, Liu Bin, Solomon Ha or Ye Chunling. Huang is unaware of the source of Chung's funds to make political contributions. China Everbright (which wired Chung money) is a missile company purchased by President Mao during the Cultural Revolution. After the Cultural Revolution the transaction was deemed inappropriate and the families owning

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the company were compensated by the PRC government.

Huang is unaware of the relationship between Chung and DNC fund-raiser Richard Sullivan. Huang never had any conversations with Sullivan about Chung. Huang was unaware of any suspicions Sullivan had concerning the source of Chung's campaign contributions. Huang is unaware if Chung acted as a conduit contributor for PRC entities or government officials.

According to Huang, many PRC unidentified factions believe Chung is a traitor. They believe Chung should have remained silent and should not have cooperated with the ongoing Department of Justice investigation. Huang stated there may even be some individuals in the PRC who might want to hurt Chung if he returned to China. Huang harbors no animosity toward Chung because Chung has not disparaged Huang in the media.

In conclusion, Huang stated he is familiar with Chung's attorney Brian Sun. Sun's (FNU LNU) cousin recommended Brian Sun as a worthy candidate for the United States Attorney position in Los Angeles, California. Huang reviewed SUN's resume and was very impressed with his background and work experience. Huang speculated that a large portion of the money returned to Chung from the DNC must have gone towards Chung's legal fees.

HUANG'S DEALINGS WITH MARIA HSIA

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CRIMINAL TRIAL OF MARIA HSIA  
IN UNITED STATES v. MARIA HSIA, Cr. No. 98-57-PLF  
TRIAL IS SCHEDULED FOR JANUARY 18, 2000

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58A-HQ-1193317

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58A-HQ-1193317

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58A-HQ-1193317

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TRIAL IS SCHEDULED FOR JANUARY 18, 2000

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58A-HQ-1193317

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TRIAL IS SCHEDULED FOR JANUARY 18, 2000

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58A-HQ-1193317

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58A-HQ-1193317

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TRIAL IS SCHEDULED FOR JANUARY 18, 2000

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58A-HQ-1193317

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58A-HQ-i193317

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58A-HQ-1193317

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DOJ-H000196

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-H000198

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DOJ-H000199

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THIS MATERIAL HAS BEEN REDACTED  
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58A-HQ-1193317

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58A-HQ-1193317

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58A-HQ-1193317

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58A-HQ-1193317

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58A-HQ-1193317

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TRIAL IS SCHEDULED FOR JANUARY 18, 2000

DOJ-H000207

58A-HQ-1193317

Continuation of FD-302 of JOHN (NMN) HUANG , On 2/23/99-3/26/99 , Page 99

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58A-HQ-1193317

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DOJ-H000209

58A-HQ-1193317

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TRIAL IS SCHEDULED FOR JANUARY 18, 2000

HUANG'S DEALINGS WITH PAULINE KANCHANALAK

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CRIMINAL TRIAL OF PORNPIMOL "PAULINE" KANCHANALAK  
IN UNITED STATES v. PORNPIMOL KANCHANALAK, Cr. No. 98-241-PLF  
TRIAL IS SET FOR APRIL 10, 2000

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58A-HQ-1193317

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TRIAL IS SET FOR APRIL 10, 2000

DOJ-H000211



FD-302a (Rev. 10-6-95)

58A-HQ-1193317

Continuation of FD-302 of JOHN (NMN) HUANG , On 2/23/99-3/26/99 , Page 103

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TRIAL IS SET FOR APRIL 10, 2000

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FD-302a (Rev. 10-6-95)

58A-HQ-1193317

Continuation of FD-302 of JOHN (NMN) HUANG, On 2/23/99-3/26/99, Page 104

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TRIAL IS SET FOR APRIL 10, 2000

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58A-HQ-1193317

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THIS MATERIAL HAS BEEN REDACTED  
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CRIMINAL TRIAL OF PORNPIMOL "PAULINE" KANCHANALAK  
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TRIAL IS SET FOR APRIL 10, 2000

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FD-302a (Rev. 10-6-95)

58A-HQ-1193317

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TRIAL IS SET FOR APRIL 10, 2000

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58A-HQ-1193317

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TRIAL IS SET FOR APRIL 10, 2000

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58A-HQ-1193317

Continuation of FD-302 of JOHN (NMN) HUANG, On 2/23/99-3/26/99, Page 108

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TRIAL IS SET FOR APRIL 10, 2000

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58A-HQ-1193317

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TRIAL IS SET FOR APRIL 10, 2000

DOJ-H000219



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58A-HQ-1193317

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58A-HQ-1193317

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TRIAL IS SET FOR APRIL 10, 2000

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DOJ-H000222

58A-HQ-1193317

Continuation of FD-302 of JOHN (NMN) HUANG, On 2/23/99-3/26/99, Page 114

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TRIAL IS SET FOR APRIL 10, 2000

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58A-HQ-1193317

Continuation of FD-302 of JOHN (NMN) HUANG, On 2/23/99-3/26/99, Page 115

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TRIAL IS SET FOR APRIL 10, 2000

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58A-HQ-1193317

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TRIAL IS SET FOR APRIL 10, 2000

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58A-HQ-1193317

Continuation of FD-302 of JOHN (NMN) HUANG, On 2/23/99-3/26/99, Page 117

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TRIAL IS SET FOR APRIL 10, 2000

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58A-HQ-1193317

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CRIMINAL TRIAL OF PORNPIMOL "PAULINE" KANCHANALAK  
IN UNITED STATES v. PORNPIMOL KANCHANALAK, Cr. No. 98-241-PLF  
TRIAL IS SET FOR APRIL 10, 2000

## REFERENCES IN HUANG'S "DIARY"

Huang was asked to review a number of pages from a "diary" that he kept during his time at the DNC. Huang was asked what his relationship was to Vernon Jordan and what the references to Jordan referred to in his diary. Huang first met Jordan in Little Rock in 1992, the morning after the election day. Huang saw Jordan in a hotel at a breakfast, and had no exchange with Jordan at that time. The next time Huang had any contact with Jordan was in Taipei in May of 1996, where Jordan was a member of a delegation to meet with President Lee of Taiwan. The other members in Jordan's delegation were Senator Rockefeller and Chancellor Tien of the University of California at Berkeley. Huang was in Taipei for DNC business and went to Jordan's room and shook hands with him. Huang next saw Jordan at the Hay Adams event in February, 1996. Jordan did not attend this function, however, he stood in the back of the room and Huang noticed him there. The next time Huang saw Jordan was at a birthday party for President Clinton in New York where Jordan and Erskine Boles were present. Huang has had no business situations or "deals" whatsoever with Jordan.

The reference to Jordan on page AP0153 of Huang's DNC diary is merely a reference to Jordan as part of a delegation. The reference on the following page also refers to Jordan being part of a delegation and the comment Howell Plaza may have been an indication that Jordan was staying at this hotel. The reference to a Vernon on Page AP0161 could possibly refer to

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Vernon Weaver, although Huang did not know what this was in reference to.

The reference to Vernon Weaver on Page AP0166 with the notation "Matt Fong letter" was shown to Huang. Huang did not know what letter this was referring to. Huang did not participate further with Stephens and the California Bond Business after his meeting, and he simply introduced the parties. Huang does think that Stephens Inc. did get into some bond business with the State of California after this meeting. Most of the contact from Weaver or others from Stephens regarding the bond issue would have been to keep Huang up-to-date. Huang had no interest in the bond business dealings after the meeting.

A reference to the "OCC Comptroller" on page AP168 referred to a request by Yauman Lee (phonetic), the President of the Chinese Bankers Association who was also the President of the United Oriental Bank, to meet with someone from the Office of the Comptroller of the Currency to address his group. Huang did not get Lee in touch with Gene Ludwig, who is noted on the same page. This comment about the OCC Comptroller did not have anything to do with LippoBank. Huang noted that the OCC would not have had any dealings with LippoBank as it was a state chartered bank.

A reference to the Federal Reserve and "asset quality" on Page AP 0217 possibly related to the requirement for the Federal Reserve to be involved with opening branches of Taiwanese banks. This note may possibly have been regarding some of Huang's former banking partners asking him what the requirements were. This comment did not have to do with LippoBank.

A reference to Beth Range on page AP 217 could possibly refer to Huang's referring of Mike Mitoma to her as she was involved in an event in July in Los Angeles and wanted to put on some entertainment for the event. Huang indicated a reference to Mark Tolman on the same page concerned the event that Chung Lo was in charge of in Northern California. Huang may have talked to Tolman about how to salvage Lo's event.

A reference on Page AP 169 to Jiminez, Ted Sioeng, Andrew Cherng and Charlie Woo were Huang's notes to himself regarding individuals who were all high dollar contributors. The note had no specific meaning and may have been in reference to

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Huang's planning for a July event. The check marks next to these names did not necessarily mean anything.

Huang has not had communication with Antonio Pan since the media surrounding him broke. Huang does not know where Pan is currently, but believes he might be in New Zealand, as Pan has some sort of immigration status from that country. Other places Pan might be are possibly Taiwan or Hong Kong.

The reference on Page AP0146 to "Charlie" and "Passport Office" has to do with the fact that Huang's passport was expired and he was going to Taiwan. The notes regarding a street address of 1111 19th Street, N.W., Foggy Bottom and Charlie all referred to notes made to himself to indicate where the passport office was located. The office was located near a restaurant named Charlie Chang's. A reference to Don Fowler at the bottom of this page and the subsequent entry of an American Express number and the name Jessica Elnitiarta are not linked. The Fowler comment is separate from the American Express number and Elnitiarta's name. The American Express number was probably taken by Huang in order to reserve a hotel room for Elnitiarta for the May 3rd event.

The reference on Page AP0221 regarding a Caribbean Coordinating Council is tied to a note on Page AP0216 regarding Paul Simon's son. Simon's son was involved in a venture whereby he could assist foreigners in obtaining visas and permanent residency status due to a free trade zone existing on St. Kitts and other West Indies and Virgin Islands. Simon requested that Huang contact his son, Martin Simon, and bring him up-to-date on the potential of individuals from Asia who might use this service. Huang referred Martin Simon to a Lippo employee named J.P. Lee, a Chinese individual who is not James Per Lee. Huang made this referral as a personal favor to Simon.

A reference on Page AP0068 to Jesse Jackson was during the time period after the media stories broke regarding Huang. Jackson told Huang he would hold a press conference in New York to support the Asian American community, which had been receiving bad press. Jackson's reason for having a press conference to support Asian Americans came about from his hearing news media accounts and thinking they would be biased against the Asian community. Jackson did hold this news conference where he showed

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support for the Asian community.

Not too much time prior to this message, Jackson had gone to Indonesia on a trip concerning civil rights. Huang learned that Jackson would be going to Indonesia, and some colleagues of Huang wanted to find out what Jackson's schedule was. During Jackson's trip to Indonesia, the Riadys invited Jackson to perform a church service in Indonesia. Because of this contact, Huang and Jackson got to know each other more. During the fall, perhaps September of 1996, Jackson needed funding for an entity affiliated with him regarding educational issues. This entity was not the Rainbow Coalition. James Riady provided support for this entity for various costs it incurred. Riady's contribution to this entity was probably \$25,000.00.

The reference to Jesse Jackson on Page AP0069 was not referencing a specific conversation with Jackson, but was merely a note to Huang regarding the need for a non-Asian American to show support for the Asian Community.

The references to Jesse Jackson on Page AP0075 dated October 18th and October 19th are most likely references of contact between Jackson and Huang regarding the above mentioned discussions.

A reference to a "Hatch Act" violation on Page AP0070 relates to a note on the same page from Phil Cohen from the Wall Street Journal noting what was alleged in a news account. A reference to "Hatch Act" on Page AP0076 referenced a newspaper article talking about the DNC.

A reference to Rose Ochi on Page AP0315 indicates that Ochi left a message for him on February 26, 1996. Huang believed this message was in reference to the Cheong Am matter. Huang noted that a star next to a name, such as is next to the name Rose on the same page, indicates this is an individual Huang needed to call back later. A reference to "Jessica" on Page AP0113 is probably a note from Huang in April, 1996, regarding the Hsi Lai event and Huang's trying to pass information about this function to her. A reference to "Jessica" on Page AP0035 is probably a phone message from Jessica Elnitiarta where Huang and she are playing phone tag. Huang does not know what this message refers to.

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A reference to Tom Keaney on Page AP0363 probably had something to do with the Hay Adams event. A reference to Keaney on Page AP0402 dated December 15, 1995, may be related to a meeting between Bob Matsui and Don Fowler. At this point, Matsui was still carrying some type of position at the DNC. Huang is not sure what this note refers to.

A list of names contained on Page AP0100 relates to individuals who were to attend the Chicago convention. Huang noted that the name Sang Nguyen referred to Nguyen's presence at the convention. Huang had to get the people on this list passes to enter the convention. Some of the activities held at the Hilton Hotel were for Asian Americans. These were political events and Huang had to "fight for" passes for these individuals. Huang noted that Nguyen is an individual who has a farm in Southern California. Nguyen has some type of affiliation with Joe Campos, and Huang believes that Campos called Huang to get into the convention. Huang does not believe that Nguyen and Campos did, in fact, come in for the convention. During the convention, people at the DNC shared a limited pool of passes for entrance to the convention. The people who received passes were not necessarily big givers.

#### HUANG'S DEALINGS WITH JAMES WOOD

Huang was asked why the name James Wood was contained in his DNC diary on numerous occasions. Huang did not know Wood until he came to Washington to assume the Chairmanship of the American Institute of Taiwan (AIT). Huang believes Wood received his position through Arkansas connections, as Wood was from Arkansas. Huang and Wood had some common friends from Arkansas. Wood was not well liked at the State Department and his appointment to the AIT was controversial. The contacts between Huang and Wood contained in the diary referred to contacts by Wood to Huang to discuss Taiwan matters. In his position at AIT, Wood would receive invitations from numerous groups for various functions. Wood would call Huang to find out which of these functions were important for him to attend. Huang was at the DNC when he first met Wood and he remembered Wood having an office in Virginia. It is possible that Paul Berry was the individual who first put Wood and Huang in touch with each other.

Paul Berry was not involved in the government but knew

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some Chinese American business people. Huang did not know of any businesses in common between Berry and Wood.

A reference to Wood on Page AP0119 is a message from Wood to Huang. Huang invited Wood to attend the February 19, 1996, event at the Hay Adams Hotel. Wood met a lot of Chinese people there and got his picture taken with President Clinton. Huang does not know why Herbert Huang appears connected to Wood's name on this page but Wood and Herbert Huang knew each other at that time.

The reference to Wood on Page AP0159 may be a note during the month when Huang went to Taiwan for Taiwan's Presidential Inauguration. Huang's note may be to himself to find out what James Wood's room number was. The name Alan Chung (phonetic) next to this message is not related to the Wood message. The reference to Jim Wood on Page AP0169, dated May 28th, was probably a call from Wood when he returned from Taiwan. The messages on the right-hand side of this page are not related to the Wood message. Huang dealt with an individual named (FNU) Sander while he was at the DOC regarding AIT's "commercial side."

Wood would occasionally give Huang his thoughts about Taiwan. Huang recalled that Wood made a comment "bluntly" about the Taiwan Straits issue and indicated that the United States flag was flying on the ships in the Straits and not the flags of other countries. Wood stated that Taiwan should be grateful for this support. Huang indicated that Wood was sometimes blunt, and this comment alienated Wood from some people. Wood's style was different from that of his predecessor at AIT. Some people believed that Wood was not the right individual for this position because he was not seen as a diplomat even though he had worked at the State Department previously. Wood has a legal background and has also worked in the trade area. Huang believes Wood got his job from his Arkansas connections, and indicated that some of the board members at AIT resigned because they believed that Wood was not qualified for the position.

A reference to Jim Wood on Page AP0177, dated May 30th, was a message from Wood. The name C.J. Chen, which is next to Wood's name, refers to the Deputy Director of the CCANA, which is the equivalent of Taiwan's embassy to the United States. Huang did not know of the connection between the references to Wood and

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Chen. The note regarding Chen is possibly related to Chen's son who was trying to find a job. Huang did not know if Chen and Wood had any type of relationship.

The reference to Jim Wood on Page AP0185 is "just a message" and Huang did not know its significance.

Huang reiterated that Wood was under a lot of pressure at AIT and people there tried to "sack" him. Some of the contacts from Wood were Wood's attempts to find backing or political support from Huang. Wood told Huang that even though he was from Arkansas he did not have a photograph with himself and President Clinton. Huang believes that perhaps Wood thought that Huang could help him in keeping his job. Wood made statements to the effect that individuals from Taiwan had, in the past, only given to Republicans and that they now needed to think about contributing to Democrats. Huang never asked Wood to help him with fundraising matters. Huang did not know of Wood trying to raise money overseas and was not aware of the DNC ever receiving money from Wood relating to fundraising activities he had been involved in. At one time, Wood did refer a young lady to Huang as a potential DNC contributor; however, Huang never talked to this person.

A reference to Jim Wood on Page AP0190 with the name Jason Hu underneath, possibly is regarding a meeting between Hu and Wood which Huang did not attend. Although Huang knew Jason Hu, he did not make an introduction between Wood and Hu. Huang remembered Hu asking Huang about Wood's reputation. The reference to Jim Wood on Page AP0192 with an address below of "4201 Wisconsin," possibly refers to CCANA's office on Wisconsin Avenue and probably indicates a meeting which Huang himself did not attend.

Some business people did not mind Wood's demeanor, however, political individuals did not like Wood's style. Wood's comments that the Taiwanese should be more grateful to the Democratic side may have given the impression to some that Wood was, in fact, lobbying for the Democrats.

#### HUANG'S DEALINGS WITH BONNIE WONG

Bonnie Wong is a political activist from New York City.

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Wong was involved in women's and small business issues and "grass roots" politics. Wong never showed up on "big money" lists of the DNC. Huang did not consider Bonnie Wong a fund-raiser. Wong was helpful in John Huang's and his attorneys investigation into the David Wang matter as Bonnie Wong's diary shows that John Huang was in New York and had dinner during the time he supposedly met with David Wang.

#### HUANG'S DEALINGS WITH MARK JIMINEZ

Huang was asked to review various entries in his DNC "diary" pertaining to Mark Jimenez. In reference to Bates number AP0342, Huang believes the time period for this entry is sometime in February of 1996. He believes Maria Haley, a Filipino American working at the Export Import Bank, may have suggested that he send two invitations for the February 19, 1996, Asian dinner at the Hay Adams Hotel in Washington, DC, to Jimenez but Jimenez never attended the event.

Huang had learned Jimenez was a Filipino American but had initially thought from his name he was Hispanic until Haley pointed this out to him. Huang believes he was under that impression prior to the Asian dinner on February 19, 1996, and this was why he had not invited Jimenez to the event until Haley suggested he do so.

Jimenez' name was already a prominent name on the Democratic National Committee's (DNC) contributor list. Huang then did some research on Jimenez' company Future Tech International, and learned they sold computers in Latin America. After reviewing a page of his diary, Bates number AP0345, Huang believes he became aware of Jimenez' involvement in Summit of the Americas, the White House Foundation and large amounts of contributions as early as February 21, 1996.

Nina Wang attended the Asian dinner on February 19, 1996, at the Hay Adams Hotel. Huang had known of Wang and was aware she was the richest woman in Hong Kong. She made no contributions for the event because she was not allowed to make any as she did not have immigration status. Huang later found out she contributed to the Clinton Birthplace Foundation. Both Mark Middleton and Charlie Trie took credit for inviting Wang to this event. Huang believes Trie probably knew Wang better than

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Middleton knew her. Huang was aware that Wang had shares in a company in Hong Kong that the Lippo Group was trying to take over and that Wang successfully waged a proxy fight to prevent the takeover.

In reference to Bates number AP0315, Huang advised this was a notation he made about a phone call he received from Haley when she talked about Jimenez. Huang believes Jimenez was supposed to be in town on March 15, 1996, and she was trying to set up a meeting between the two of them at the Jockey Club which never occurred.

In reference to Bates number AP0134 dated approximately May 2, 1996, Huang advised that Jimenez was requesting him to arrange a coffee in the White House between May 10th and May 13th where he could invite five or six people from the computer industry including individuals from Micron Tech, and Cyrix. Jimenez said he was going to pay \$250,000.00 to get this done. Marvin Rosen and Richard Sullivan were responsible for arranging the coffees in the White House so Huang relayed this information to them. Rosen told Huang he did not want to have one person giving all of the money but wanted each person that attended the coffee to give some of the money. Huang believes this was just an excuse Rosen used. This coffee never occurred and Jimenez was very bitter about it. Huang was not aware Jimenez had attended a White House coffee in February of 1996, and explained it was probably due to the fact that he was unaware at that time that Jimenez was Asian.

Huang first met Jimenez in approximately May of 1996, shortly before the Democratic Asian dinner on May 13, 1996. Huang was made aware of Jimenez being in Washington, D.C. at that time by either Mark Middleton or Haley. Huang believes Middleton specifically knew Jimenez from his previous work at the White House for Mack McLarty. Huang believes Middleton made him aware of Jimenez' sponsorship of Summit of the Americas in Miami as well as his contributions to the Clinton Birthplace Foundation. Middleton had worked for McLarty who oversaw the Summit of the Americas event. Jimenez had personally informed Huang about his helpfulness on Democratic functions.

Huang visited Jimenez at his hotel room at the Ritz Carlton in Washington, D.C. where Jimenez had a room facing

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the street. Within ten to fifteen minutes of being with Jimenez, Huang met his daughter Myla Villanueva when she either came into the room or was leaving the room. During Huang's meeting with Jimenez, Jimenez told him he traveled a lot to South America and mentioned having contacts with high-ranking government officials in South American countries but gave no specific names or countries for those officials. During this meeting, Jimenez wrote a check for \$100,000.00 in front of Huang and gave it to him. Huang believes the check was from Jimenez' personal account because it was a smaller size of check. Jimenez wanted to get some other people from the computer industry invited to the May 13, 1996, event and wanted seats for them at prominent tables close to the front. Huang believes he did this for Jimenez. Huang was in possession of this check when he left Jimenez' hotel.

At the end of the Asian dinner on May 13, 1996, at the Sheraton Carlton Hotel, Jimenez asked Huang to return the check he had given him and he would give Huang another check. Huang believes the meeting in the hotel room must have been earlier that same day since he still had this check in his pocket. Huang returned this check to Jimenez and never got any other check to replace it. At the time Jimenez wrote the check for Huang, Jimenez had already given quite a bit of money in contributions. Jimenez would have known that at the time he asked for the check back but Huang did not know it until later. Huang thought maybe he would get a check in the name of Jimenez' company to replace the first one. Huang told Richard Sullivan about Jimenez asking Huang to return the check he had written and he had done so. Sullivan told Huang that the check was gone. Huang understood Sullivan to mean that this person sometimes did not deliver on his promises.

Huang believes Middleton probably introduced Wang and Jimenez at the May 13, 1996, Asian dinner. In reference to Bates number AP0149, Huang believes this is a list of guests of Jimenez at the May 13, 1996, event. Huang recalls Jimenez telling him that Sheree Wen was originally from Taiwan and that she had very close family ties to the Tatung Company which is a computer and electronics company in Taiwan. Huang does not know where Jimenez met Wen. Huang does not know Wen's immigration status but believes she was living in the United States. Huang believes his notations on this document are notes taken from his

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hotel room conversation with Jimenez. He believes the amounts were numbers he determined they could give, not for this specific event but overall. He believes the names he listed in a box on this page were names mentioned in a discussion about a future event.

In reference to Bates number AP0169, Huang advised that he believes this entry occurred between May 24 and May 28, 1996. This entry was simply a list of names he created to possibly invite to future events.

In reference to Bates number AP0193, Huang believes these notes are from a phone call with Jimenez. Jimenez possibly wanted a luncheon on June 18, 1996, for approximately eight people with Intel, a computer chip company, as a replacement for the coffee that never occurred. This luncheon also never materialized.

In reference to Bates number AP0215, Huang believes these entries were made on approximately June 26, 1996, and the list of names and amounts were money he was still trying to track down from the May 13, 1996, dinner which he had hoped would come through at a later time as well as money from a few other events.

In reference to AP0019, Huang identified this list as compiled August 10, 1996, when he was getting ready for the DNC convention which was held in the latter part of August. This list was in preparation for potential prospects he may call to invite and solicit for the convention.

Huang had no knowledge of the fundraisers who had dealt with Jimenez prior to Huang dealing with him. Huang never discussed or gave Jimenez the limitations or laws for campaign contributions. Since Jimenez had already been an established contributor, Huang believed his predecessors would have done so. Jimenez probably would have been in the contributor category for which all of his contributions would have been non-Federal soft money. Huang never had conversations with Jimenez where Jimenez indicated he was giving contributions for others who could not directly make the contributions or conversations where Jimenez indicated he was getting others to contribute in their names for him.

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Huang was questioned regarding a comment he had made in his previous interview in Los Angeles regarding a "gift or gesture" to Indonesian officials. Huang explained that it is a common practice during the Indonesian New Year to give others gifts. During the time of the Indonesian New Year, Susanto Widjaja flew to Washington, D.C. and Huang gave him \$5,000.00 to handle expenses for his trip, and to give an amount to Indonesian officials. This cash was given to take care of office "expenses" and there was not a "quid pro quo." Huang added that "you never know down the road what might happen." James Riady had asked Huang to pass this money to Widjaja. Huang indicated that when officials came to the United States from Indonesia and had contact with Lippo employees, the trips did not relate to campaign matters. Widjaja had some prior relationship with Mr. (FNU) Tahir.

**HUANG'S INTERACTION WITH PRESIDENT CLINTON**

Huang has never had any conversations with President Clinton about raising campaign money. In planning for the Century City Event, the President did ask Huang what he should talk about. Huang suggested the President talk about trade issues and the issue of the Taiwan Straits, as well as promoting stability dialogue and maintaining "constructive engagement" in the United States' dealings with China and Taiwan.

When asked to explain how close Huang was to the President, Huang indicated that he saw himself as someone who was on the "fifty yard line" away from the President. Huang indicated that there are many individuals much closer to the President who would be considered on the one yard line. Huang, however, feels privileged that the President does recognize him at various functions. Huang did not have a great deal of contact with the President as he did not "want to bother him."

Huang reiterated that he never discussed individual contributions or the sources of contributions with the President.

**HUANG'S VIEWS ON CHINA'S MOST FAVORED NATION STATUS**

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Huang was asked what his views on China's Most Favored Nation (MFN) status were. Huang stated that he is in favor of China's MFN. Huang explained that the "containment policy" with China failed and that there is a process in opening up formerly closed societies such as China. Huang believed that economic prosperity is one way which leads a country to freedom. Another avenue is through education. Huang explained that many of China's leaders had been educated at U.S. universities and came back and took back ideas with them to China. Huang sees economic prosperity and education as important forces in transforming a country from a closed to an open society. Huang feels that the U.S. should not stop the process of opening China to the world, however, if a country is opened right away, its infrastructure, including its legal system is not able to assimilate all of its new freedoms. Many Chinese Nationals who are going back to do business in China are having a large impact on changes in China.

If reformers are hindered in the process now, the people who will suffer most are the reformers themselves, which leads to the country going back to the way it was. Huang added that DOC officials have the same view of opening Chinese society.

Huang maintained that the United States still needed to have a voice about human rights in China or no other country would be concerned about it. The United States needs to put China on "alert" about human rights. Huang did not have any knowledge of any solicitations of contributions or gifts for exchange for participation in trade missions. Huang was so "junior" at his DOC position that he did not have any influence on who went on trade missions at DOC. He added that Melissa Moss handled these decisions in her position at the DOC.

#### ISSUES RELATING TO POSSIBLE FOREIGN INFLUENCE OF HUANG

##### HUANG'S BACKGROUND; U.S.-CHINA RELATIONS AFTER THE TIANANMEN INCIDENT; LIPPO/RIADY BUSINESS PARTNERS IN THE PRC AND HONG KONG

Huang did not know the specific details about the economic sanctions the U.S. imposed on the People's Republic of China (PRC) after Tiananmen Square incident in 1989. Huang did not know how the incident affected the PRC's Most Favored Nation (MFN) status and claimed that he had no knowledge of Overseas Private Investment Corporation (OPIC), IMF, or other

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restrictions, such as U.S. restrictions on technical exports to China. He did agree that after Tiananmen, obtaining unrestricted (i.e., delinked from human rights) MFN status and reducing or eliminating the restrictions on technical exports were high priorities of the PRC Government (PRCG) in its relations with the U.S. Huang also acknowledged that PRC military leaders were "shocked" and very concerned after the Persian Gulf war because it was evident that the PRC was far behind the Western powers in military technology. Later in the interview, Huang stated that he was aware of the details relating to MFN status but was confused by the question because the questioners had referred to a specific Presidential Order with which he was not familiar.

The primary partners of the Lippo Group in China were China Resources and the China Travel Service. Mochtar Riady began to plan business ventures in the PRC in 1990. Mochtar Riady toured China for six months before beginning business in China. Riady felt the timing was right to enter the Chinese market after this trip. While Mochtar Riady was traveling in China, he observed things such as the demand in the country for lipstick. He also saw that some politicians were starting to criticize mistakes which had been made in the past. Riady saw that China was attempting to lure Chinese students who had gone overseas back to China with incentives such as better housing. Huang was aware of Mochtar Riady's business philosophy of "riding a horse to catch a horse" and said that for the Riadys to survive in the PRC and Hong Kong they had to make connections with influential groups like China Resources and China Travel. Huang added that it was understood to be a quid pro quo situation where the Riadys would have to give something in return for their (China Resources and China Travel) political and financial backing. It "never came to" Huang's mind that China Resources or China Travel Service were connected to Chinese intelligence.

In the "early days," about 20 to 30 years ago when one traveled to China, one probably had to go through China Travel Services, and fly on one airline. Overseas Chinese had to stay at the Overseas Chinese Hotel. Only in the last five years or so have there been more choices when traveling to China. In the banking arena, everyone wanted to deal with China. In developing correspondent banking relationships, Huang had to travel a good deal to China. When Huang used to go to China, he needed two different passports, one to enter China and another to enter

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Taiwan. When Huang went to China, the Chinese viewed him as being from Taiwan. In Taiwan, Huang was looked at as being from the United States, and as someone who would have to be watched. It was "commonly known" that the Chinese were trying to collect information, although Huang was never asked to obtain information.

Riady explained that in Hong Kong, the "name of the game" was to service people and know how to maintain one's business. If a business had ties to China, this could help guarantee that their business could continue. This required dealing with China, and the Riadys attempted to get close to China for their banking interests. In Indonesia a downturn in the real estate market caused problems for LippoLand which owed money to LippoBank. The Riadys had to create confidence in their bank (LippoBank) so as not to have a run on the bank. A purchase of Lippo shares by China Resources saved both LippoBank and LippoLand. Furthermore, to continue to stay in Hong Kong, the Riadys had to have strong partners such as China Resources and China Travel Services. If something went wrong in the marketplace, the Riadys could say "these are our partners." Huang did not know what the "quid pro quo" was for having China Resources as a partner.

Huang was shown and asked to comment about a letter from William Blount to Vice President Gore requesting Mr. Gore send a congratulatory letter to James Riady on the occasion of the formation of a joint venture between the Protective Life Corporation and the Lippo Group (CCTF database base stamp number-A0001-0073-01-1760). In the letter, Blount remarked that the Riady family "has excellent relationships with the central government in Beijing." Huang said he was not involved in the venture with Protective Life. He said the Riadys have a "close relationship" with officials in the Fujian province. Whether or not the Riadys had "close" relations with Beijing officials, he said, was "relative."

Vice President Gore in 1989 went to Taipei, but did not travel to Hong Kong. This trip was arranged by the Pacific Leadership Council, with Huang's input. Huang was not aware of China Resources at that time. In 1988, Huang arranged for a trade delegation from North Dakota, attended by Senator Kent Conrad. At that time, Lippo was not involved in "trading" then,

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but rather only banking and finance.

Huang knew that China Resources bought shares in the Lippo-controlled Hong Kong Chinese Bank (HKCB) in 1992 and 1993, but claimed he was not aware that after 1993 China Resources controlled 80 percent of the HKCB's equity or that Mochtar Riady reportedly remarked, "The HKCB became a PRC bank and was no longer an Indonesian bank...China Resources let us manage the HKCB because we are the best partners." He acknowledged that when China Resources made a major HKCB stock purchase in 1993 the Riadys made a large profit. He remarked that although the funds James Riady wired Webb Hubbell in 1996 came from the HKCB, the funds were sent by Lippo's Hong Kong China Ltd. He said he was not aware that China Resources paid for then-Governor Clinton's trip to Hong Kong in 1985, which Huang organized.

Huang acknowledged that China Resources' parent organization was MOFTEC (Ministry of Foreign Trade and Economic Cooperation) and that MOFTEC was responsible for both acquiring MFN status for the PRC and seeking to reduce or eliminate the U.S.-imposed restrictions on technical exports. Huang described MOFTEC's role in China as the equivalent of the DOC and U.S. Trade Representative's Office with a mandate to increase trade. Huang did not know of any other entity in China that one could deal with when discussing trade issues. Huang was aware of several Lippo development projects in southern China such as the Tati Development in Meizhou District. When a document Bates stamp number- A0023-0021-06-0277 indicating that Lippo negotiated directly with MOFTEC for permission to build and operate the Thermal Power Plant at Meizhou, Huang said he had no personal knowledge of any such direct connections.

Huang claimed little knowledge of the relationship between the China Travel Service and Lippo or why, for example, when Mickey Cox of Entergy traveled in China his address was listed "Mickey Cox, China International Travel Service Head Office." As for another Lippo partner in China, Li Ka-Shing, member of Board of Directors of Wang Jun's China International Trust and Development Corporation (CITIC), Huang acknowledged that Li had close economic and political ties to the PRC but claimed Li had to do so "to survive." Shing invited Riady to join a joint venture in a satellite TV project, which was ultimately sold to Rupert Murdoch.

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Continuation of FD-302 of JOHN (NMN) HUANG, On 2/23/99-3/26/99, Page 134**HUANG'S EMPLOYMENT WITH LIPPO USA**

Huang first met James Riady when Riady was "energetic" and in his 20s, during a seminar in Little Rock. Stephens, Inc. representatives were also at this seminar. Huang developed closer ties to Riady when he was a representative of Union Planters Bank in Hong Kong, because the Riadys purchased the Hong Kong/Chinese Bank. At that time, Lippo, Stephens and (FNU) Salim were all in a joint venture together. Huang was then asked to join Lippo's employ. In 1984 or 1985, Lippo purchased the Bank of Trade. During this time, Huang worked closely with James Riady. When James Riady got married, Huang was working for Union Planters Bank, and Huang went to the wedding uninvited.

Although close to the Riadys, Huang was still in a subordinate/employee role with the Riadys. Huang had a closer working relationship with James Riady. Huang would occasionally visit and have dinner at James and Aileen Riady's home. Huang never had the Riadys over to his home, but invited James Riady's family to lunch when Riady was away. Huang stated he and James Riady have had "rough spots" and Riady has been very critical of Huang in the past, although did not accept Huang's resignation. Huang respected Mochtar Riady more than James. After 1989, James Riady's temperament changed substantially after Riady became an evangelical Christian.

Huang explained that his and Mochtar Riady's philosophies are similar. Huang explained that Mochtar Riady does not simply pay attention to money, but pays more attention to people and wants to improve their standard of living. As an example, Huang mentioned Riady's development of a power plant and theme park project in Riady's hometown. Mochtar Riady's business investment philosophy stressed relationships and emphasized "human beings."

Huang stated that he had been "recruited" by the Riadys and that he had to prove himself "useful" to them. Huang claimed that James Riady gave Huang no specific instructions when he was sent to work with Lippo in Los Angeles in 1986 other than he wanted Huang to serve as President of the Bank of Trade. Huang worked at a LippoBank office in San Francisco for about nine months in 1986-1987.

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When asked to comment on a Los Angeles Times report that he purchased two homes in Los Angeles and a condominium in San Francisco, Huang denied the latter. During nine months in 1996 and 1997 Huang stayed in a motel in San Francisco. He did not own a condominium there. Huang purchased two homes in the Los Angeles (Glendale, CA) area within a period of about one year (1988-1989). Both of the homes, he said, have a market value of more than \$1 million. Because of a change in the real estate market, Huang was unable to sell his first home after building the second one, and he left the first home vacant for about nine years because he was afraid that tenants might damage the house or he might experience difficulties in evicting them. In addition, it was difficult finding tenants for such an expensive home.

Huang estimated that his gross salary averaged about \$120,000 during that nine year period and that his annual mortgages, property tax, and insurance expenses for the two homes amounted to approximately \$137,000 a year. The initial mortgage amount was gradually reduced due to lower interest rates paid. He said he was able to cover expenses because he had "easily accumulated" \$200,000 while working in Hong Kong (received tax breaks and incurred no housing expense) and had made profit on stocks, some of which he sold. He stated that a \$20,000 investment in Worthen Bank stock grew to nearly \$200,000 by 1996-97. Huang had a "small" line of credit and he had bonuses coming in during 1992-1994. His severance from Lippo in 1994 became a "cushion." Huang received no outside supplemental income except for the two gifts he received from the Riady's in 1997 and 1998, which he believed were \$18,000 in 1997 and \$20,000 in 1998. Huang's home in Cerritos, California, which he bought in 1987 for \$393,000, sold for \$550,000. He added that he had three properties in the east coast (Maryland) which he owned during this same period; however, these properties were rented throughout the nine years and were not a financial burden to him. One of the California homes was recently sold to help cover his attorney's fees. Huang also sold one of his rental properties in Silver Spring, Maryland.

Huang's salary at Lippo while he was in Hong Kong was the same as it had been in the United States. Because of the tax advantages of living in Hong Kong, Huang was able to save money there. While in Hong Kong, Huang was concurrently the Vice

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President of the Hong Kong/Chinese Bank, an executive Vice President for the Far East for Worthen Bank, and the Far East representative for Union Planters Bank. Union Planters wanted to close the office and get him back to Memphis. Huang offered to continue to represent Planters while working for Lippo. Union Planters agreed, and paid \$25,000 to Lippo for Huang's services. This arrangement lasted for a year. In 1990, Huang received an increase in salary to \$90,000, which actually netted him less than what he kept while in Hong Kong.

Huang served as president of the Bank of Trade in Los Angeles from 1987 to the summer of 1988, when he was transferred to the Bank Central Asia, in which Lippo was a minority shareholder, to serve as General Manager. Most of Huang's trips to China were to establish correspondent banking relationships for the Bank of Trade. Lippo used "team efforts" and sent groups of employees to China. By January 1991, Huang had returned to Los Angeles and was made a member of the LippoBank board of directors. He acknowledged previous remarks he had made in course of FBI interviews, that in the spring of 1990 Mochtar Riady tasked him with concentrating on community and political activities; that Huang's position at the bank didn't require much time; and that James Riady gave him the title "President of Lippo Group USA" in 1991 or 1992, although Huang's responsibilities did not change after he received the title. He had no comment when reminded that three of his associates at LippoBank had testified before Sen. Thompson's committee that they had no idea what Huang did at the bank, other than to say he was involved in political matters. Huang was "technically out of banking" as there was a capable Chief Executive Officer (CEO) at LippoBank. In 1992 and 1993, James Riady was back in the United States and the Riadys relied on Huang for "whatever needed to be done" when James Riady came to town.

Mochtar Riady owned 17 or 18 percent of Bank of Central Asia (BCA), a bank controlled by (FNU) Salim, which was the largest conglomerate in Indonesia. Salim, however, was an industrialist and did not have any banking expertise. Salim asked Riady to help him run his bank, and in return for running Salim's bank, Riady got 17-18% of BCA. President Suharto's son and daughter each owned 20% of BCA. At some point, the younger generations of Salims and Riadys discussed separating Riady's bank from Salim's bank, and it was decided that Salim's second son

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would take over the BCA, and LippoBank assets controlled by Salim would be given back to Riady.

Huang and the Riadys carried out political and community activities to "safeguard assets here and to sow seeds for the future." Huang added that "naturally" one would "support your friends," meaning political candidates. Lippo's agenda and Huang's were not "mutually exclusive." Huang made decisions about which organizations and political entities to deal with, but Riady was aware of his activities. Huang had his "agenda" of catching up with other minority groups, and this presented some overlap with Lippo's interests. The "number one" issue for Huang and the Riadys was the "immigration issue." Huang explained that the Riadys were a "double minority" in that they had to overcome obstacles from both their religion and race.

With regard to his community activities, Huang admitted that of the nine community organizations he listed on his Department of Commerce application form, Huang joined one of the organizations in 1991 but didn't join the others until 1993 or 1994. Huang spent about 20 to 30 percent of his time doing bank work, and half of the remaining time doing community work and the other remaining half doing political work. During bank hours, Huang was in the bank, but he did his community relationship building after hours. Huang acknowledged that he spent a good deal of time participating in political campaigns at the local, state, and national levels and said he devoted much time to fund raising and other political activities to help Asian-Americans play a stronger political role in American politics to "safeguard what they (the Riadys) have on the other side of this ocean." Huang was not directed by the Riadys in his political activity because they trusted him and because they could benefit in the long run from the relationships Huang was building. Huang added that the Riadys wanted to build these political relationships for "influence building" and for the future.

Some of Huang's time was spent assisting representatives of Lippo's PRC partners vis-a-vis their activities in the U.S. and in introducing them to high-ranking government officials. He acknowledged arranging meetings between China Resources chairman Shen Jueren, Ron Brown, and Vice President Gore. Huang said the \$30,000 he contributed for Shen and his assistant at a Los Angeles dinner for Gore was not

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reimbursed or indirectly paid by China Resources. Huang admitted working with Mark Grobmyer in attempting to obtain a presidential letter congratulating the China Travel Service on the occasion of the opening of its Splendid China theme park in Orlando. Huang was involved in arranging a trip to Atlanta by the mayor of Beijing and Chinese Communist Party Politburo member, Chen Xitong, but claimed he didn't know why he reportedly wrote on a 3/9/93 Lippo memorandum to James Riady "I have already stressed the importance of this visitor (Chen) to all of us." Huang added that the trip never took place. Huang did not dispute the theory that the Riadys had a great interest in catering to the mayor since they had the multi-million dollar Wangfujing Street (Beijing) deal in the works with Chen.

Although Huang was a member of the LippoBank board of directors, Huang was not aware of a scandal in 1990 in which LippoBank was ordered to "cease and desist" because of several hundred wire transfers, each just under the reportable \$10,000, to the Hong Kong Chinese Bank, all under fictitious names. Huang stated that the seven trips he made to the PRC between 1987 and 1993 were to negotiate corresponding banking relationships between LippoBank and the Bank of China.

**PLACEMENT OR ATTEMPTED PLACEMENT OF HUANG'S ASSOCIATES IN THE U.S. GOVERNMENT**

Huang acknowledged that he told California Treasurer Kathleen Brown that his first choice in government service was Assistant Secretary for Export Administration at the Department of Commerce. Huang picked the position from the "plum book" because it "looked interesting" and he thought it was in an area he would want. Although he is aware now that the position concerned the export of high-technology items, he claimed he didn't know that at the time. Huang said no one recommended or suggested that he apply for that position, although Mochtar Riady encouraged him when Huang said he was considering applying for a Department of Commerce position. Huang had no idea why James Riady had recommended that he and Charles DeQueljo apply for the National Security Council, and that at the time he didn't know what the NSC did. Huang had "no idea" that James Riady had applied for a U.S. Government position in international trade at about the same time Huang was applying, although Huang recognized Riady's resume when it was shown to him. Huang acknowledged that

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both Charles DeQueljo and Mi Anh, who made large contributions to the DNC through Huang, were appointed to an advisory council of the United States Trade Representative's office. When asked if he knew that Chu Lei, Charlie Trie's assistant on the Commission on U.S.-Pacific Trade & Investment (the "Bingaman Commission") was a vice president of Lippo's Sun Union Group, Huang said he didn't know Sun Union Group, didn't meet Lei until 1996, and wasn't aware that she was employed by Lippo. Huang stated that he was not aware of any connections between Sun Union Group and Lippo. However, he remarked that he knew Peter Chen, head of the Sun Union Group.

When asked about C.J. Wang, a member of the President's Export Council (PEC) at the Department of Commerce, Huang remarked that he did not solicit contributions from Wang and did not encourage him to apply for the PEC, which advises the President on export control matters. Huang claimed to have only the vaguest recollection of Wang and stated that he had "no business dealings with him at DOC." Huang stated that Wang probably came to the DNC through Mark Middleton and was on Ari Swiller's list as "a big donor." Furthermore, Huang claimed that he really didn't know what the PEC did because he "never sat in a PEC meeting" and he "had nothing to do with the President's Export Council." Huang knew of Wang and saw him and his wife at campaign functions, and Huang paid respects to him because he was Huang's "elder."

Although Huang knew of George P. Koo, he insisted he did not recommend that Koo apply for the position of Director, Office of Energy, Environment & Infrastructure at the DOC, which could have benefitted Lippo because of Lippo's energy and infrastructure projects in the PRC. He added that Koo had "no connection to Lippo."

When asked to comment on notes in his DNC notebooks that seemed to indicate that Huang was recommending Tien Chang-Lin, an associate of Huang's on the Committee of 100, for the Secretary of Energy position, Huang admitted that could have been the case. Huang also agreed that another person mentioned in the notes-Michael Woo, son of Wilbur Woo, a friend of the Riadys and a "distinguished founder of Cathay Bank" was also being considered for a government position.

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When shown a September, 1996 memo (CCTF database Bate stamp number A0213-0321-02-2604) to a White House personnel officer, Huang denied that he had provided a written list to anyone of seven people for government positions, including his friend and DNC contributor Chi Wang and George Chu, a fellow Committee of 100 member whom Huang recommended for the President's Export Council or the Bingaman Commission. Huang did, however, talk to people about recommendations and did in fact recommend the people on this list. Chi Wang was a good friend of Huang's who made political contributions in the \$50,000 range. George Chu is definitely a person that Huang knows, although Huang had little to no dealings with him concerning fundraising as Chu was already established with the DNC. Chu is affiliated with a company called Da Tung, but this company has no connection to Lippo.

**HUANG'S LOBBYING FOR MFN STATUS FOR CHINA BETWEEN JANUARY 1994 AND JULY 1994**

When asked how he assessed the PRC's chances around January or February 1994 of obtaining MFN approval, Huang replied that he didn't know. He also stated that he didn't know the details of President Clinton's Executive Order in May 1993, which stipulated that China's MFN status would not be renewed if it did not greatly improve its human rights performance by June 1994. Huang knew that human rights were definitely a major issue and were linked with MFN status. Huang was "definitely" aware of a yearly deadline on MFN issues. When asked if he had drafted the Committee of 100's (C-100) policy toward MFN for China, Huang at first denied that he had done so, then admitted he had been involved in drafting it after being shown a C-100 document (CCTF database Bate stamp number A0165-0217-02-0824). Huang acknowledged that he acted as White House liaison for the C-100 on MFN matters, relaying letters to the President and Vice-president and arranging a White House meeting after C-100 members, including Huang, returned from a trip to Beijing in May 1994. Huang attended Congressional seminars on MFN organized by C-100 members. Although Huang claimed to have participated in MFN activities on his own accord, he said the Riadys supported him in those activities, paid for his trip to Beijing, and paid his \$1,000 entry fee to join the C-100. Huang admitted being very involved in lobbying for MFN while at C-100 and that his views were in line with those of the Riadys and Lippo. He added

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that he did discuss mutually important issues such as MFN with James and Mochtar Riady while with the C-100. Although Huang did not draft the C-100's position paper on MFN, Huang did have an input in writing it.

Huang himself made a decision to do work on the MFN, although the Riadys did not object to his work on MFN. When asked if lifting of the yearly MFN qualifications would have helped Lippo, Huang said it was "fair to say, yes." It was "definitely not a problem" with Lippo for Huang to join the C-100 as it would promote understanding. James Riady did not ask Huang about the current status of MFN work, nor was it a situation where Riady told Huang to become a C-100 member or dictate to him that it was his agenda to see that the MFN issue passed; however, the subject may have come up in conversation. Riady and Huang may have discussed China's MFN status. The Lippo Group did give money to the C-100. Huang stated it was "definitely not the case" that he spent the entire first six months in 1994 working only on MFN prior to his move to the DOC. Huang could not think of any "immediate physical benefits" to Lippo in having MFN pass, since Lippo was not involved in a great deal of U.S. trade, although he then stated there might be a "direct or indirect benefit" to Lippo.

Huang remarked that by de-linking human rights from MFN status, it did not mean that those involved were not concerned with human rights. Huang's views on MFN were "in line" with the Riadys', although the Riadys did not tell Huang to go ahead and work on his activities. In early spring of 1994, Huang went on a trip to China and Taiwan with the Committee of 100. Committee of 100 members were not successful in meeting with the President or Vice President, although they did meet with (FNU) Rubin.

When asked the value of Lippo's holdings in Fujian province, Huang stated that a proposed figure of \$2 billion was exaggerated, and it was more likely the holdings were around \$1 billion.

When confronted with two faxes on foreign counter-intelligence matters sent by Sandy Berkowitz of the C-100 in early May 1994, one a review of Nicholas Eftimiades' book on Chinese espionage in the U.S. and the other a copy of a Senate Select Committee on Intelligence on U.S. counter-intelligence

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programs, Huang at first denied receiving them. Then, seeing his name on the fax cover sheets, he admitted he may have requested the book review but claimed to have no knowledge of the Senate report. Huang stated he did not have "a strong recollection of receiving this document." Huang did not remember receiving the facsimile on espionage, but would not deny that he may have received it. Huang indicated that "the type (font) of the report is too small for me to read." When asked by the interviewers if it didn't seem odd that a person about to embark upon a US Government career had requested documents relating to espionage, Huang replied, "I wouldn't blame you for feeling it was odd," he said, "I have no explanation."

Huang was shown a copy of the seven-page fax (CTF database bate stamp number- A2&3-0002-02-0618) sent to him by Xue Haipei in January 1996. The fax was an over-all political public relations campaign for the PRC, including paying for visits to the PRC by Congressmen, an op-ed campaign, etc. Although the note to Huang on the cover page of the fax seemed to indicate a close relationship between the two, Huang claimed to have had only limited contact with Xue, such as introducing Xue and Pei Min Xin, a Professor from Princeton, to Sen. Torricelli and attending Capitol Hill seminars organized by Xue. When shown another note (CTF database bate stamp number- AP0194) to him from Xue, Huang claimed not to know the "Tracy" to whom Xue referred or to the expression "we are counting heads." Huang did not know what the context of this facsimile was. When Huang was asked if he knew the whereabouts of Xue, Huang said he didn't know where Xue was, and suggested he may have returned to China. Huang remarked that Xue was associated with the Chinese student movement and that one of Xue's projects was to organize a C-100 consisting solely of people from the PRC. Huang added that Xue was also associated with many large corporations such as Boeing. He further stated that he had been introduced to Xue by a mutual friend, Charles CK Woo from Los Angeles.

#### HUANG'S EMPLOYMENT AT THE DEPARTMENT OF COMMERCE

When asked to explain the six-month delay between January 1994, when his interim security clearance was approved, and July 1994, when he began work at the DOC, Huang stated he has "no idea" why it took so long for him to get the job at the DOC. Huang said he wanted to wait until Charles Meissner assumed his

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position as Assistant Secretary at the DOC. When reminded that Meissner began work in April, Huang said he did not report for work immediately because he had to finish up his work at LippoBank and attend a C-100 event in June. James Riady was coming to the U.S. in June, 1994, and Huang also had to prepare for a trip to Taiwan in late June or early July. Huang first learned of his application was approved in late Spring of 1994, and he learned of a May 1994 letter from Office of Personnel Management (OPM) which stated that his SES application had been approved. Huang was not informed by anyone at the DOC personnel office that he could report for work, but someone, perhaps Melinda Yee, probably called to inform him that he had been approved as Principal Deputy Assistant Secretary at the International Trade Administration. Huang does not think that this position was created especially for him. The position existed prior to his arrival, and the other areas within the ITA each had a Principal Deputy Assistant Secretary.

Huang was asked to comment on a quote attributed to Nolanda Hill regarding Ron Brown's opinion that it was Hillary Clinton's idea to place him (Huang) at the DOC. Huang said he had no knowledge of this and added that he had few contacts with Mrs. Clinton and did not ask for her help in assisting him with obtaining the position. Huang asked Mochtar Riady if he should leave Lippo for the DOC, Riady encouraged Huang to go into government service. The Riadys did not ask Huang to go to work for the government. The Riadys would have kept Huang employed at Lippo if he had decided to stay.

Huang's "long term plan" in deciding to go to work for the government was to do something for the "coming generation" which could then make a greater contribution to society. Huang stated there were very few Asians in public service.

Huang did not know if he could have received the SBA job he interviewed for, but he believed there was not an "international element" in the position. Huang also commented that the SBA job was not a "department level position."

Huang received high recommendations for his application from people like Kent Conrad and Tom Daschle, people for whom he had contributed and raised money. It "never happened" that he received any "quid pro quo" for his contributions or for his

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recommendations of others.

Huang first interviewed for his DOC position in the Fall of 1993 when he met with Jeff Garten on a trip from Los Angeles. Prior to that, Huang had a conversation with Ron Brown. Huang did not know that he had the position in December, 1993 when processing of his position was delayed.

When asked to describe his job at the DOC, Huang said it was a routine administrative job in nature and included budgeting, personnel matters, arranging trips, etc. The only substantive work Huang did at DOC was to assist the Assistant Secretary, Charles Meissner, in Taiwan-related matters. Additionally, Huang admitted that he stood in for Meissner "more than half the time" during his 18-month stay at the DOC during which he had access to all of Meissner's work.

When questioned about his involvement in PRC related matters at the DOC, Huang denied that Deputy Secretary Jeffrey Garten had informed him in September 1994 that he would be "walled off" from PRC matters, although Huang knew that other than with respect to Taiwan matters, Huang was totally "carved out" of other Asian matters. Huang can count only a "handful" of conversations he had with Garten. If Garten did send a memorandum to someone about taking Huang off of China matters, Huang is not aware of it. Huang did not know of a memorandum from Garten to Meissner regarding Huang's responsibilities prior to it being brought up in the U.S. Senate. Meissner never told Huang not to do any work regarding China.

Huang acknowledged that he attended "numerous" meetings of the Joint Committee on Commerce and Trade (JCCT), the most important U.S.-China committee dealing with commercial matters between the two countries. He also admitted to at least 12 meetings, in his DOC office and at lunch or receptions, with PRC officials representing PRC trade organizations or the PRC Embassy in Washington. Huang denied that he had ever discussed political or DOC-related matters with them, but that the meetings were purely social. Huang also admitted that the PRC was discussed during meetings he attended regarding Big Emerging Markets, the USTR, Global Trade, and State Department meetings. Huang was assigned, as a "small part" of his duties, to call Congressmen about China's MFN status to "show ITAs position."

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Huang did have contact with Chinese officials during his tenure at the DOC including the following: a female from the Su Yen province, arranged by the USIA; Jun Min, with the CCPIT; Jo Wan Jen, whom Huang knows, but does not think visited him in his office; Wan Tien Ming, whom Huang met at the DOC. Huang did not recall who Shu Jian Shin is, nor did he have a recollection of meeting Ju Jer Jun at the DOC. Huang believes he could have met these two individuals outside the DOC. Huang was invited by a Mr. (PNU) Ni, a ministerial rank official, on 12/23/95 to dinner on K Street. A lot of other DOC officials showed up at this dinner, and it was not unusual for DOC officials to attend these functions. Huang "won't deny" that he did have contact with the above named people. Huang also attended other embassy functions, including events at the Korean, Indian and Bulgarian embassies.

Huang did attend a lot of planning meetings at the DOC regarding the China trade mission. Huang explained that because of friction between departments, Meissner would not attend David Rothkopf's meetings, so someone had to go in Meissner's stead. Winston Lord, the Assistant Secretary for Asia had regular meetings, and if Nancy Lynn Patton could not attend, as she normally did, Huang went in her place. Huang and Meissner met with Lord in his office before their Taiwan trip.

Huang attended two DOC meetings regarding Indonesia within a month or so after assuming his DOC position. He couldn't recall having been formally advised to recuse himself from Indonesian issues in November 1994, but he did recuse himself from Indonesia matters as much as he could. Nevertheless, Huang attended several Indonesia-related meetings in 1995. Huang also attended many ASEAN (Association of South-East Asian Nations) meetings at the DOC, some of which concerned Indonesia, and he was involved in matters concerning South Korea and Japan. If people came to Huang and asked him information about Indonesia, he would tell them, but he was not helping Lippo by doing this. Huang "only wanted to help the Department."

Huang also acknowledged attending many meetings of the ITA Congressional Task Force. When asked what specific issues he was involved with, Huang said the only issue was a movement within Congress to eliminate the Commerce Department and that he did not recall being involved in any other issues, such as MPN or

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national export administration legislation. Huang did recall a meeting where the topic of discussion was bananas. Huang also attended a meeting on Mexico and the North Atlantic Free Trade Organization (NAFTA).

Because Huang's first choice when seeking employment at the DOC had been Assistant Secretary for Export Administration, which concerns export control policies, he was asked about his professional involvement with Hoyt Zia, chief counsel of the Bureau of Export Administration. Although Huang admitted a close relationship with Zia, Huang's relationship with Zia was purely social and related to the Asian community. Huang and Zia were involved in the Asian American Government Employees Association. Huang never asked Zia to use his influence with regard to an export matter, nor did he talk to Zia about the details of his job. Huang played no role in the BXA approval of AT&T state-of-the-art digital telephone equipment to the PRC's Hua Mei Corporation and denied soliciting AT&T for a large contribution after the deal was approved. Huang never spoke to anyone regarding any export matters concerning the Loral Corporation. He added that he "probably did not attend" meetings of the President's Export Council, a high-level advisory committee on export control matters.

Some time in 1996, either the International Monetary Fund or the World Bank had been "courting" Lippo to come to a trade event. No one from Lippo, including a Mr. (FNU) Tan could attend the trade event, but Lippo did not want to offend the IMF or World Bank. Since no one from Lippo could go, Huang was asked if he could attend. As a courtesy to Lippo, Huang made the decision to attend. To Huang, his attendance at the event was not a conflict of interest. Huang said hello to some Indonesians who were present and sat at the back of the room. A name tag at the event identified Huang as an "advisor" for Lippo Group. Huang did not write this appellation on the tag, and it had not been pre-determined by him.

#### NATIONAL SECURITY ASPECTS OF HUANG'S JOB AT THE DOC

Initially when Huang was asked about his access to classified material he insisted that he had little exposure to classified information at the DOC. Subsequent to follow up questioning Huang admitted that his exposure included access to

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diplomatic cables (largely through Charles Meissner), internal DOC documents and proprietary information concerning U.S. companies, "aural-oral" intelligence obtained via conversations, meetings, etc., and classified briefings and documents from other elements of the intelligence community provided by John Dickerson, Office of Intelligence Liaison (OIL) at DOC. Huang stated that his having access to 25 to 100 such documents of this sort per day seemed high. Huang admitted that he "did read things that didn't fall under" his scope such as items dealing with the PRC. Huang stated he was told by Meissner to request briefings from Dickerson and that once he did request the briefings it was he (Huang) who requested briefings on PRC issues, although Huang did not tell Dickerson that China and Taiwan were his "top priorities." Huang felt that his position at the DNC was involved in "global" matters, and that he had to know some of what was going on in some countries in Asia which were not his direct responsibility. Huang did read "some" classified documents at the DOC but insisted Lippo Group would not have been interested in them because Lippo had only minor operations in the U.S. and therefore had no need for such information. After further questioning, Huang admitted that such information could be useful to Lippo in its Asian operations and that the Riadys "would be interested in gathering information to benefit their own business ventures." Huang stated that "in theory" some of the information he saw at the DOC could have been useful to "some people."

Huang hardly knew how to use a computer while at the DOC and was not familiar with a computer "reader profile." Huang does not believe he ever filled out a form indicating what subjects he would be interested in receiving information about over the computer.

Huang was questioned by his interviewers about whether or not he had ever: 1) passed or shared any classified or unclassified information with anyone; 2) been approached by anyone seeking inappropriate information or favors; and 3) been asked by anyone to influence policy matters or otherwise inappropriately use his position. Huang declared "definitively" that he had never passed on any information, that no one had ever asked him to pass on any such information in any manner, and that no one had ever asked or suggested that he use his influence at the DOC to affect any policy matter. Huang was asked that if any

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individual provided evidence to the contrary on these matters would make him a liar, Huang nodded affirmatively. Huang has never been blackmailed or threatened or approached by anyone and told that he had to do something. Huang could not think of any time he passed along "non-public" information. When asked if anyone had ever asked Huang that he pass along non-public information, Huang responded "no."

Huang was read from a document concerning a Chinese dissident named Bin Wu and the five "directives" Wu was given to infiltrate the U.S. political system including: being developed over a long period of time; working his way up and meeting U.S. Congressmen and women; reporting on U.S. political developments and obtaining political intelligence; finding a way to get into the White House; obtaining information on specific military technologies wanted by the MSS. Huang stated that he was never approached by anyone to "do any of those things;" however, Huang recalled being asked by (FNU) Ni about who could give political contributions during the time Huang was at the DNC. Huang was not aware of the acronym "MSS."

Huang admitted using the Stephens Inc. office near the Department of Commerce on numerous occasions but denied ever using Stephens facilities to pass on any information he obtained at the DOC or to receive instructions from the Riadys or anyone else. He admitted using the Stephens office to conduct C-100 business and to place numerous phone calls to LippoBank in Los Angeles. Many of the LippoBank calls, he said, were to Ken Yuen (Yuen Yao Kwong), a former colleague at the bank; Huang helped Yuen obtain a green card to come to work in California. Yuen's daughter had Down Syndrome, but was of an age where she would have to be sent back to China. Huang assisted Yuen in trying to keep his daughter in the United States by contacting Senators on Yuen's behalf.

Huang did not remember an article sent by facsimile to Vernon Weaver at the Stephens office by Riady to be passed to Huang, although Huang did believe Weaver had written some letters to Riady. Huang remembered having some type of communications at Stephens with DeQueljo regarding DeQueljo trying to get his son into the U.S. Naval Academy.

Huang claimed he had little contact with James Riady

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during his tour at the DOC and rejected Senate testimony by Per Lee of the LippoBank in Los Angeles, who said his secretary, formerly James Riady's secretary, told him she often served as an intermediary in phone conversations between Huang and James Riady. Huang would only talk to Riady when he came into town or came to Huang's office, which was not that often. Riady and Huang would discuss how Huang was doing at the DOC.

Huang stated that he did not believe there was information he saw at the DOC which would have been of interest to the Riadys. Huang explained that the Entergy deal had already been dealt with by the time he arrived and that trade mission deals were largely consummated between companies prior to trade missions. Huang repeated that he could not think of any information that would have been of interest to Lippo because at the time Huang was at the DOC, Lippo was not involved in any "big projects" in the U.S. Huang did not give out any information that would have been of interest to Lippo. In Huang's conversations with Giroir, Grobmeyer and Buford, Huang did not talk about any of his work, but rather discussed "political" information. Huang can "safely say" that he has ever passed information from the DOC that could be considered valuable to anyone. He never knowingly passed any information, and he did not think he ever unknowingly passed any information to anyone. Huang did talk with some people about the "turf battle" at the DOC between Meissner and Garten.

Huang denied a report that he had met with Feng Shusen, the PRC Consul General in Los Angeles, soon after the Los Angeles Times broke the Cheong Am U.S.A. contribution scandal in October 1996. Huang admitted knowing of Feng, but stated, "I don't think I ever met or talked with him." Huang recalled meeting with various PRC officials at his DOC office, at lunch, or at receptions, but claimed that his connections with them were purely social in nature.

#### HUANG'S MOVE FROM THE DOC TO THE DNC

When Huang was asked whose idea it was to make the move from the DOC to the DNC, he said he requested the move because he felt he wasn't being fully utilized at the DOC and believed he could be more effective with the DNC. When asked if he had requested Charles Meissner to obtain a 30-day consultancy for him

DOJ-H000306

58A-HQ-1193317

Continuation of FD-302 of JOHN (NMN) HUANG, On 2/23/99-3/26/99, Page 150

after he left the DOC, Huang said "I left that all to Meissner." Huang did not know what steps Meissner took to keep Huang at the DOC as a consultant, but believed Meissner did it so Huang did not have to re-apply for a clearance. Huang believes Meissner suggested the consultancy "out of his good intentions." Huang remembered that an unrecalled person within the ITA who handled personnel matters thought Huang would not be able to get the consultancy. Huang did intend on resigning, but he did not know if he intended on coming back to the DOC after his tenure at the DNC. If he did come back to the DOC, Huang did not want to come back to the same position. When asked about a DOC document (CCTF database stamp number- A0008-0014-11-0928) showing that Meissner had also requested leave without pay for Huang between 4 December 1995 and 17 January 1996, Huang said he never intended to take leave without pay. When Huang left the DOC in December 1995, he turned in his keys and an access card to (FNU) Malinowsky. Huang did pick up some mail after he left the DOC.

Huang was asked to comment on the fact that Secretary Ron Brown's chief of staff testified before Sen. Thompson's committee that Charles Meissner said he wanted a consultancy for Huang so that Huang "could keep his clearance," and that in September 1995 The American Spectator published the article "What's Up in Jakarta," which exposed Huang's Lippo connections and the Lippo contributions to the Clinton campaigns, thus making it extremely unlikely that Huang could ever obtain a new security clearance if his old one had lapsed. Huang had no comment on this reasoning.

Huang was asked to comment on the following theory: that Huang left Commerce to join the DNC because the Democrats needed to raise millions of dollars within a short period of time, especially for an expanded media campaign. Reportedly, only then, according to the President's political adviser Dick Morris, could President Clinton be re-elected. If he were not re-elected, the Riadys and such Lippo-connected people as Giroir and Middleton would lose 12 years of continued influence at the White House (four more years for Clinton, perhaps eight years for Gore). After the election, Huang, with his security intact, could have rejoined the Commerce Department (as Charles Meissner had suggested to him) or obtained some other government position. Huang declined to comment on the theory other than to indicate that he had believed that President Clinton could win his re-



FD-302a (Rev. 10-6-95)

58A-HQ-1193317

Continuation of FD-302 of JOHN (NMN) HUANG, On 2/23/99-3/26/99, Page 151

election bid and the Democratic Party would "deliver" California with the help of the Asian American community.

DOJ-000308

Attachment K-1

01BA0857

To: David Rothkopf  
 From: John Huang  
 Re: Thai PM's visit and establishment of U.S. Thailand Business Council  
 Date: September 30, 1994

I suggest that we first contact Sandy Kristoff of NSC to find out what is going on before we do anything else. I do not know her (in fact I never had a conversation with her before). Can you make this call?

Matter in this sort presents risks and opportunities.

We at the DOC (including Secretary) can look good and gain benefits if we could get this matter squared away. But we may not want to risk the relationship with Sandy/NSC especially if she strongly objects doing the launch for this Council in the White House.

We don't want to contact the Thai Embassy on this either at this point. If we do that now, Thai ambassador will have expectation that we can pull this off for him. So far DOC is the neutral party especially we have not been even approached for the meeting between Secretary and Thai PM Chuan officially yet.

It is almost useless to contact Bob Driscoll at this stage. He will be very negative on this new Council anyway because it gets to his turf.

There are some distinguished members from this proposed Council who may contact Bob Driscoll to get this matter settled since many of them are probably also the members of US-ASEAN Council.

There are quite a few members in this proposed Council from Arkansas. They may want to utilize their contacts to get this matter squared away directly from the top even if they offend Sandy and NSC.

My personal observation is that President Clinton will be very upset if he finds out what's going on behind the scene. It could really damage his personal relationship between him and Prime Minister Chuan; and the relationship between US and Thailand if Prime Minister of Thailand cancels his visit to the US (I was told that PM Chuan had a press conference before he left Thailand in saying that he would come to meet with President Clinton and have this Business Council launched with President Clinton).

A0008-0014-12-0358

DOJ-H000261

P. KANCHANALAK  
 40 LEAK, VA. 22102

Feb. 26 1996

114  
 96-11410

Democratic National Committee  
 Ten thousand and no/100 \$ 10,000.00

FIRST VIRGINIA BANK  
 800 VINO RD NORTHERN VIRGINIA  
 FALLS CHURCH, VIRGINIA 22042

INSURED MONEY MARKET ACCOUNT

dinner 2/19

*P. Kanchanalak*

0114

Check Tracking Form  
 (All information must be provided before entry)

Name/Contact PAULINE KANCHANALAK

Company/Employer \_\_\_\_\_

Home/Company Address (circle one) McLEAN, VA 22102

City/State/Zip \_\_\_\_\_

|                                                                                    |                                                                                                                                                   |                                                                                               |
|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| Telephone:<br>Work _____<br>Home <u>[REDACTED]</u><br>FAX _____<br>Alternate _____ | Program:<br>NTR _____<br>TRN _____<br><input checked="" type="checkbox"/> EC _____<br>NEC _____<br>WLF _____<br>SC _____<br>LC _____<br>BTR _____ | Demographic:<br>THM _____<br>OOH _____<br>ESN _____<br>Spouse _____<br>EOH _____<br>EOH _____ |
|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|

Event: 2/19/96 ASIAN DINNER - Hwy 28A-1 Source Code: ASIA

DNC Contact: JUL HUANG Fundraiser Code: 821

Collector: \_\_\_\_\_

|                   |                                             |                 |                |                  |                |
|-------------------|---------------------------------------------|-----------------|----------------|------------------|----------------|
| Revenue Code      | FT1 <input checked="" type="checkbox"/> PNE | FG3 _____ PAKT  | ME1 _____ COMP | ME3 _____ PNE    | ME5 _____ NECC |
| (if not complete) | FG2 _____ PAC                               | FG4 _____ TRANE | ME2 _____ BCR  | ME4 _____ MAXPAC |                |

FED ACCOUNT

A2&A3-0503-13-2720

||||| DNC 1678949

DOJ-H000262

DUANGNET G. KRONENBERG  
 McLEAN, VA 22102

2067  
 FEB 26 1996

NO ONE  
 DER OF Democratic National Committee \$ 5000.00

Five thousand and no/100 .....DOLLARS

FIRST First Union National Bank  
 40 Virginia  
 McLean, VA PERFORMANCE BANKING

dinner 2/19

*Douglas Kronenberg*

2067

Check Tracking Form  
 (All information must be provided before entry)

Name/Contact DUANGNET G. KRONENBERG

Company/Employer O' BAN CHANG GROUP

Home/Company Address (circle one) MC LEAN, VIRGINIA 22102

City/State/Zip \_\_\_\_\_

|                                                                                    |                                                                                                                |                                                                                                 |
|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| Telephone:<br>Work _____<br>Home <u>[REDACTED]</u><br>FAX _____<br>Alternate _____ | Program:<br>MTR _____<br>TRS _____<br>EC _____<br><u>NEC</u><br>MLF _____<br>SC _____<br>LC _____<br>GTM _____ | Demographic:<br>Title _____<br>DOB _____<br>SSN _____<br>Spouse _____<br>EOE _____<br>ESN _____ |
|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|

Event: 2/19/96 BAN CHANG - HO-ADAM Source Code: 1551

ONG Contact: JAMES HUNG Fundraiser Code: 821

Solicitor: \_\_\_\_\_

|                                   |                                 |                                     |                                   |                                     |                |
|-----------------------------------|---------------------------------|-------------------------------------|-----------------------------------|-------------------------------------|----------------|
| Payment Code<br>(do not complete) | F01 <u>PM</u><br>F02 <u>PAC</u> | F03 <u>PART</u><br>F04 <u>TRANS</u> | N01 <u>CODE</u><br>N02 <u>GEN</u> | N03 <u>PM</u><br>N04 <u>MAJDPAC</u> | N05 <u>NET</u> |
|-----------------------------------|---------------------------------|-------------------------------------|-----------------------------------|-------------------------------------|----------------|

FED ACCT

DUANGMET G. KRONENBERG  
 HOUSTON, VA 22061  
 March 8, 1996  
 2070  
 GO TO THE  
 ORDER OF Democratic National Committee \$ 5000.00  
 Five Thousand and no/100  
 FIRST BANK OF VIRGINIA  
 PERFORMANCE BANKING  
 (non-federal)  
 2070

(Unfaded)

Check Tracking Form  
 (All information must be provided before 10/97)

Name/Contact: DUANGMET G. KRONENBERG  
 Company/Employer: RANG CHANG GROUP  
 Home/Company Address (street and): McLEAN, VA 22102  
 City/State/Zip: McLEAN, VA 22102

|                                                                    |                                                                                                                      |                                                                                                                                 |
|--------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| <b>Telephone:</b><br>Work: 337-3570<br>Home:<br>FAX:<br>Alternate: | <b>Program:</b><br>ATRK _____<br>TRR _____<br>EC _____<br>NTC _____<br>NLF _____<br>EC _____<br>EC _____<br>TRR BpAc | <b>Demographic:</b><br>TRR _____<br>DM _____<br>STR _____<br>SPOUSE _____<br>SPOUSE # _____<br>SPOUSE # _____<br>SPOUSE # _____ |
|--------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|

Event: 1/17/96 Adams Dinner - Hwy Adams  
 DNC Contact: Tobias Huang  
 Location: Pauline Kanchanaik  
 Source Code: 151  
 Fund/Order Code: 821

|                                   |                                            |                               |                             |                               |              |
|-----------------------------------|--------------------------------------------|-------------------------------|-----------------------------|-------------------------------|--------------|
| Payment Code<br>(if not complete) | F01 ___ DR<br>F02 ___ FAC<br>F04 ___ TRAVE | F03 ___ PACT<br>F04 ___ TRAVE | N01 ___ COMP<br>N02 ___ GEN | N03 ___ FNE<br>N04 ___ MASTAC | N05 ___ NACC |
|-----------------------------------|--------------------------------------------|-------------------------------|-----------------------------|-------------------------------|--------------|

Deny if you  
 don't find this person's  
 identity card, let  
 me know

VDNC-1313-04-0651

DNC 1635884

DOJ-H000264

Confidential Information

DUANGMET G. KRONENBERG  
MCLEAN, VA 22102

March 14, 96

2071

MAY TO THE ORDER OF Democratic National Committee \$ 5000.00

FIVE thousand and no/100 ----- DOLLARS

FIRST First Union National Bank of Virginia McLean, VA PERFORMANCE BANKING

non-federal account

*Duangmet Kronenberg*

2071

non-federal acc

Check Tracking Form  
(All information must be provided before entry)

Name/Contact DUANGMET G. KRONENBERG

Company/Employer \_\_\_\_\_

Home/Company Address (circle one) McLEAN, VA 22102

City/State/Zip \_\_\_\_\_

|                                                                                                              |                                                                                                                                                            |                                                                                                                                 |
|--------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| <p>Telephones:</p> <p>Work <u>202-337-5970</u></p> <p>Home _____</p> <p>FAX _____</p> <p>Altacasts _____</p> | <p>Program:</p> <p>ETR _____</p> <p>TRU _____</p> <p>EC _____</p> <p>NEC _____</p> <p>WLF _____</p> <p>EC _____</p> <p>LC _____</p> <p>OTM <u>OPAC</u></p> | <p>Demographic:</p> <p>TRM _____</p> <p>DOB _____</p> <p>CCN _____</p> <p>Species _____</p> <p>EDOB _____</p> <p>CCEN _____</p> |
|--------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|

Event: 4/19/96 ACQUADUNDR - Hay Adams HOTEL Source Code: 1A91

DNC Contact: JUDITH HSANG Fundraiser Code: 921

Solicitor: \_\_\_\_\_

Agency Code: FO1 \_\_\_ IND FO2 \_\_\_ PART NO1 \_\_\_ CORP NO2 \_\_\_ IND NO3 \_\_\_ NEKI  
(do not complete) FO3 \_\_\_ PAC FO4 \_\_\_ TRANCE NO3 \_\_\_ GEN NO4 \_\_\_ MUOPAC

Democratic National Committee \$ 40,000.00  
 Forty thousand and no/100  
 FIRST VIRGINIA BANK  
 SERVING NORTHERN VIRGINIA  
 FALLS CHURCH, VIRGINIA 22042  
 non-federal  
 P. Kanchanalak  
 0186

Attachment K-6

Name/Contact (circle one) P. KANCHANALAK  
 Company \_\_\_\_\_  
 Occupation \_\_\_\_\_  
 Home/Company Address (circle one) [REDACTED]  
MCLEAN, VA 22102

|                           |               |                               |
|---------------------------|---------------|-------------------------------|
| Telephones:               | Demographics: | Other:                        |
| Home: _____               | Title: _____  | Event Location: <u>NY, PA</u> |
| Work: <u>202-337-5970</u> | D.O.B.: _____ | <u>50TH BIRTHDAY</u>          |
| Fax: _____                | SSN: _____    | Date of Event: <u>8/18/96</u> |
| E-mail: _____             | Spouse: _____ | DNC Contact: <u>JOTTU HU</u>  |
| Other: _____              | D.O.B.: _____ |                               |
|                           | SSN: _____    |                               |

Do not write in this space (except solicitor). Corporation  Individual

Date Received: 9-24 Amount: 40,000. Source Code: UPAS

Program: MTR \_\_\_\_\_ TRU  BC \_\_\_\_\_ NFC \_\_\_\_\_ WLF \_\_\_\_\_ SC  LC \_\_\_\_\_ OTH \_\_\_\_\_

Revenue Code: 003 Fundraiser Code: 821

Solicitor: \_\_\_\_\_ In AS-400, no changes: \_\_\_\_\_

DOJ-H000266

A2&A3-0503-13-2724

||||| DNC 1678953





Meeting between Messrs. Dhanin and Sumet Chearavanont with President Bill Clinton at the White House on June 18, 1996

Khun Dhanin and Khun Sumet Chearavanont met with President Bill Clinton in the Map Room of the White House, 09:00-10:20 hours, June 18, 1996. They were joined by senior members of the Democratic National Committee and the White House staff.

President Clinton announced two items of "good news." He had just been informed over the phone by Russian President Boris Yeltsin -- who is facing a run-off election against Communist candidate Gennadi Zyuganov -- that General Alexander Lebed, the presidential candidate who had amassed the third largest number of popular votes in the election, had decided to throw in his lot with Yeltsin by joining his government. Also, the US had just reached an agreement with China on IPR violations. The agreement would, among other things, lead to the shutdown of 15 major illegal CD/tape manufacturing centers in China.

Invited to speak, Mr. Dhanin started out by observing that the US and China are strategic partners who should enjoy symbiotic relations. The US needs China as a market and a manufacturer of consumer goods. CP, he said, owed its success to American technology which it utilized to develop its businesses both in Thailand and abroad. He briefed the President on his 17-year involvement with China, which started with opening up that country's agro-industrial business by using superior technology imported from the US. Today, his company CP has expanded beyond the original agriculture-based enterprises and is entering new technology fields. He cited the telephone business in China which has a potential growth of 10 million lines per year. The business diversification of the CP Group has included beer brewery (with Heineken's technology and marketed under the label REEB), motorcycle manufacturing and real estate development. CP has long been engaged in raising broiler chickens which today captures 10% of the China market. CP's total production of chicks is 25 million per week, second only to Tyson's of Arkansas, with 35 million per week. CP's production, he said, would rank first if the Chinese would consume more chicken. Today, CP has a presence in 27 out of the 30 major provinces and cities in China, predominantly in the vast agricultural sector, which comprises 70% of the country's economy. Mr. Dhanin pointed out the immense agricultural land in Xinjiang, Inner Mongolia and the Northeast, not to mention Szechuan (with a population of 110 million).

Mr. Dhanin proceeded to give the President his views of the way Americans conduct business with China. He said on the whole, from his experience, he preferred dealing with American rather than European businessmen. But Americans employed lawyers to cut deals, which ended up projecting the impression of one side trying to maximize their own benefits without regard for the other. On the question of democracy in China, Mr. Dhanin commented that from his experience in dealing with Taiwan earlier, the Taiwan regime in the beginning was actually even more dictatorial. He felt that if the present Chinese government should be supported -- rather than being weakened -- the transition from dictatorship to democracy would be made much more plausible. He described the Chinese as basically poor with an inflated ego, who regard "face" as paramount. Hence, when challenged as in the case of threatened

DOJ-H000268

trade sanctions, they tend to overreact. The Chinese government needs the essential power to transform China from the Maoist model to the Deng line. What is needed most to change Chinese society is to make the Chinese people better educated and more prosperous in order to achieve the desired political objective. The US can play a vital role in educating the Chinese.

Mr. Dhanin emphasized the synergy inherent in a US-China partnership. The US has great potential in the Chinese market especially in the automotive and telecommunications fields. Besides the China market of 1.2 billion potential consumers, the US should also enjoy an advantage with the ASEAN and Southeast Asian market, with a population of more than 400 million. He proposed that the President form a team to study the development of potential areas of US-Chinese cooperation which are crucial.

Mr. Dhanin further commented on the Taiwan issue by advocating that besides the question of protecting Taiwan from armed invasion by mainland China, Washington should really allow Beijing and Taipei to settle their other differences between themselves. On Hong Kong, Mr. Dhanin underlined the pledges of Beijing to leave the existing structure intact, and observed that should Beijing renege on its promises, which include putting more financially into Hong Kong than taking out, other overseas Chinese would spurn Beijing and turn to Taipei, something Beijing could never afford.

Finally, Mr. Dhanin commented on Thailand's strategic location in Southeast Asia as well as its unprecedented growth over the past decade. The Thai government also actively pursues measures to induce foreign investment. The recent GM announcement to invest in the automobile industry in Thailand, together with future expansion in keeping with the expanding Southeast Asian market -- to include the southwestern provinces of China -- should further enhance America's position in the world. Mr. Dhanin invited the President to visit Thailand this November on the latter's way to Subic Bay for the APEC Summit.

Mr. Dhanin introduced his elder brother, Mr. Sumet, as a member of the Beijing-appointed Preparatory Committee of Hong Kong Special Administrative Region and one of the 14-member advisory group of prominent Hong Kong businessmen on the economic future of Hong Kong. Mr. Sumet said it would be a great boost to Hong Kong if the US president would come out with a public statement supporting the transfer of Hong Kong. Mr. Sumet brought up the issue of Hong Kong's new passport to be issued after July 1997, suggesting that the US ought to grant visa exemptions to holders of such passports to enhance the status of Hong Kong as an autonomous area. Mr. Sumet further commented on China's admission in the World Trade Organization (WTO) by asking that the US treat China basically as an agricultural rather than industrializing country.

President Clinton expressed his agreement on the way the US should only dwell on the issue of protecting Taiwan from outside attack while leaving other questions to be handled by Beijing and Taipei. The President reiterated his one-China policy. As for Hong Kong, he said that the US would have no problem accepting the "one country,

DOJ-H000269

two systems" principle as a basis in determining Hong Kong's future status beyond 1997. On China's application to join the WTO, the President pointed out that the US was the market for more than 40% of China's exports in 1995, which constituted some 22% of world trade. However, because of China's vast export share as well as China's restrictive import measures, China's admission into the WTO would have to be carefully scrutinized. As for the invitation to visit Thailand, President Clinton said that he would very much like to go, and promised to consult his calendar. He jokingly said that if he should lose the November election he would then have time to stay in Thailand.

President Clinton said finally that should he be re-elected for a second term, he would devote his attention to Asian affairs. He felt that he had basically settled the question of Japan and that the North Korea situation is developing in the right direction. Hence, he would have more time to concentrate on China and Southeast Asia.

#### Remarks

1. Mr. Dhanin made an eloquent presentation starting with China-US relations, the situation in China, and proceeding to Taiwan, Hong Kong and Thailand. Speaking from practical experience born of long years of business involvement in Taiwan, Hong Kong, China and Thailand, he was able to capture President Clinton's attention and interest. Not only did the President listen very attentively, he also jotted down a number of points made. He seemed impressed with the long list of credentials spelled out by Mr. Dhanin. He was further impressed by the down-to-earth, non-political approach to the various issues by Mr. Dhanin.
2. It was noteworthy that President Clinton, who normally does most of the talking in a situation such as this, was actually listening most of the time during the hour-long meeting. This may be partly due to the China problem that the President continues to face in the continuing criticisms levelled against him. He appeared to find solace in Mr. Dhanin's observations about engaging China in a positive fashion — and not "barking up the wrong tree" by continuing to target the Chinese leadership on such issues as human rights violations and democracy. Thus Mr. Dhanin's gradualist approach — that the Chinese people would automatically demand such rights with improving standards of economic wealth and education — would probably make sense to an administration in search of a China policy.
3. Mr. Dhanin's performance — as well as his business successes — probably left a strong impression on President Clinton and should influence his ultimate decision on traveling to Thailand in November.

DOJ-H000270

A1243-1670-05-0322

P. KANCHANALAK  
DUANGHEUN K. DAVIS  
MCLEAN, VA. 22102

143

6/19/96

Democratic National Committee \$ 85,000

Eighty-Five Thousand and 00/100

FIRST VIRGINIA BANK  
507 WING MOUNTAIN VIRGINIA  
FALLS CHURCH, VIRGINIA 22042

Non-Federal P. Kanchanalak

0143

Attachment K-9

in AS-400  
6-18-96  
TES

Name/Contact (circle one) P. KANCHANALAK

Company \_\_\_\_\_

Occupation \_\_\_\_\_

Home/Company Address (circle one) MCLEAN, VA 22102

| Telephones:      | Demographics: | Other:                                 |
|------------------|---------------|----------------------------------------|
| Home: [REDACTED] | Title: _____  | Event Location: <u>6/18/96 Coffee</u>  |
| Work: _____      | D.O.B.: _____ | <u>(WH)</u>                            |
| Fax: _____       | SSN: _____    | Date of Event: <u>6/18/96</u>          |
| E-mail: _____    | Spouse: _____ | DNC Contact: <u>John H. [REDACTED]</u> |
| Other: _____     | D.O.B.: _____ |                                        |
|                  | SSN: _____    |                                        |

Do not write in this space (except solicitor).

Corporation  Individual

Date Received: 6-18 Amount: 85,000 Source Code: JOHN

Program: MTR \_\_\_\_\_ TRU  BC \_\_\_\_\_ NFC \_\_\_\_\_ WLF \_\_\_\_\_ SC \_\_\_\_\_ LC \_\_\_\_\_ OTH \_\_\_\_\_

Revenue Code: N03 Fundraiser Code: 821

Solicitor: \_\_\_\_\_ In AS-400, no changes: \_\_\_\_\_

A2&A3-0503-13-2722

DOJ-H000271  
DNC 1678951

|                                                                                  |                                       |                |
|----------------------------------------------------------------------------------|---------------------------------------|----------------|
| P. KANCHANALAK 341<br>MC LEAN, VA. 22102                                         |                                       | 6/24/96<br>181 |
| Democratic National Committee/WLF                                                |                                       | \$ 50,000.00   |
| Fifty Thousand and No/100                                                        |                                       |                |
| FIRST VIRGINIA BANK<br>800 WING NORTHVA VIRGINIA<br>FALLS CHURCH, VIRGINIA 22042 | INSURED<br>MONEY<br>MARKET<br>ACCOUNT |                |
| Non-federal                                                                      | P. Kanchanalak                        |                |
|                                                                                  | 0181                                  |                |

Attachment K-1

Check Tracking Form  
(ALL information MUST be provided)

Name/Contact Pauline Kanchanalak

Company \_\_\_\_\_

Occupation \_\_\_\_\_

Home/Company Address (circle one) McLean VA 22102

Telephones:

Home \_\_\_\_\_

Work \_\_\_\_\_

Fax \_\_\_\_\_

Other \_\_\_\_\_

Demographics:

Title \_\_\_\_\_

D.O.B. \_\_\_\_\_

SSN \_\_\_\_\_

Spouse \_\_\_\_\_

D.O.B. \_\_\_\_\_

SSN \_\_\_\_\_

Event Trustee

DNC Contact J. Huancay

Solicitor J. Huancay

DNC Finance ONLY:

Date Received: 6-29 Amount: 50,000

Source Code: JOHN In AS-400, no change

Program: MTR  TRU  BC  NFC  WLF  SC  LC  OTH

Revenue Code: N03 Fundraiser Code: 821

A2&A3-0503-13-2723



DNC 1678952

DOJ-H000272

**JOHN HUANG FBI INTERVIEW SUMMARY**

**MARCH 25, 1999**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 6/29/99

As part of a proffer agreement signed by John (NMN) Huang, Asian male, date of birth 4/14/45, social security number 045-50-1063, and the United States Department of Justice, Huang participated in a proffer session conducted at the offices of the Campaign Financing Task Force (CPTF), located at 1001 G Street N.W., Suite 440, Washington, D.C., 20001. Interviews were conducted between 2/23/99 and 2/26/99 and between 3/23/99 and 3/26/99.

Present during part or all of the interview were the following: John Huang, his attorneys Ty Cobb and John C. Keeney, Jr., FBI Intelligence Research Specialist (IRS) Cecil Spurlock and Special Agents Lawrence Strayer, Eduardo Hegewisch, and George D. Webster III. After being advised of the identities of the above listed individuals, Huang provided the following information:

Huang had known PRC Minister Wang Tianming since 1972. In the summer of 1995, Wang sought out Huang for personal advice. Wang was retiring and wanted to know if Huang could help him get a job in the private sector. This meeting took place in Huang's DOC office.

Investigation on 3/25/99 at Washington, D.C.File # 58A-HQ-1193317 Date dictated 6/29/99by SA George D. Webster III

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency;

DOJ-H000273

**JOHN HUANG FBI INTERVIEW SUMMARY**

**APRIL 9, 1999**



FEDERAL BUREAU OF INVESTIGATION

Date of transcription 04/10/1999

Pursuant to a proffer agreement with the United States Attorney's Office, JOHN HUANG, born 04/14/1945, SSAN 045-50-1063, was interviewed at the U.S. Federal Courthouse, 312 North Spring Street, Los Angeles, CA. AUSA Daniel O'Brien and AUSA Lawrence Ng were present during the interview. JOHN C. KENEY, JR., from the firm of HOGAN & HARTSON, representing HUANG, was also present. After being advised of the identity of the interviewing agent and the nature of the interview, HUANG voluntarily provided the following information:

Department of Commerce Briefings:

HUANG advised that JOHN DICKERSON was the Central Intelligence Agency analyst that gave him his Top Secret briefings while he was employed at the Department of Commerce (DOC). HUANG described two briefings that he received. One involved a General Motors (GM) plant in China and the other involved a nuclear power plant in Taiwan. He explained that neither of these briefings involved areas where he, or his associates, specifically LIPPO BANK (LIPPO), had any financial interest.

HUANG explained that the economy of the United States could be divided into three areas: What the U.S. produces best; What the U.S. produces, but is losing comparative advantage; and Industries lost to other countries that are more efficient. The movie industry and hi-tech industry would be examples of what the U.S. produces best. In those cases, the U.S. would fight to have tight rules to protect copyrights, to protect against other countries copying what the U.S. had invented and producing it cheaper. HUANG always argued the point that the enforcement of copyright laws were in every countries benefit, as having definite rules of the game benefit everyone.

HUANG was briefed on the GM plant, because that was an industry where the U.S. was still producing, but losing ground. He described the auto industry as labor and capital intensive, but entrenched in the U.S. economy. Instead of completely moving production overseas a company could do some of its manufacturing in foreign countries, thereby lowering its per unit fixed costs.

Investigation on 04/09/1999 at Los Angeles, CA
File # 58A-HQ-1193317 -302 -4929 -Cheoam -101 -Huang -828
by SA Steven A. Goldman/sag Date dictated 04/10/1999

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Continuation of FD-302 of JOHN HUANG, On 04/09/1999, Page 2

HUANG wanted to see GM and CHRYSLER move into China before other foreign auto makers, and take advantage of the opportunity in the Asian markets. HUANG explained this to government interviewers in Washington D.C. (D.C.), but did not think that they believed his explanation.

Foreign Intelligence Issues:

HUANG advised that when he was interviewed in D.C. everyone told him that he was a logical candidate to be approached for recruitment by foreign (i.e. Chinese) intelligence officers. However, HUANG was adamant that he was not approached. He theorized that if he had received a better job in the second Clinton administration that, maybe, he would have been approached. Additionally, HUANG speculated that he was not approached because they may have thought he was already an intelligence agent for the U.S.

HUANG does not believe that he was approached even in a subtle way. HUANG was a member of the COMMITTEE 100 which promoted SINO-U.S. relations. He advised that people think that if you were for better relations with China, then you must be a candidate for recruitment, and you must be an agent of the Chinese. HUANG said, "no, flat no," he does not know of anyone making him an offer to be a spy for China.

HUANG provided a list of high ranking Chinese officials which he had met in the past. This list was provided to interviewers in D.C., but no one asked him to discuss the circumstances surrounding his connection to each name. HUANG provided that information to the interviewing agent and AUSA's.

TIEN MING WANG was the Minister of Consular Commercial Affairs and HUANG had known him since 1972. In '72 HUANG was working for AMERICAN SECURITIES BANK (ASB) in D.C. and the Chinese Embassy had its bank account there. He knew WANG in the context of being a customer for the bank and HUANG dealt with him. In 1992 or 1993 WANG came back to the U.S. in a higher position with the Chinese government. Later, possibly in the summer of 1995, he sought out HUANG for personal advice. WANG was approaching retirement age and wanted to know if HUANG could help him get a job in the private sector. WANG showed HUANG a written letter of recommendation from ALEXANDER HAIG. This meeting took place in HUANG's DOC office.

WANG asked about working for LIPPO in Hong Kong. HUANG suggested his name to JAMES RIADY and set up a meeting for them at the Four Seasons Hotel in D.C. in 1996. HUANG was working for the

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Democratic National Committee (DNC) at the time. He was present at the meeting, but nothing came of it. WANG did not go to work for RIADY.

ZHOU WEN ZHONG was at one time Consul General in Los Angeles, and at the time of the interview was the number 2 person at the Chinese Embassy in D.C. During the late 1970's ZHONG was the translator for then Ambassador ZHAI. HUANG met ZHONG in the same context as WANG while he was working for ASB.

In May 1995, HUANG was invited to ZHOU's residence for breakfast with about 25 other people. The breakfast was organized by JOJI KONOSHIMA, head of the lobbying firm of U.S./ASIA INSTITUTE. The people who attended were representatives from large U.S. corporations. They were not Chinese Americans. HUANG attended because of his position with DOC.

In December 1995, when HUANG first began working for the DNC, ZHOU phoned him and invited him to lunch. During the lunch they discussed the rules for fundraising. HUANG believed that ZHOU probably brought up the subject. They also discussed other things during the lunch, but HUANG did not consider the conversation substantive.

HUANG advised that TED SIOENG and ZHOU knew each other. HUANG attended the wedding of SIOENG'S daughter in January of 1996. In May of 1996 SIOENG attended a fundraiser in D.C. and told HUANG he went to see ZHOU. HUANG never suspected that ZHOU had sinister motives in asking about campaign finance rules. When asked if he found any factual flaws in the theory that ZHOU was inquiring as part of an organized attempt to inject PRC money into U.S. political campaigns, HUANG said no.

Finally, HUANG saw ZHOU at a Washington Community event held at the China Palace in Roslyn, Virginia. The event was attended by over 400 people. HUANG advised that there was nothing substantive discussed between the two at this social event.

During 1994 or 1995 HUANG met Mr. (first name unknown) NI at an embassy event in D.C. NI was in charge of congressional relations for the Chinese Embassy. At the event, NI mentioned to HUANG that they should get together for dinner. NI and HUANG had dinner around Christmas of 1995. HUANG recalled the time because it was about the same time as Congress voting to allow the President of Taiwan to come to the United States. NI initiated the dinner. It was at a seafood restaurant (possibly Legal Seafood) on K street.

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During the dinner NI and HUANG discussed the DNC and rules for raising funds. NI had asked HUANG about the rules for donating. They also discussed SINO-AMERICAN relations. HUANG thought the relationship very important, and that if anything disturbed the relationship it would affect the U.S. negatively. HUANG did not know if NI and SIOENG knew each other, but NI and ZHOU worked at the same embassy.

The fundraising issues were not a major part of the conversation with NI. At the time, HUANG thought these were just innocent contacts.

In August 1996, HUANG was in New York to meet friends who were part of his Chinese Family Association. A friend, (first name unknown) ZHANG, introduced HUANG to Mr. (fnu) QING (pronounced Ching), Ambassador to the United Nations for China. HUANG told QING about his work raising money at the DNC. QING asked HUANG if he needed any help. HUANG immediately said no and was worried that QING may have misunderstood why HUANG was telling him about his job at the DNC. Except for QING's offhanded comment, no one ever talked about helping HUANG at DNC.

HUANG advised that LAURA INGERSOLL, during the summer of '97, was given all the information he had regarding his contacts with foreign officials while he worked at the DOC. However, in previous proffers, he was not asked about his contacts while at the DNC.

To his knowledge, HUANG has never been contacted by U.S. authorities to spy for the U.S. He added that when you consider he was born in China, raised in Taiwan and has worked all this time in the U.S., he believed he was really not trusted (to be a spy) by the U.S., Taiwan, or China.

While at DNC, HUANG had lunch with (fnu) SHEN. SHEN worked at the Chinese Embassy as Consular General of Economic Affairs. SHEN explained his role in the embassy. There was no discussion about fundraising. SHEN had an assistant named (fnu) LIU who was always present with him. Additionally, DR. (fnu) SHAO, who worked on the same team as NI with Congressional Affairs, was present and discussed U.S./China relations. Again, there were no discussions about fundraising or rules for fundraising.

HUANG advised that the contacts listed above were what he thought to be significant. The explanations regarding the contacts with the rest of the names on his list continues below.

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PRESIDENT JIANG JEMIN - Met during COMMITTEE 100 trip to Beijing during March or April of 1994. A group of about 20. No personal discussion.

QIAN CHISENG, Vice Premier - Met in Seattle with about 15-20 people as part of a group, APAC, from Arkansas. No personal conversation and nothing substantive discussed.

LIU HUA QIU, Deputy Foreign Minister - Same circumstances as the CHISENG contact. Met in Seattle with about 15-20 people as part of a group, APAC, from Arkansas. No personal conversation and nothing substantive discussed.

LI ROI HWAN, Vice Chair - Met during COMMITTEE 100 trip to Beijing during March or April of 1994. A group of about 20. No personal discussion.

LI DAO YU, Former Ambassador to U.S. - Just met at embassy functions during '94 and '95. No personal conversations.

YANG XU QIANG - Handled finances for the Chinese Embassy in the 1970's. HUANG was invited one time during the late 80's for lunch in China to discuss banking business.

WANG XUE XIANG - Was Consular General in Los Angeles. HUANG went to a dinner at his house with 30 or more other people present. HUANG had also seen him at other functions.

YANG JE TSU - Was second in charge of the Chinese Embassy, later transferred back to be Minister of Foreign Affairs. Was replaced by ZHOU WEN ZHUN (discussed above). HUANG saw him at embassy events. No personal contacts.

WU YI - Former Minister of Foreign Trade and Economic Cooperation (MOFTEC). HUANG received a message from LIPFO that she was coming into town and to please greet her in Los Angeles, and he did. Nothing substantive discussed.

SHI GUANSHEN - Took over YI's position with MOFTEC in 1995. HUANG met him at a dinner function attended by 4000 - 5000 people. There was no personal conversation between the two. HUANG attended in his official capacity as a member of DOC. There were many DOC people at the event.

LONG YOUNG TU - Was the assistant to LI. No personal discussions between the two.

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SHEN JUE JEN - Chairman of China Resources. HUANG took him to a fundraising event for Vice President AL GORE. LIPPO had asked HUANG to take him to the event. HUANG was working for LIPPO at the time. During a trip to Hong Kong, JEN reciprocated and took HUANG to dinner. There were 150-200 people at the GORE event.

ZHENG HONG YE - Was the head of CHINA CONSUL FOR PROMOTION OF INTERNATIONAL TRADE (CCPIT). HUANG met him 3-4 times while working for LIPPO. In 1993, HUANG took him on a tour of the WHITE HOUSE with MARK MIDDLETON. YE did not meet anyone at the WHITE HOUSE. During HUANG's trip to China in 1994 with the COMMITTEE 100, YE reciprocated and invited HUANG to dinner at the GREAT WALL HOTEL. In 1995, YE was in D.C. as part of a delegation to the U.S. HUANG met him and gave him a small inexpensive gift for his family. Also in 1995, JOHNNY CHUNG brought YE to meet with HUANG and asked him to put together a meeting with RON BROWN. HUANG asked his staff to take care of the meeting, however, the meeting never happened.

(fnu) MA - Consul General for Los Angeles, later was the Chinese Ambassador to Great Britain. LILY CHEN, Commissioner for California Trade, invited HUANG to lunch with MA and JIM ROBINSON, who was a Trade Representative. The lunch was at the Consul General's office.

JIN SHU PIN - Chairman for All China Commercial Industrial Organization. PIN hosted the 1994 COMMITTEE 100 trip in Beijing. HUANG did not have personal contact with PIN.

(fnu) LI - Chinese Ambassador from Nepal. In 1995, LI came to D.C. at the suggestion of PIN. The COMMITTEE 100 asked HUANG to take LI to dinner. HUANG listened to LI's business ideas. HUANG advised that LI's daughter was working for MAYBELINE in Little Rock, Arkansas and she had some immigration issue. HUANG referred her, through LI, to JOE GIROIR.

Fundraising:

As a fundraiser, HUANG made a special effort to afford different people (Taiwanese, Mainland Chinese, Korean) the chance to sit at the head table at fundraisers. HUANG did not want to appear to show favoritism to any one particular Asian race.

At the fundraiser held at the Century City Hotel the audience was half pro-Taiwan, while the other half was for a united China. PRESIDENT CLINTON asked HUANG for advice on what he should say in his speech. When CLINTON said he was for a peaceful solution to

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the problems between Mainland China and Taiwan, the pro-Taiwan group cheered. Then, when he added that he was for a united China, the other half cheered. HUANG gave this example to show that his fundraising activities were not biased.

HUANG described TED SIOENG, CHARLIE TRIE, SHIRLEY YUNG, HENRY TAN, LILLY CHEN, KL WANG, DR. BILL SHAW, EDMOND PI, CHARLIE SIE, and HENRY HWANG, of FAR EAST NATIONAL BANK, as supporting the "one-China" theory. He considered LEE PEI WU, CEO of GENERAL BANK, DAVID HWANG and Mr. (first name unknown) TSAI from ASIA BANK New York, as being of the Independent-Taiwan camp. He considered former Chancellor TIEN, of UC BERKELEY to be on both sides of the issue.

As far as his own view related to Taiwan, HUANG said he would advise not to force the issue and let future generations decide the outcome. He believed that the best thing the U.S. could do would be to allow as many people as possible to come here and get educated at U.S. universities and colleges.

Cheong Am:

HUANG was shown copies of the three \$10,000 checks and check tracking forms from the August '96 DNC VIP Reception contributions of LUCY HAM, KYUNG HOON LEE and COMETE HONG. HUANG identified his handwriting as that in the center square of each tracking form, and the 're Lucy Ham' at the bottom of LEE's form and HONG's form.

The three checks were handed to HUANG by HAM. HUANG distinctly remembers having a discussion with HAM regarding the HONG check. He asked HAM, who was HONG? HAM told him she was LEE's Assistant or secretary. HUANG asked HAM about HONG's check and money. HAM told him that it was actually LEE's money which comprised HONG's check. HUANG told HAM that the HONG check was not good, because it was LEE's money and HUANG knew LEE was a Korean national.

However, HUANG did not recall when this conversation took place. It happened before the VIP reception. It may have happened when he got the checks, or after he had turned them in. He could not explain the contradiction between why he turned the HONG check in to the DNC given his conversation with HAM about the illegality of the HONG contribution.

HUANG did not recall if any of the checks were in an envelope, or if HAM wrote on the checks when she gave them to him.

HUANG advised that if he spoke with HAM about the HONG check

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before turning the checks into the finance department, then he would not have accepted the HONG check. Therefore, he believed that the conversation must have happened after the checks were turned in for the passes to the reception. HUANG recalled meeting with HAM 3-4 times in Chicago. At least 2 meetings were at her hotel, The Four Seasons. The meetings with HAM were during the day. The convention events were at night.

HUANG recalled HAM telling him that she would put a stop payment on the HONG check and send another check. Since there was a discussion about putting a stop payment on the HONG check, it must have been turned in already. However, HUANG advised this statement was an assumption, because he did not remember when the conversation took place, and why he accepted the HONG check.

HUANG said that he normally would have flagged the check or warned the DNC not to cash it and wait for the replacement. He did not have an explanation as to why the check was deposited, nor flagged by him as a problem contribution.

HUANG explained that he may have turned in the HONG check in order to get HAM's ticket to the VIP event, but with the intent on getting it replaced at a later date when HAM returned to Los Angeles. This explanation was another logical assumption by HUANG.

Although HUANG asked HAM about the HONG check, he did not ask about the KYUNG HOON LEE check. HUANG explained that he simply assumed that since the address on the LEE check was in Beverly Hills, the person must have enough to contribute. HUANG simply discriminated between the two addresses on the HONG and LEE checks and asked no questions about the LEE check. HONG's address was El Segundo, CA.

HUANG was aware that LEE was bringing Korean Congressman KOOB SOO CHOI to the VIP reception. HAM gave this information to HUANG. HUANG was shown his notes from his steno pad. He remembered taking the notes from a telephone call. He was told about the 6 people that would be coming from CHEONG AM AMERICA, INC. HUANG was given information on each guest, and knew some were Korean Congressmen.

HUANG recalled receiving a cashier's check from HAM around September 10, 1996. HUANG processed the cashier's check with a check tracking form. He thought that the check had HAM's name on it, but was not sure. With hindsight, HUANG believed that the money could have come from LEE, since it was a cashier's check, however, at the time, he did not question HAM about the money she was giving.

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HUANG provided the biographical information that was incorporated into DONALD FOWLER's brief regarding the VIP reception. HUANG acknowledged that the brief referred to JOHN K.H. LEE. HUANG also acknowledged several references written by him in his steno pad, from the time period of the August '96 convention, which referred to JOHN K.H. LEE. However, HUANG did not make the connection between JOHN K.H. LEE and the \$10,000 check from KYUNG HOON LEE, that they were the same person.

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DOJ-H000282

TOTAL P.10

**JOHN HUANG FBI INTERVIEW SUMMARY**

**MARCH 1, 1999**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/5/99

John C. Keeney, Jr., Attorney, Hogan and Hartson, L.L.P., 555 13th Street, N.W., Washington, D.C. 20004, telephone 202/637-5750, was telephonically contacted by the writer as a follow-up to an interview of his client John Huang between February 23, 1999 and February 26, 1999. Keeney was previously aware of the identity of the interviewing Agent and provided the following information:

Keeney contacted Huang pursuant to additional questions being posed to Keeney by the writer regarding a request by Harold Ickes for Huang to solicit money for the Jesse Jackson, Jr. campaign. Upon further reflection, Huang remembers Ickes asking him in a telephone conversation "can you find ten to fifteen..." Huang did not know whether the ten to fifteen referred to thousand dollars or people, however, both Keeney and Huang believed that it must have been dollars. The ten to fifteen thousand dollars referred to money to be raised for the Jackson campaign. Keeney relayed that Huang, upon further reflection, remembered that in his follow-up message to Ickes after raising money, Huang stated that the "task" is "seventy to eighty percent accomplished." Keeney relayed that Huang believes that this voice mail message to Ickes was made by Huang from a pay phone in Las Vegas. Huang did not believe he had a telephone credit card at that time.

Keeney relayed that Huang indicated that he did not tell individuals he solicited anything about Harold Ickes' request, nor did he tell the individuals solicited that the White House had shown an interest in this particular election. Keeney relayed that Huang did not have to tell Arief Wiriadinata anything as Wiriadinata had "no clue" meaning he was not particularly bright. The other individuals whom Huang had solicited had known Jesse Jackson, Jr.'s father. The two other contributors that Huang had previously mentioned to the interviewing Agent, one of whom was Joseph Ambrose, were both architects from Beverley Hills, California.

Investigation on 3/1/99 at Washington, D.C. (telephonically)  
 File # 58A-HQ-1193317 Date dictated 3/4/99  
 by SA GEORGE D. WEBSTER III

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Continuation of FD-302 of JOHN C. KEENEY, JR., On 3/1/99, Page 2

Keeney relayed that Huang had a "strong recollection" that he made his telephone solicitation calls in this matter from his Los Angeles home. Huang would be "surprised" if he had made these calls from the Stephens, Inc. office and would be "shocked" if he had made them from the U.S. Department of Commerce (DOC).

Keeney relayed that Huang indicated the reason he had solicited Ambrose and the other architect was because they had just recently attended a fund raising event and had liked it. Huang may have also attended the fund raiser which the architects attended. Huang then suggested it would be good to contribute to the Jackson campaign.

In a previous conversation the same day with the writer, Keeney had indicated that one of the architects was the architect of a house owned by James Riady, possibly in the San Francisco area. Keeney indicated that this individual was a Caucasian.

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**JOHN HUANG FBI INTERVIEW SUMMARY**

**MARCH 5, 1999**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 3/12/99

John C. Keeney, Jr., Attorney, Hogan and Hartson, L.L.P., 555 13th Street, N.W., Washington, D.C., 20004, telephone number (202) 637-5750, was telephonically contacted by the writer as a follow-up to the interview of his client John Huang between February 23, 1999, and February 26, 1999. Keeney was previously aware of the identity of the interviewing agent and provided the following information:

In response to the writer's question of Keeney for Huang regarding Ickes' initial call to Huang regarding the Jackson campaign, Huang assumed, although he did not know, that Ickes was making the call from the White House. Huang assumed that the call was placed directly by Ickes, as there was no operator involved in connecting the call.

In response to the writer's second question regarding the location at which Huang made his return call to Ickes to advise him of the status of his solicitations, Huang believes that he called Ickes at his White House number. Huang's call went directly to Ickes' voicemail, and no one picked up the phone. Huang believes the only telephone number he had for Ickes was his White House number.

Investigation on 3/5/99 at Washington, D.C. (telephonically)  
 File # 58A-HQ-1193317 Date dictated 3/5/99  
 by SA George D. Webster III

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DOJ-H000285

**JOHN HUANG FBI INTERVIEW SUMMARY**

**OCTOBER 25, 1999 – OCTOBER 26, 1999**

HOUSE COMMITTEE  
ON  
GOVERNMENT REFORM

REQUEST FOR DOCUMENTS  
ON  
JOHN HUANG

58A-HQ-1193317  
FD 302 of JOHN HUANG  
DTD 10/25-26/1999

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/29/1999

Pursuant to a proffer agreement with the United States Attorney's Office, JOHN HUANG, born [redacted] social security account number [redacted] home address [redacted] was interviewed on October 25, 1999, and October 26, 1999, at the United States Attorney's Office, 312 North Spring Street, Los Angeles, California.

The following individuals were present during both proffer sessions: Assistant United States Attorney (AUSA) DANIEL O'BRIEN, SA JENNIFER M. TEASDALE, JOHN HUANG and Attorney JOHN C. KEENEY, JR., business address 555 Thirteenth Street NW, Washington, D.C. KEENEY was an attorney with HOGAN & HARTSON, L.L.P., representing HUANG. AUSA O'BRIEN provided HUANG and KEENEY copies of the proffer agreement on October 25, 1999, and October 26, 1999, and HUANG signed the agreement. HUANG was asked a series of questions pursuant to the proffer agreement.

After being advised of the identity of the interviewing agents and after signing the proffer agreement, HUANG provided the following information:

CONTRIBUTIONS TO LEO MCCARTHY

HUANG was shown a memo dated January 3, 1990, to HUANG from JAMES RIADY regarding LEO MCCARTHY's Safe Street Initiative. MCCARTHY wanted to increase his popularity; therefore, he began the Safe Street Initiative. The political contribution (hereinafter referred to as "contribution") made by HIP HING HOLDINGS (HHH) to MCCARTHY discussed in the memo was political in nature even though it was for the Safe Street Initiative. The contribution benefited MCCARTHY and his campaign. An unidentified person at MCCARTHY's office told HUANG that any entity, even a foreign entity, could contribute to the Safe Street Initiative. HUANG did not ask such person if a foreign entity could contribute to the initiative; the person just told HUANG such information.

HUANG advised the following regarding the meaning of

Investigation on 10/25-26/1999, at Los Angeles, CA
File # 58A-HQ-1193317 [redacted] -302 -5463 Date dictated
by SA Jennifer M. Teasdale JMT F

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the statement "Funding of this will mainly come from the unused budget in 1989," which was written in the January 3, 1990, memo regarding the Safe Street Initiative. RIADY wanted to know an approximate dollar amount for the upcoming year of how much was expected to be spent on community contributions, including political and charitable contributions. HUANG provided a ballpark figure in 1989 for the estimated 1990 contributions and in late 1988 or early 1989 for 1989 estimated contributions. There was no contributions budget for the year 1988 because RIADY was still in the United States at that time. However, the actual dollar amount of contributions was never equal to the budgeted amount. HUANG could not recall where the conversation regarding the budget took place and whether or not the budget was in written form. The budget was not formal, and receipts for contributions were not submitted to be recorded against the budget amount. The budget for contributions was not company specific. HUANG was the person designated to provide the estimated contributions total to RIADY because part of HUANG's job responsibilities included handling community affairs.

HUANG thought that the \$2,000 contribution made to MCCARTHY on approximately September 28, 1990, was the first corporate contribution made by a LIPPO GROUP company. The contribution was made by HHH to MCCARTHY for the Safe Street Initiative. HUANG thought that the decision may have been made to make a corporate rather than an individual contribution because other institutions had pledged money for the Safe Street Initiative. Perhaps, the decision was made to give a corporate contribution because the contribution was "like" a charitable contribution since the funds were supposed to be used for the Safe Street Initiative. However, HUANG recognized that the contribution was actually a political rather than charitable one even though it was for the Safe Street Initiative.

HUANG advised the following regarding the meaning of the phrase "in the name of 'Lippobank,'" which was written in the January 3, 1990, memo shown to HUANG regarding the Safe Street Initiative. Even though LIPPO BANK did not provide the funds for the \$2,000 contribution to MCCARTHY made in September 1990, HUANG wanted LIPPO BANK to get credit for the contribution. When HUANG wrote the January 3, 1990, memo, he did not give any thought to who would actually provide the funds for the contribution. HUANG never intended for LIPPO BANK to make the contribution. This was not what was meant by the phrase "in the name of 'Lippobank.'" HUANG only wanted LIPPO BANK to get credit for the contribution. The Board of Directors for LIPPO

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BANK would have had to approve any contributions made by LIPPO BANK. Also, LIPPO BANK was not making any money at the time. LIPPO BANK was a state chartered bank and could legally give contributions. However, HUANG simply did not want LIPPO BANK to get involved in political matters, including making contributions. HUANG did not have any conversations with RIADY regarding not having LIPPO BANK make the contribution to MCCARTHY for the Safe Street Initiative. HUANG did not write the phrase in the name of LIPPO GROUP in the memo because HUANG wanted LIPPO BANK to get credit for the contribution.

HUANG thought the handwritten note in the upper right hand corner of the January 3, 1990, memo meant simply that the funds for the MCCARTHY contribution should be provided by HHH. HUANG did not have any discussions with RIADY regarding why the funds for the contribution should be provided by HHH. HHH may have simply been chosen to pay for the contribution because HHH had funds available at that time. HUANG confirmed that the handwriting on the note was RIADY's. HHH may have been selected to make the contribution because a lot of expenses in general were paid for by HHH. For example, HUANG's paycheck at the time was being paid by HHH. HUANG did not know why HHH was the company selected to pay for numerous expenses. RIADY was the one who made the decision to run various expenses through HHH.

HUANG thought that the handwritten note on the January 3, 1990, memo which stated "pls issue a check for \$2000 - additional (the total will still be within the approval \$5,000) to 'Friends of Leo McCarthy,'" was intended for either AGUS SETIARAN or JULIANA LANO UTOMO.

HUANG advised that McCarthy's Safe Street Initiative eventually faded. Therefore, only one contribution was given by HHH to promote the initiative.

DEBBIE MCCONVILLE was a female staff person who worked for MCCARTHY.

#### HUANG'S ROLE IN COMMUNITY AFFAIRS

HUANG became responsible for handling community affairs when he was transferred to New York and became the General Manager for BANK OF CENTRAL ASIA in July 1988. HUANG worked in New York until December 1989 and moved back to California in January 1990. While living in

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New York, HUANG flew back to California almost weekly. Such trips were not always for business. HUANG's family was still living in California, and he traveled home to visit them. HUANG was active in the PACIFIC LEADERSHIP COUNCIL (PLC) while living in New York since he traveled often to California.

HUANG thought that LIPPO BANK had a budget for community related matters; however, the budget was not for community expenses of a political nature. HUANG became aware of the community budget at a LIPPO BANK board meeting. The money for the community budget came from LIPPO BANK's revenues. HUANG was not aware of any LIPPO BANK budgets which were funded by money received from overseas.

HUANG was President of the CHINESE AMERICAN BANKERS' ASSOCIATION (CABA) in 1989. RIADY was the president-elect of CABA at the end of 1987; however, he was too busy to hold the position of CABA President when it was time for him to assume such position. Therefore, RIADY obtained permission from CABA members for HUANG to assume the role of 1989 CABA President. In 1990, WILLIAM LU became CABA President, and HUANG became CABA Chairman. In 1991, HUANG rotated out of his officer positions but remained an active member of CABA. CABA had monthly meetings.

DAVID YEH was President of BANK OF TRADE while HUANG was CABA President; however, YEH was not involved in CABA. YEH was not tasked with working on community affairs because RIADY wanted YEH to focus on the day to day management of the bank. YEH was a tough minded, day to day management type of person. RIADY thought that HUANG was more suitable to work on community affairs than YEH because of HUANG's personality.

While President of CABA, HUANG tried to form an alliance between California and New York bankers. One purpose of CABA was to promote Chinese American banks to pool their funds. One common issue for Chinese American banks was the regulators' requirements regarding the number of loans made by such banks to certain minority groups, such as Hispanics and African Americans. Chinese American banks had difficulty complying with enacted banking laws. They believed that they should have been exempt from such requirements since they already catered to a minority group. HUANG believed that to get such laws changed, it was necessary to lobby the lawmakers, members of Congress. HUANG had discussions with a few politicians, such as MAXINE (phonetic) WATERS, regarding community banking matters.

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CABA worked on the community reinvestment issue, which was a large concern in the late 1980s and early 1990s. CABA also tried to encourage other minority groups to form their own banks to help their communities. CABA made contact with banking establishments to try and develop a niche in community banking efforts made by minority banks, including Chinese American banks.

HUANG was involved in various community organizations since he was responsible for community affairs for LIPPO GROUP and LIPPO BANK. HUANG was involved in the following organizations: INDONESIAN BUSINESS SOCIETY, CHINATOWN SERVICE CENTER, CALIFORNIA/TAIWAN TRADE AND INVESTMENT COUNCIL, FOREIGN TRADE ASSOCIATION, ASIA SOCIETY and possibly others. While an officer for CABA, HUANG was less active in the above organizations. HUANG was also involved in various regional associations. HUANG made contributions to some organizations in which he was not active. RIADY was a strong supporter of the ASIA SOCIETY, which had the objective of improving Americans' understanding of Asia. RIADY provided free office space to the ASIA SOCIETY in Hong Kong.

HUANG could not recall what IFGF stood for or its nature. There was an Indonesian foreign students group which may have been called IFGF.

Charitable contributions made by LIPPO GROUP and LIPPO BANK were given to facilitate the development of business relationships and for public relations rather than for political reasons.

Beginning in approximately 1990, bank regulator reports for LIPPO BANK were not favorable. HUANG wanted LIPPO BANK customers to continue to have confidence in the bank despite the negative reports. Therefore, HUANG visited various LIPPO BANK clients in person. HUANG believed that the customers' confidence in LIPPO BANK could be maintained by HUANG "showing face" and spending time with them. Also, LIPPO BANK clients knew that the RIADY family supported the bank.

HUANG sensed that RIADY realized that there were various purposes for making contributions. One purpose was to serve the community. The others were to improve business, open doors and gain more contacts. HUANG thought it was difficult to separate community relations from political relations and that political relations was just one part of community relations.

LIPPO BANK was established in California because of the

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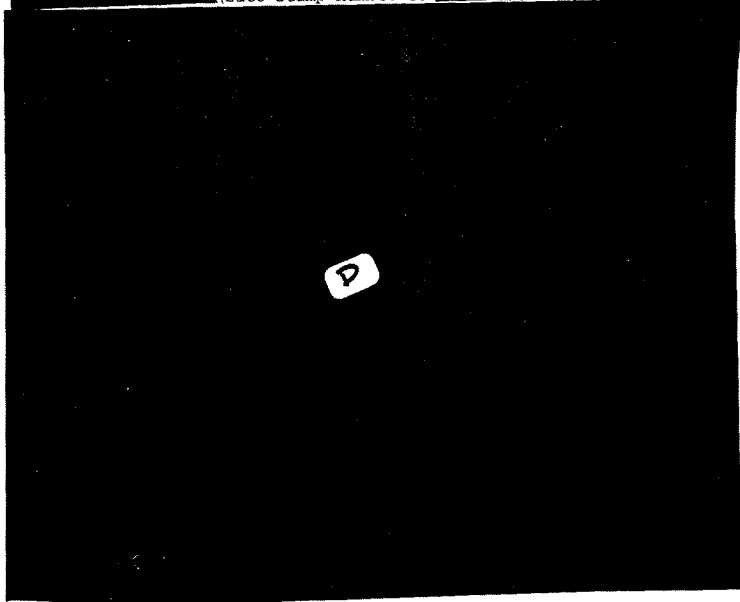
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networking potential. It was hoped that LIPPO BANK in the United States would grow over time. Anything done to benefit LIPPO BANK would benefit LIPPO GROUP even though LIPPO BANK was small in the United States and in comparison to LIPPO GROUP as a whole. HHH was supposed to have been an active entity earning rental income; however, HHH did not develop as well as intended.

[REDACTED]  
AUSA O'BRIEN read from a document entitled [REDACTED]  
[REDACTED] (bate stamp number GJ [REDACTED] and asked HUANG



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PACIFIC LEADERSHIP COUNCIL

MCCARTHY became a friend of the Asian American community due to his prior relationship with the PACIFIC LEADERSHIP COUNCIL (PLC).

HUANG first became involved in the PLC in late 1988. HUANG was acting on RIADY's behalf when he became involved in the PLC because RIADY was traveling frequently and did not have as much time to dedicate to the PLC. HUANG may have heard someone in the PLC discussing FEDERAL ELECTION COMMISSION (FEC) rules regarding foreign contributions and regarding contribution limits for individuals. HUANG could not remember PLC members discussing FEC rules regarding conduit contributions.

JAMES RIADY'S KNOWLEDGE OF FEC RULES AND REPORTING REQUIREMENTS

HUANG thought that RIADY did not know the FEC reporting requirements other than those related to donor cards. RIADY knew that donor cards had to be filled out in order to report the donor card information to the government. However, RIADY probably did not know the detailed differences regarding donor card reporting for state verses federal contributions.

HUANG was certain that RIADY knew the FEC rules regarding green card holders and United States citizens contributing. HUANG and RIADY even had discussions wherein they identified green card holders and United States citizens to make contributions. It was fair to say that HUANG learned the dollar limits on contributions from RIADY.

HUANG thought that RIADY had a sense that contributions made in the names of others were not permissible. RIADY paid HUANG in private in cash and travelers checks at RIADY's home for some contribution reimbursements.

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RIADY's APRIL 1988 DEMOCRATIC SENATORIAL CAMPAIGN COMMITTEE FUNDRAISER

HUANG was not involved in a DEMOCRATIC SENATORIAL CAMPAIGN COMMITTEE (DSCC) fundraising event held on April 22, 1988, at RIADY's home in Brentwood, California (hereinafter referred to as the "RIADY event"). HUANG did not attend the RIADY event. HUANG thought that MARIA HSIA planned the event. HUANG did not know if DEWI TIRTO was involved in planning the event. HSIA probably collected some of the contributions for the RIADY event.

HUANG was shown copies of three contribution checks payable to the DSCC from RIADY, CHOI and HUANG for \$10,000 each dated April 25, 1988, April 23, 1988, and April 25, 1988, respectively (bate stamp number A0435-0474-01-2309). HUANG confirmed that he had contributed \$10,000 to the DSCC around the time of the RIADY event, and the contribution may have been used for the event. However, HUANG did not attend the event. The contributions given by CHOI and RIADY may have also been related to the RIADY event or may have been given for DSCC memberships.

RIADY solicited HUANG for the \$10,000 contribution dated April 25, 1988, to the DSCC. HUANG thought he gave his \$10,000 contribution check to RIADY and that RIADY gave the check to HSIA. In order for the DSCC to have six Senators come to an event at someone's house, an agreement had to be reached that a minimum of \$100,000 would be raised at the event.

RIADY reimbursed HUANG for HUANG's \$10,000 DSCC contribution dated April 25, 1988. HUANG and RIADY were at RIADY's home, and RIADY gave HUANG some cash and some travelers' checks to reimburse HUANG for the contribution. RIADY probably gave HUANG more than \$10,000 in order to cover other miscellaneous business expenses incurred by HUANG. There was no doubt in HUANG's mind at the time that he was being reimbursed for his \$10,000 DSCC contribution. It was not unusual for HUANG to go to RIADY's house in the normal course of business. RIADY asked HUANG to come to RIADY's house. No one other than RIADY and HUANG were in the room when RIADY reimbursed HUANG. HUANG thought the reimbursement took place approximately one day after the RIADY event. HUANG gave RIADY the contribution check prior to being reimbursed by RIADY, and the reimbursement probably occurred the same day. HUANG remembered that RIADY did not have the reimbursement money and traveler's checks ready; therefore, RIADY left the room to get them.

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RIADY did not give HUANG any instructions regarding the \$10,000 DSCC contribution, such as to keep quiet regarding the contribution reimbursement. At that time, HUANG knew the FEC rules prohibiting third party contribution reimbursements. However, HUANG did not refuse to make the contribution and did not refuse the reimbursement funds received from RIADY. At that time, other than through RIADY's method of reimbursement, HUANG would not have known whether or not RIADY knew the FEC rules regarding contribution reimbursements.

HUANG was shown a copy of a letter dated March 15, 1988, from MCCARTHY to RIADY (bate stamp number A0435-0474-01-2310) regarding approving a dinner invitation for the RIADY event, a copy of the related draft invitation (bate stamp number A0435-0474-01-2311) and the related donor card (bate stamp number A0435-0474-01-2312). HUANG did not recall ever receiving the letter from MCCARTHY. During the time period of the letter, RIADY's mail probably first went to TIRTO, RIADY's secretary, and then TIRTO probably passed the mail on to RIADY. HUANG thought that the initial draft of the invitation for the RIADY event had been prepared by HSIA. HUANG did not know anything about RIADY being asked to review and approve the draft of the invitation for the RIADY event.

AUSA O'BRIEN read the message portion of a fax dated April 25, 1988, from HSIA to "Tirto, Secretary to Mr. James Riady" (bate stamp numbers A0435-0474-01-0522 to 0523). HUANG was shown the last page of the fax, which had the heading "New Members Leadership Circle/Business Round Table Circle" (bate stamp number A0435-0474-01-0523). HUANG advised that the statement read by AUSA O'BRIEN in the fax regarding the Vietnamese General was not related to the contributions listed in the fax. HUANG's contributions listed on the document may have been used towards other persons' memberships to the DSCC.

HUANG was shown a copy of a check from the account of Y.Y. CHAN and WAILING LAW CHAN dated April 27, 1988, payable to the DSCC for \$5,000. HUANG advised that Y.Y. CHAN was wealthy and had not been reimbursed for the contribution.

HUANG and RIADY did not have a lot of personal dealings with NOEL GOULD and RICK WEILAND of the DSCC.

RIADY'S CONTACT WITH UNITED STATES SENATORS

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HUANG was shown a memo from MARY LESLIE to RIADY dated March 7, 1988, (bate stamp number A0435-0474-01-2322) which listed the Senators asked to participate in a DSCC weekend in California around April 22, 1988. HUANG did not remember ever seeing such memo. To some degree, RIADY may have trusted TIRTO to handle RIADY's personal matters. However, TIRTO was not the person that RIADY would have asked to respond to the March 7, 1988, memo from LESLIE. HSIA may have responded to the issues discussed in the memo.

HUANG was shown a letter dated April 25, 1988, from RIADY to SENATOR TIM WIRTH (bate stamp numbers A0435-0474-04-2454 to 2455). HUANG did not prepare the letter and had not previously seen the letter. RIADY probably prepared the letter himself using a dictaphone. HUANG did not know what the typed initials "vn" at the bottom of the letter represented. HUANG could not recall having any conversations with RIADY about WIRTH.

HUANG did not participate in any conversations with RIADY about lobbying Senators by writing them letters. However, HUANG thought that writing such letters was typical of RIADY. RIADY did not have to tell HUANG why RIADY was trying to meet various Senators in order for HUANG to understand RIADY's motives. HUANG knew that meeting Senators was a way of trying to get things done. HUANG did not have any discussions with RIADY about lobbying specific issues.

HUANG was shown a handwritten note dated April 26, 1988, from RIADY to HSIA and an attached document with the heading "DSCC Issues and Agenda" (hereinafter referred to as "RIADY's agenda"), which listed various Senators and discussed various issues (bate stamp numbers A0435-0474-04-2432, 2434 and 2435). HUANG had not seen the note and attached document around the time it was written. RIADY did not ask HUANG to follow up with any Senators regarding the issues discussed in RIADY's agenda. HUANG did not assume RIADY's duties in the United States until late 1988. HUANG could not recall having a specific conversation with RIADY regarding taking over RIADY's duties in the United States. Such conversation may have occurred, but HUANG could not specifically recall one.

HUANG did not remember RIADY ever discussing RIADY's agenda at PLC meetings. However, by the time HUANG became involved in PLC meetings, RIADY no longer attended PLC meetings. HUANG did not have any conversations with RIADY in which they tried to identify Senators

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on the banking committee. However, HUANG himself tried to identify Senators on the banking committee in connection with HUANG's involvement in CABA. HUANG recognized that his involvement in CABA was intended in part to benefit LIPPO BANK. HUANG also thought that it was good to help banks in the community; HUANG wanted to take care of "the big picture."

In early 1988, HUANG was probably not thought of favorably by RIADY because of poor decisions HUANG had made regarding INN HOLDINGS INC. HUANG even considered resigning at one time. HUANG was not as involved in fundraising events with RIADY in early 1988 because of RIADY's feelings toward him at that time.

HUANG was shown a fax dated March 30, 1988, to HUANG from HSIA with a handwritten note regarding the Senators who were confirmed to attend the RIADY event on April 22, 1988 (bate stamp number A0435-0474-01-0469). HUANG did not remember the fax or the note on the fax regarding the Senators. HUANG did not doubt that the fax was sent to him since his name was on the fax; however, he did not specifically remember the fax. HSIA would have been aware of RIADY's banking interests, such as those discussed in the fax.

HUANG was shown a copy of a document with the heading "Biography of JAMES T. RIADY" (bate stamp number A0435-0474-01-1475). HUANG had no role in preparing the biography. The biography was probably prepared so that it could be given to Senators so they would have some background on RIADY prior to attending the event at RIADY's home.

HUANG was shown two letters from RIADY to SENATOR DENNIS DECONCINI and SENATOR TIM WIRTH dated June 15, 1988, regarding \$1,000 contributions RIADY was giving to each Senator. HUANG described the letters as "simple" and thought that RIADY was probably counting on DECONCINI and WIRTH for some help.

HUANG was shown a letter dated July 28, 1988, from VIRGINIA H. WHITE, Assistant to the Chief Executive Officer, to KAREN FREDERICKSON, Project Director for the Honorable KENT CONRAD, written on BANK OF TRADE/LIPPO GROUP letterhead and indicating "bcc: James Riady" (bate stamp numbers A0435-0474-07-0554 to 0556). WHITE assisted RIADY in planning RIADY and CONRAD's trip to Taiwan, Hong Kong, Singapore and Indonesia discussed in the letter. However, WHITE did not actually go on the trip. Even though the letter to CONRAD

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mentioned a trip to Singapore, HUANG did not believe that CONRAD and RIADY ended up going to Singapore. The Taiwan portion of the trip had not been arranged by LIPPO GROUP personnel. HUANG could not identify the handwriting on some notes written at the bottom of the letter (bate stamp number A0435-0474-07-0554). However, HUANG advised that the handwriting was not RIADY's.

HUANG went on the Asia trip with RIADY and CONRAD. HUANG thought the trip was in November 1988. CONRAD was the only Senator who went on the trip. The purpose of the trip was to build relationships by meeting various government and trade officials. HUANG did not witness any conversations between RIADY and CONRAD regarding RIADY's agenda.

HUANG was shown a letter dated July 29, 1988, from WYCHE FOWLER, JR. to HSIA wherein FOWLER advised HSIA that he enjoyed meeting her at Musgrove Plantation (bate stamp number A0435-0474-04-2428). The Musgrove Plantation was a farm or island located somewhere outside of Georgia and was owned by SMITH BAGLEY (phonetic). FOWLER and HSIA's meeting at the Musgrove Plantation related to the DSCC Leadership Council.

AUSA O'BRIEN read a letter dated August 9, 1988, from HSIA to FOWLER regarding FOWLER's acceptance of an invitation to attend various events beginning August 17, 1988, in Los Angeles (bate stamp number A0435-0474-04-2427). HUANG advised that the World Chinese Banking Amity Conference was held annually, and it was held in Los Angeles in 1988. RIADY was in charge of the conference in 1988, and HUANG helped organize the conference. RIADY wanted to elevate the status of Chinese American Bankers. HUANG did not solicit anyone for contributions related to the conference. HUANG did not know if any of the speakers at the 1988 Chinese Banking Amity Conference were Senators. However, RIADY had wanted FOWLER to speak at the conference.

AUSA O'BRIEN read excerpts of the minutes of the meeting of the PLC held on November 10, 1988, regarding the "the coming January 1989 trip to Asia" (bate stamp numbers A0435-0474-04-2810 to 2812). HUANG advised that the PLC meeting minutes were regarding a trip to Asia which AL GORE attended. It was GORE's second trip to Asia, and he was on the trip for approximately three days. None of the five Senators discussed in the minutes actually went on the trip. MCCARTHY went on the trip. The purpose of the trip was to develop a better

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understanding of Asia in general. RIADY was not active in planning the trip. However, RIADY thought that building relationships with others was one step in his agenda.

HUANG made a contribution to SENATOR ALPHONSE D'AMATO solely because ELAINE CHOW asked him to make the contribution. HUANG did not attend a fundraising event for D'AMATO around the time period of HUANG's contribution.

HUANG did not recall giving any contributions to Republican candidates who were not on the Senate or House of Representatives banking committees other than a contribution given to MITCH MCCONNELL.

MISCELLANEOUS FUNDRAISING EVENTS

HUANG attended a DSCC lunch at RIADY's home. Approximately twenty to thirty people attended the lunch event, and the event was not very successful. HUANG did not recall there being a table with donor cards at the lunch event. FEC rules were not discussed at the event. JEFF BINGAMAN attended the event; however, BINGAMAN arrived at the last minute. BINGAMAN was the only Senator at the event. HUANG did not believe that BINGAMAN was on the Senate banking committee. HUANG could not recall the date of the lunch and whether it was before or after the April 22, 1988, RIADY event.

HUANG was shown an invitation to the Chinese New Year's Celebration honoring McCARTHY held on February 25, 1988, at the LINCOLN PLAZA HOTEL (bate stamp number A0435-0474-01-0412). HUANG remembered attending an event at the LINCOLN PLAZA HOTEL in which a few hundred people attended. HUANG thought that the invitation was probably for the event he attended. HUANG was not involved in planning the event and did not sponsor the event. RIADY did not attend the event. Other than RIADY, no one at LIPPO BANK would have solicited persons for the event.

HUANG was shown a fax to MAELEY TOM from HSIA dated February 24, 1988, with an attached seating chart for the Chinese New Year's Celebration honoring McCARTHY (bate stamp number A0435-0474-01-0302 and 0303). HUANG viewed the seating chart and stated that he thought he sat at table number eighty-eight, eighty-nine or ninety.

HUANG was shown two documents listing members of the Democratic Leadership of the United States Senate, the DSCC and the

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National Finance Council (bate stamp numbers A0435-0474-04-1934 and 1935). HUANG advised that the DSCC had a Fall dinner every September and thought that the documents may be related to a DSCC Fall dinner.

HUANG confirmed that a GRAY DAVIS event was held on May 18, 1988 at RIADY's home. HUANG was shown a typed note that stated "Please issue a personal check dated May 16, 1988, payable to 'Friends of Gray Davis', and bring the check with you on the dinner reception on May 18, 1988." (bate stamp number A0435-0474-01-0499). HUANG did not know why the note specified the contribution check be dated May 16, 1988.

HUANG solicited contributions for the May 18, 1988, GRAY DAVIS event. At that time, HUANG was aware of the FEC rules regarding foreign contributions, contribution dollar limits and third party contribution reimbursements. HUANG also believed that he knew certain information had to be obtained from contributors for reporting requirements.

HUANG attended a brunch held by CHRIS CHOI. HUANG did not plan the event or solicit contributions for the event. CHOI planned the event.

HUANG was shown a handwritten note with his name written at the top of the document, dated "6/1" regarding "LTM Comments & Follow up" (bate stamp number A0435-0474-01-0509). HUANG did not know who wrote the note, did not recognize the handwriting on the note and did not know to whom the note was written. The handwriting on the note did not appear to be HSIA's. Someone may have spoken to HUANG about the matters discussed in the note, but he could not recall any such discussions. The event referred to in the note as a "\$125K event June 24th" did not occur.

HUANG was shown a DSCC invitation for an event held on "June 24" at the ST. JAMES CLUB, 8358 Sunset Boulevard, Los Angeles, California, (bate stamp number A0435-0474-04-2439) and a DSCC confirmed list for the event (bate stamp number A0435-0474-04-2424). HUANG could not recall much about the event and did not know if he attended. HUANG did not believe that any of the people on the confirmed list were solicited by HUANG to contribute to the event. HUANG reviewed the confirmed list and advised that he was not aware of anyone listed as a contributor with a dollar amount next to his or her name being reimbursed for their contributions.

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HUANG was shown an invitation for a VICTORY FUND '88 and MICHAEL DUKAKIS event held on September 15, 1988, at the home of BUD and EVIE SPOUND, 1036 Cove Way, Beverly Hills, California (bate stamp number A0435-0474-04-2090). HUANG could not recall the specific event related to the invitation. HUANG had previously attended a DUKAKIS event but did not remember if it was the one related to the invitation.

HUANG was shown a donor card and an invitation (bate stamp numbers A0435-0474-01-0197 to 0201) announcing an event honoring MCCARTHY with the special guest MARIO CUOMO held on September 27, 1988, at Green acres, 1740 Green Acres Place, Beverly Hills, California. HUANG did not remember the event and did not know if RIADY attended. HUANG probably did not attend the event because he was in New York at the time.

HUANG was shown a list of contributions received by MCCARTHY FOR U.S. SENATE from various persons on September 8, 1988, (bate stamp number A0435-0474-08-1446). HUANG was also shown a list of contributions made by numerous persons at various events in 1988 (bate stamp numbers A0435-0474-02-0759 to 0760). HUANG reviewed both lists of contributors and their related contribution amounts. HUANG advised that he did not believe that anyone on the lists had been reimbursed for the contributions listed.

HUANG was shown a copy of a donor card and the related contribution check from RIADY to CALIFORNIA DEMOCRATIC PARTY/VICTORY FUND '92 for \$5,000 dated August 13, 1992. HUANG advised that the handwriting on the donor card was not RIADY's. Also, RAYMOND CHIN did not solicit the \$5,000 contribution from RIADY even though the donor card listed CHIN as the solicitor.

REIMBURSED CONTRIBUTIONS TO MICHAEL WOO

HUANG was shown a handwritten note from RIADY to HUANG dated

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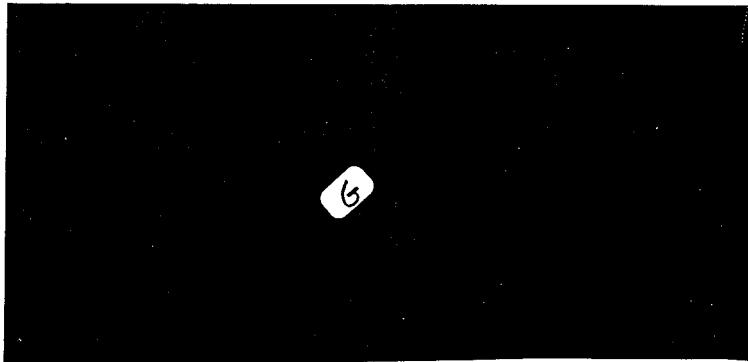


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October 18, 1988, regarding a MICHAEL WOO event and with "urgent" written at the top (bate stamp number A0543-0785-01-3512). RIADY's mannerism in the handwritten note was very direct. In the note, RIADY had written "City election is limited to \$500 each." in order to remind HUANG of such contribution rule. There were two possible reasons why RIADY asked HUANG to organize the WOO event discussed in the note. First, HUANG was responsible for handling community relations. Second, WOO himself may have asked for HUANG to help with the event.



No one whom HUANG reimbursed for contributions made to WOO expressed doubts or reserve regarding making the contributions. HUANG most likely reimbursed such contributors in cash.

HUANG was shown a copy of a donor card and the related contribution check dated November 9, 1988, payable to WOO in the amount of \$500, from RIADY. HUANG did not know who had completed the donor card with RIADY's name written on it. HUANG speculated that the donor card may have been filled out by DEWI TIRTO.

RIADY and HUANG did not raise \$20,000 for WOO as discussed in the handwritten note. However, HUANG still did not solicit contributions to WOO from LIPPO BANK employees at a nonmanagerial

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level. LIPPO BANK employees at the managerial level were considered executives, and HUANG did not feel bad about approaching them. The bottom line was that HUANG needed people to contribute to WOO's campaign as requested by RIADY; therefore, he solicited contributions from LIPPO BANK executives.

REIMBURSEMENT OF BUSINESS EXPENSES

From approximately 1985 through 1987 and part of 1988, HUANG incurred a significant amount of work related travel and other business expenses. HUANG paid for such expenses with his personal funds. HUANG submitted handwritten requests for reimbursement of the expenses. More than one handwritten reimbursement request was submitted. The deposits of large dollar amounts in HUANG's HKCB account in 1989 were for the reimbursement of expenses incurred in the time period of approximately 1985 through part of 1988.

The expense reimbursement requests were submitted in approximately 1987 and 1988 to ROY TIRTADJI. HUANG discussed the reimbursement requests with RIADY. HUANG did not have any copies of the reimbursement requests. RIADY may have read the reimbursement requests and threw them away. HUANG did not have any evidence that RIADY had thrown away the reimbursement requests, but HUANG believed this based on RIADY's general practices.

If any requests for the reimbursement of contributions had been submitted for the period of 1985 through a portion of 1988, the amounts of the contributions would have been small because HUANG was not doing much fundraising during that period. For instance, the reimbursements HUANG paid to LIPPO employees who contributed to WOO in 1988 were listed on a reimbursement request with other miscellaneous expenses. HUANG probably spoke to RIADY about including the WOO contributions on a reimbursement request.

HUANG'S BONUSES

HUANG made lists of the contributions and contribution reimbursements he paid from his personal funds and submitted the lists to RIADY to be used for the calculation of HUANG's bonuses. The lists included the date, amount and payor for each contribution. HUANG probably made copies of the contribution checks. HUANG prepared the lists at home and later handed them in person to RIADY. In order to "get things done," HUANG felt that he needed to give the lists to

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RIADY in person. Therefore, HUANG did not mail the contribution lists to RIADY.

HUANG included political and community contributions on his lists of contributions submitted to RIADY, which were used to calculate the amount of HUANG's bonuses for the years 1992 and 1993. HUANG's bonus for 1992 was paid to him in 1993, and HUANG's bonus for 1993 was paid to him in 1994. Some of the contributions HUANG made in January 1994 could have been included in the list of contributions HUANG submitted to RIADY to be used in the bonus calculation for 1993. HUANG did not know if he included any of his 1991 contributions in the 1992 contributions total discussed with RIADY.

In January 1993 after the presidential inauguration, RIADY, HUANG and some members of the RIADY family stayed at a hotel in Little Rock, Arkansas. HUANG could not remember the name of the hotel, but the hotel was across the street from the HOTEL EXCELSIOR. The RIADY family was happy with HUANG's efforts in the campaign. While in Little Rock in a hotel room, RIADY had a conversation with HUANG in person in which RIADY told HUANG that he wanted to reward HUANG \$30,000. HUANG may have given RIADY a "ballpark figure" for the amount of money HUANG had spent on contributions for 1992. HUANG did not believe that he brought a list of his 1992 contributions to such meeting with RIADY.

It was HUANG's idea to be repaid for contributions in the form of bonuses. HUANG thought that the bonus method would "look better" and discussed this with RIADY in the hotel room in Little Rock in January 1993. HUANG and RIADY discussed the issue of first setting the after tax bonus amount and then calculating the necessary gross amount before taxes. RIADY did not object to HUANG's recommendation to be reimbursed for contributions through bonuses. RIADY did not object to calculating the net amount of the bonus and then calculating the necessary gross amount to get to the agreed upon net amount. HUANG and RIADY then discussed a rough tax rate to be used. However, HUANG did not provide RIADY with HUANG's actual tax rate information. HUANG and RIADY did not discuss the legality of the bonus method of reimbursement.

The day after HUANG suggested the bonus reimbursement method, HUANG, RIADY and some members of the RIADY family were in two connecting hotel rooms visiting with one another. At one point during the visit, HUANG and RIADY stepped alone into one of the connecting

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rooms to talk. The door connecting the two rooms remained open. At that time, RIADY told HUANG that he wanted to give HUANG a bonus and suggested the amount of \$100,000 rather than the \$30,000 mentioned previously. HUANG did not know if the persons in the connecting hotel room overheard HUANG and RIADY's conversation regarding the bonus.

HUANG did not know why the decision was made to stop reimbursing HUANG through his HONG KONG CHINESE BANK account.

HUANG believed that he provided the itemized list of contributions to RIADY subsequent to their discussion in the hotel room in Little Rock, Arkansas.

HUANG did not discuss the bonus method of reimbursement with AGUS SETIAWAN. HUANG did not know how SETIAWAN knew how to treat HUANG's bonus payments in the accounting records.

When determining the amount of HUANG's bonuses for 1992 and 1993, RIADY himself may have calculated how much the before and after tax amounts of the bonuses needed to be in order to result in after tax bonus amounts comparable to the total contribution amounts. RIADY would have used an approximate tax rate in his calculations.

HUANG's SEVERANCE PAYMENT

RIADY knew that when HUANG left his employment at LIPPO GROUP to work for the DEPARTMENT OF COMMERCE (DOC), HUANG's salary would decrease. Therefore, RIADY told HUANG that RIADY wanted to give HUANG \$250,000 as a gesture. Prior to this, HUANG had not expected to receive \$250,000 from RIADY. HUANG did not give RIADY an actual list of contributions HUANG made in 1994 other than possibly the contributions made in January 1994. HUANG thought that RIADY's gesture of giving HUANG \$250,000 was so generous that HUANG did not feel right giving him a list of contributions to be used to compute an additional bonus to HUANG for 1994. RIADY was aware that HUANG had made contributions in 1994 before HUANG left for the DOC. HUANG may have given RIADY a "ballpark figure" for the total of such contributions. However, HUANG did not provide RIADY a written, detailed list of HUANG's 1994 contributions other than possibly the January 1994 contributions. HUANG did not know if RIADY had been aware of the amount of HUANG's 1994 contributions when RIADY offered HUANG the \$250,000.

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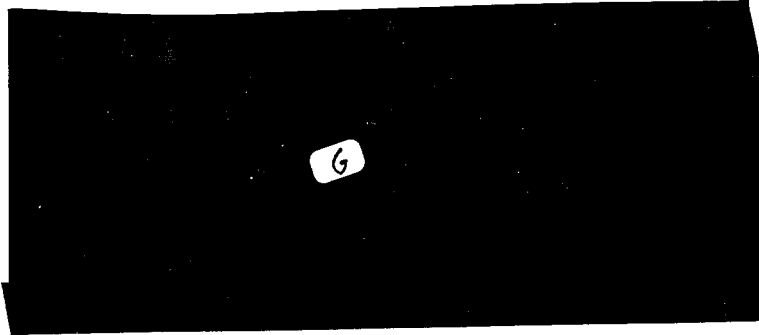
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After RIADY offered HUANG the \$250,000, HUANG calculated how to justify \$250,000 as a reasonable severance amount. HUANG even included a used car RIADY had given to HUANG in his calculation of a reasonable severance amount. HUANG actually received approximately \$230,000 to \$240,000 from RIADY. After HUANG received his severance payment, HUANG absolutely did not submit any lists to RIADY of contributions paid for by HUANG.

OTHER CONTRIBUTION REIMBURSEMENTS

HUANG did not prepare a list of contributions made by JOSEPH SUND. However, HUANG told RIADY the amounts of contributions made by SUND. HUANG kept RIADY apprised of the contributions made by SUND. HUANG did not recall speaking to JOSEPH SUND in the past year.

HUANG orally told RIADY who made contributions on behalf of LIPPO GROUP and the amounts of such contributions. HUANG did not go over the amounts with RIADY quickly; HUANG's oral report to RIADY was methodical and precise regarding each contributor. RIADY had enough time to write down the contribution information provided by HUANG.



Reimbursements made in Indonesia for United States contributions were handled discreetly even though contribution reimbursements were not viewed as a big deal in Indonesia.

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USE OF THE NAME AND ADDRESS OF LIPPO BANK

When completing donor card information, HUANG typically identified himself as being an employee of LIPPO BANK rather than LIPPO GROUP or HHH because people in general associated HUANG with LIPPO BANK. In addition, it was fair to say that HUANG identified himself as an employee of LIPPO BANK on donor cards because the name LIPPO BANK was more visible in the United States than LIPPO GROUP or HHH. People in the United States could relate more to the name LIPPO BANK than to HHH or LIPPO GROUP. HUANG thought that third parties viewed his contributions as coming from him rather than from LIPPO BANK, but at the same time, third parties associated HUANG with LIPPO BANK.

HUANG was shown a copy of a donor card and the related contribution check for his contribution to MICHAEL WOO FOR MAYOR for \$2,000 dated May 27, 1993. The handwriting on the donor card was not HUANG's. Whoever completed the donor card listed LIPPO BANK as HUANG's employer because around that time period, people in general thought of HUANG as working for LIPPO BANK.

HUANG was shown a copy of a donor card and the related contribution check his contribution to JUDY CHU for \$750 dated December 1, 1993. The handwriting on the donor card was not HUANG's.

The address of LIPPO BANK, 711 West College Street, Los Angeles, California, was used as a central address for LIPPO entity related items in the United States. The use of a United States rather than foreign address was less of a hassle. For instance, when contributions were given from an entity or individual with a foreign address, more questions arose than when a United States address was used.

HUANG was shown a copy of a donor card and the related contribution check for TOY CENTER HOLDINGS' contribution to MICHAEL WOO FOR MAYOR for \$1,000 dated April 27, 1993. HUANG advised that someone at the campaign filled out the donor card line which listed RIADY's employer as TOY CENTER HOLDINGS OF CA, INC.

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ENTITY CONTRIBUTIONS AND RELATED REIMBURSEMENTS G

HUANG believed that the first contribution made by HHH to a federal campaign was one made in August of 1992 for \$50,000 to the DEMOCRATIC NATIONAL COMMITTEE (DNC). Before the decision was made for HHH to make the \$50,000 contribution, HUANG did not believe that he had any conversations with RIADY regarding whether or not companies could contribute.

The reimbursement request memo for the overseas reimbursement of a \$50,000 contribution made by HHH on August 12, 1992, to the DNC VICTORY FUND/FEDERAL ACCOUNT had been sent out by SETIAWAN. HUANG did not have any conversations with RIADY regarding reimbursing HHH for the \$50,000 contribution. Overseas reimbursement requests were routine. It was logical that RIADY would have approved the memo requesting reimbursement for the \$50,000 HHH contribution; however, HUANG did not know if RIADY actually saw that specific memo. HUANG did not believe that ONG BWEE ENG would have wanted to assume the responsibility of approving such a large reimbursement. In general, HUANG assumed that RIADY saw the reimbursement request memos. However, HUANG did not know the exact system of approvals for expenditures. HUANG was not aware of any specific dollar amount of expenditures which required RIADY's approval. Approximately 95% of the time, HUANG did not see the reimbursement memos after they had been returned and approved overseas.

HUANG was shown a memo dated December 18, 1989, from RICHARD E. SHERWOOD to RIADY requesting a contribution to the ASIA SOCIETY (bate stamp number A0174-0214-01-0074). HUANG advised that RIADY had written a note on the memo approving a contribution to the ASIA SOCIETY because RIADY had been the one to initiate a relationship with the ASIA SOCIETY.

HUANG was shown a memo dated October 8, 1991, from HUANG to RIADY regarding MARCH FONG EU (bate stamp number A0174-0214-01-0119). HUANG advised that RIADY had written a note on the memo approving a contribution to EU because RIADY had known EU longer than HUANG at that time.

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HUANG did not know why SETIAWAN and JULIANA LANO UTOMO signed HHH's August 12, 1992, \$50,000 contribution check to the DNC.

The \$50,000 contribution made by HHH was different from the other LIPPO GROUP entity contributions because it was the first federal contribution made by a LIPPO GROUP entity and because HUANG was not actively involved in seeking the reimbursement of the contribution.

HUANG did not have any discussions with RIADY regarding potential rejection of a \$50,000 LIPPO AMERICA, INC. (LAI) check, dated August 8, 1992, payable to the DNC, which was later voided. The \$50,000 LAI check was returned to HUANG by an unknown person at the campaign.

HUANG was shown two memos from MRS. ONG BWEE ENG from HUANG regarding the reimbursement of various expenses totaling \$39,540.68 (hereinafter referred to as memo #1) and \$52,390.10 with a fax date of August 27, 1993. The handwriting at the top of memo #1 which stated "DONE" was not RIADY's. In memo #1, "pac James" meant MR. JAMES, which referred to RIADY. HUANG did not know why the fax machine date on memo #1 was August 27, 1993, when the approval date written under RIADY's signature on the memo was "27/5/93."

HUANG was shown a memo from MEI ING dated September 26, 1994, regarding funds for HIP HING HOLDINGS, LTD. (bate stamp number A0533-0791-03-2660). HUANG had no specific recollections regarding the memo.


HUANG considered ENG an executive at LIPPO GROUP. ENG referred to RIADY as "Mr. James" as a sign of respect. In Asia, it was inappropriate to refer to one's boss by his or her first name.

HUANG was shown a donor card for a contribution made by B.O.T. CORPORATION, N.V. for \$1,000 (bate stamp number A0174-0214-01-0116). HUANG advised that the handwriting on the donor card appeared to be AGUS SETIAWAN's.

HUANG believed that he gave a group of contribution checks received from various LIPPO executives, including RIADY, during the period August to November 1992 to MARY LESLIE. LESLIE told HUANG to make the checks payable to specific state parties. HUANG was certain that he personally handed some contribution checks to LESLIE at THE

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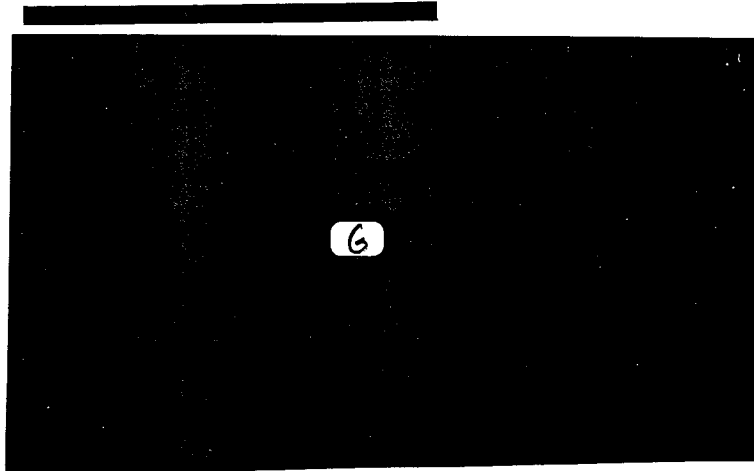


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REGENCY CLUB in Westwood. A DNC briefing was being held at the club. HUANG estimated that he handed approximately \$400,000 in contribution checks to LESLIE at that time. RAHM EMMANUEL also attended the briefing. HUANG told EMMANUEL that he had given LESLIE the contribution checks, and EMMANUEL told HUANG that he already knew LESLIE had the checks. HUANG believed that he had also mailed some contribution checks from LIPPO executives to LESLIE on other occasions.

INFORMATION REGARDING LIPPO EMPLOYEES AND ENTITIES

TONY HIDAJAT worked for LIPPO GROUP in the area of finance in Hong Kong. HUANG did not know the specific time period when HIDAJAT worked for LIPPO GROUP. HIDAJAT was from Jakarta. HUANG first met HIDAJAT in Hong Kong and had only been casually introduced to HIDAJAT.

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While working for LIPPO GROUP, HUANG assumed that HIDAJAT reported to STEPHEN RIADY. HIDAJAT was a young, quiet man and was trusted by the RIADY family. HIDAJAT was probably in his forties. HUANG did not know if HIDAJAT was a United States citizen or green card holder. HUANG did not know where HIDAJAT was living or working. HUANG did not know if HIDAJAT was wealthy.

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The main telephone number for LIPPO BANK in Los Angeles used to be (213) 625-8686 and was the telephone number used when RIADY still worked at LIPPO BANK in Los Angeles. RIADY did not have a specific telephone extension number at LIPPO BANK in his office. The main telephone number for LIPPO BANK in Los Angeles was later changed to (213) 625-1888, and HUANG's extension number was either 688 or 668.

The executives of LIPPO GROUP attempted to have annual meetings in Jakarta. HUANG, JAMES ALEXANDER and JAMES PER LEE attended one of such meetings, and HAROLD ARTHUR attended more than once.

HUANG did not know if a licensing agreement existed for the LIPPO logo.

HUANG did not know LIPPO BANK's method of filing documents. Document filing had probably been completed by JULIANA LANO UTOMO or AGUS SETIAWAN.

HHH did not have its own company letterhead.

RIADY's office was located in LIPPO VILLAGE, which was approximately thirty to forty minutes away from downtown Jakarta. Previously, RIADY's office had been in the LIPPO CENTER in Jakarta. HUANG was shown a document with various LIPPO addresses on it. After reviewing the document, HUANG indicated that the following address listed on the document was for someone at LIPPO VILLAGE: Menara Asia Lt. 8 JL Diponegoro, Lippo Karawaci, Tangerang 15810, Indonesia. After reviewing the document, HUANG indicated that the following address listed on the document was for someone at LIPPO CENTER: Lippo Center, Jl. Jendgato Subrotokav, Jakarta 12950, Indonesia. RIADY lived in a house in Indonesia, and his children went to school in LIPPO VILLAGE.

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DAVID YEH was born in China or Hong Kong. HUANG did not know YEH's age.

RICOR DASILVEIRA was Brazilian, but HUANG thought DASILVEIRA was a United States citizen. DASILVEIRA had dark brown hair. HUANG did not know the color of DASILVEIRA's eyes. BRENDA DASILVEIRA was an American and was born in the United States. B. DASILVEIRA was Caucasian and had dark blonde hair. HUANG did not know the color of B. DASILVEIRA's eyes.

JOSEPH CHIANG was born in either Taiwan or China and was a United States citizen. CHIANG had black hair and brown eyes. DONNA CHIANG grew up in Taiwan, but could have been born in China or Taiwan. She had black hair.

FELIX MA and MARY MA were Chinese and were born in China. They grew up in Taiwan. They both had black hair and brown eyes.

ONG EWEE ENG was Chinese. HUANG assumed that ENG was a citizen of Indonesia. ENG was in her late forties to early fifties. HUANG did not know her address.

YUSIATI FANGESTU was born in Indonesia and was Chinese.

KENNETH WYNN was Caucasian and was born in the United States. WYNN had dark brown hair.

SALE OF LIPPO BANK

At one time, RIADY had wanted to expand LIPPO BANK in the United States. The FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC) had prevented the expansion. RIADY discontinued his expansion pursuits due to lack of time and because he was living overseas. HUANG did not know if the Board of Directors of LIPPO BANK ever curtailed any efforts made to expand the bank. HUANG thought that at one time, bank regulators may have had a problem with LIPPO BANK opening a branch in San Jose, California. The FDIC had stopped a LIPPO BANK branch from being opened in the TOY CENTER HOLDINGS location.

HUANG thought RIADY's desire to wind up RIADY's businesses in the United States was motivated by the current financial crisis in Indonesia. HUANG did not have any conversations with RIADY regarding RIADY's reasons for winding up businesses in the United States.

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In general, the RIADY family enjoyed visiting the United States. They missed traveling to the United States for family vacations.

RIADY was a successful man and was driven to "get things done." For instance, RIADY expanded the number of banking branches from few to many overseas. RIADY was in his early forties. RIADY was more impulsive when he was younger.

HUANG had seen RIADY admit to making mistakes in the past. RIADY was a remorseful person primarily due to his religious beliefs. HUANG had seen RIADY literally cry in front of others regarding RIADY's past mistakes. RIADY was a warm person and had become more generous with age, primarily due to his religious beliefs.

HUANG has not tried to relay any information to the RIADYS which he had discussed with the FEDERAL BUREAU OF INVESTIGATION and the UNITED STATES ATTORNEY'S OFFICE. HUANG also had not asked anyone else to relay such information to the RIADYS.

RIADY'S CALIFORNIA SECRETARY OF STATE FINE

HUANG was shown documents related to a fine RIADY received from the California Secretary of State's Office dated March 13, 1991, regarding the failure to file a report regarding contributions. HUANG told RIADY about the fine and the letter regarding the fine received from the California Secretary of State's Office. HUANG told RIADY that there had been a violation of rules due to a lack of understanding of in-kind contributions. RIADY had not been surprised that the government scrutinized contributions. HUANG completed the Form 461, Independent Expenditure and Major Donor Committee Campaign Statement, for RIADY. HUANG may have asked RIADY if HUANG could sign the form for RIADY. HUANG signed RIADY's name on the form. DEWI TIRTO probably signed AILEEN RIADY's name on the check covering the fine. There had been no back door negotiations conducted to get the fine reduced.

OTHER

HUANG did not recognize the name TOM SLOAN.

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HUANG was shown a letter from himself to NANCY HEMREICH, Special Assistant to the President, dated June 1, 1993 (bate stamp number A0001-0073-01-0155). The purpose of the meeting between RIADY, MOCHTAR RIADY and PRESIDENT BILL CLINTON discussed in the letter was purely social. MOCHTAR RIADY and RIADY merely wanted to go to the WHITE HOUSE.

Around Christmas 1997, JANE HUANG received approximately \$18,000 in cash from JUWATI JUDISTIRA. JANE HUANG told HUANG about the gift, and some of the cash was deposited into one of HUANG's bank accounts. The cash was used for miscellaneous items such as to pay for food and mortgage payments. JUDISTIRA told JANE HUANG that AILEEN RIADY had wanted JUDISTIRA to give JANE HUANG the money. There was no implication that anything was expected in return for the money. The HUANGS financial condition was not very good around that time period.

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**WILLIAM JEFFERSON CLINTON FBI INTERVIEW SUMMARY**

**NOVEMBER 11, 1997**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/12/97

On November 11, 1997, WILLIAM JEFFERSON CLINTON, President of the United States, was contacted at his residence in the White House, Washington, D.C. Also present were the President's attorneys, DAVID KENDALL and NICOLE SELIGMAN. The President was advised of the identities of the interviewing agents, and of ROBERT MEYER, JAMES COOPER, LEE RADEK and CHARLES LABELLA, U.S. Department of Justice. After being advised of the nature of the interview, the President voluntarily provided the following information.

The President was aware in the Fall of 1994 that the Democratic National Committee (DNC) was attempting to raise money to pay for advertising in two main areas. The first issue was the President's health care initiative. A great deal of money (variously estimated as between one hundred million and three hundred million dollars) had been spent by opponents of the initiative on advertisements which characterized the legislation in a negative light. The DNC was attempting to raise three hundred million dollars to pay for advertising that would respond to the negative advertisements.

The second issue was the upcoming midterm election. The Republican Party had "nationalized" the election through its "Contract with America." The Democratic Party needed to respond in kind, on a national basis. The Democratic Party was being badly outspent by the Republican Party. An extra effort was needed to raise the funds necessary to counter the Republicans. Most of the money raised would probably be spent on television advertisements. The President had no knowledge of the specifics of the advertising campaign.

The President does not recall his specific role in the DNC's fundraising activities at this time. His normal practice would be to attend scheduled fundraising events. He probably did attend some of these events, although he does not specifically recall any.

The President was shown a copy of a memorandum to him, from HAROLD ICKES, dated September 20, 1994 and captioned "Telephone calls to Vernon Jordan, Senator Jay Rockefeller and Bernard Schwartz for fundraising purposes." The President

Investigation on 11/11/97 at Washington, D.C.

File # 58A-HQ-1193317 Date dictated 11/12/97  
 by SA Gregory Deegan FBI-0001  
SA Patricia E. Doyle

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advised that he had seen and read the document, and that he believed the underlinings on the document were his. The President noted that, in the memorandum, he was requested to phone the three men and to have breakfast with them. The President did not recall either calling any of the three or having breakfast with them.

The President does not recall soliciting contributions by telephone for the DNC at any time prior to the Fall of 1994. The President did not exclude the possibility that he had, but he did not remember having done so. He recalled that the two big national challenges in the Fall of 1994 were health care and the affirmative appeal of the Contract with America. He recalled that funds were being raised to address these challenges. He had no specific recollection of placing fundraising telephone calls on either issue. The President's health care initiative remained an active issue until late 1994. The President does not believe that Senate Majority Leader GEORGE MITCHELL "gave up the ghost" on the initiative until shortly before the Senate adjourned.

The President has no independent recollection of having placed fundraising telephone calls in the Fall of 1994. He became aware that he had done so through a review of documents that was conducted with his attorneys pursuant to this investigation. The President does not know whether the money that was raised through his telephone calls went to pay for health care advertisements or for something else. The President assumed that it would go toward health care.

The President was shown a copy of a memorandum to him and LEON PANETTA, from HAROLD ICKES, dated October 21, 1994 and captioned "1994 DNC Expenses." The President noted that the "left-handed check" mark appearing on the face of the document indicates that he has seen the document. The President stated that HAROLD ICKES was "very faithful" in sending him written communications. Sometimes the President would scan the documents, note the subject matter, check them and send them back unread. The presence of the President's handwriting on a communication indicates that he has read that communication; the mere presence of the check mark indicates only that the President has seen the communication and "knows what the subject matter is about." In the case of the ICKES communications, the President wanted the option of seeing the papers ICKES wrote, but he

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trusted ICKES to handle the matters over which ICKES had responsibility. The President did not recognize as his own the handwriting on the communication that was shown to him.

Addressing the subject matter of the memorandum, the President noted "We were always trying to get the DNC to hold down expenses." HAROLD ICKES led this effort. The goal was to try to ensure that more money was left at election time, when the Republicans would always have the Democrats badly outspent.

The President does not recall whose idea it was that he place fundraising telephone calls in the Fall of 1994. From reviewing documents, he has recalled that he placed the calls right before he traveled to the Middle East. The calls were close in time to the midterm elections. Television advertising expenses were up because of the election, and the ads had to be paid for. The President stated "When you book it, you've got to pay for it." The President does not recall placing additional calls on his return from the Middle East. He does recall traveling again to make appearances on behalf of Democratic candidates in their own regions.

The President does not recall any fundraising telephone calls having been placed by others (such as the Vice President or First Lady) at that time. He has spoken a lot with the Vice President over the last five years, and the conversations have tended to run together. He does not recall discussing fundraising telephone calls with the Vice President at that time.

The President stated that he knows the difference between hard and soft money, and that virtually all external expenditures of the DNC require a ratio of hard to soft money. The President is not sure exactly what he knew on the subject at that time. The President stated "Nobody ever asked me to make a phone call to raise hard money."

Because the President was asked to raise large amounts of money, he assumed that all the money he was raising was soft money. He noted also that most people who give large contributions to the Parties' National Committees also give to individual candidates. The contributions to the individual candidates would not go through the National Committee, but they would be counted against the donors' hard money limits. Each

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donor thus had unique individual circumstances that would be unknown to the President.

The President was shown a memorandum to HAROLD ICKES from TERENCE R. MCAULIFFE and LAURA HARTIGAN, dated October 18, 1994 and captioned "Election Project/Draft #5." The President does not recall having seen the document contemporaneously, and he identified the handwriting on it as HAROLD ICKES'. The President does not believe he had seen this document until his recent document review with his attorneys.

The memorandum lists a number of individuals. The President knows and sees most of the people on the list, but he does not recall making fundraising telephone calls to any of the listed persons. From having been shown White House toll records, he is aware that he made telephone calls to some of the persons listed, but he has no independent recollection of any of the calls.

The President was shown an AT&T telephone bill for calls billed to his residence telephone number (638 exchange) during the billing cycle closing on November 3, 1994. The bill showed calls to telephone numbers which KENDALL identified for him as belonging to DENNIS RIVERA, RICHARD JENRETTE, BERNARD RAPPAPORT, HOWARD GILMAN, PHILLIP FROST and RICHARD HAYWARD. The President is now aware that he made these telephone calls, but he has no independent recollection of doing so. The President does not remember calling the other persons on the list. The President has "no earthly idea why we called these and not the others." He noted that he often saw the people listed on the memorandum, and that the Fall of 1994 was a very busy time in his life. It does not surprise the President that he does not recall the telephone calls.

The President was asked if he remembered calling JOHN TORKEKELSON. The President has seen TORKEKELSON and his wife several times, and he remembers calling TORKEKELSON once. He does not believe he was calling TORKEKELSON to ask for a contribution; it may have been to thank TORKEKELSON for something he had done. The President does not believe that he asked TORKEKELSON for money. He does not remember from where he placed the call. He noted that TORKEKELSON had an interest in securities regulation; the President had reasons to talk to TORKEKELSON that had nothing to do with

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campaign contributions.

The President is asked "from time to time" to make telephone calls. When he is asked, it is usually to thank someone for something that person has done, or for some reason totally unrelated to fundraising (such as a death in that person's family). The President remembers that he was asked to make fundraising telephone calls in 1996.

It was noted that the "Presidential Movements" log for October 18, 1994 (the date the calls were placed), indicated that the President moved from the Oval Office to the Residence at the time the calls were placed. The President stated that he would "posit" that he came to the Residence for the purpose of making the calls. When asked why he did this, the President provided his general recollection of what he was told about political activities in the White House.

Someone from the White House Counsel's office (the President cannot recall who), probably accompanied by HAROLD ICKES, spoke to the President on this subject. The discussion probably took place in 1994. The President wanted to host a dinner in the White House, to be paid for by the DNC, to thank people for what they had done for him in his election campaign. The President was told that no one was really sure whether the Hatch Act applied to the President and Vice President and, if it did, exactly what that meant. No one was sure whether telephone calls were covered. It was not clear whether a political event held by President CARTER in the White House had been illegal.

The President was told that, although the law was unclear, it would be better if no fundraising activities were held in the public rooms of the White House. He was told it would be "better practice if I came up here and used the phones." The President stated that he would remember clearly if he had been told "this is legal; this is illegal," because then there would be no grey areas in his mind. The President does not recall any discussions with the Vice President about his discussion with the White House Counsel's office.

Typically, the President places evening telephone calls from his study in the White House Residence. He occasionally goes to the Oval Office, for example, if the call is to a foreign

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Head of State and involves foreign policy. He would then probably be assisted by someone from his staff.

The President was asked what he knew about how the DNC allocated contributions between hard and soft money accounts. He replied that regular contributors to the DNC knew that they were subject to limitations on hard and soft contributions. The President stated that he "never believed that there was any kind of an automatic procedure" by which the DNC would reallocate contributions into hard money accounts. The President was never given any of that information, and he never knew any of it.

The President stated "If they did what's been reported, I absolutely didn't know that." He had "no earthly idea" that the DNC was automatically putting parts of contributions into hard money accounts. The President stated "It'd be stupid." He noted that the large contributors were "committed givers" who also supported local candidates. They would already have made their hard money contributions. The contributor would know what he had already given; the DNC's solicitor would not.

The President stated that the DNC never asked him to raise hard money except when requesting him to sign letters to be used in direct mail campaigns. He added that most of the DNC's hard money was raised in direct mail campaigns. The President assumed that, in his other fundraising activities (dinners and other fundraising events), all the money he was raising was soft money.

The President was shown a copy of a memorandum to HAROLD ICKES from TERENCE R. MCAULIFFE and LAURA HARTIGAN, dated October 21, 1994 and captioned "Election Project/Draft #6." The President had no recollection of seeing this document at the time. He stated that the handwriting on the document is not his. The President knows the names of the persons listed on the memorandum.

The President does not recall making a second round of fundraising telephone calls in late October, 1994. He recalled again that his trip to the Middle East had taken place sometime during this period. The President recalled making preparations for the trip, and that the trip "was a big deal." The President does not recall what anyone else, to include the Vice President,

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was doing at this time. When the President returned from the Middle East, he was immediately asked to travel again to appear on behalf of Democratic candidates in areas where he was popular.

The President was shown a copy of a page of handwritten notes that were identified for him as notes of DAVID STRAUSS, from late 1994. The President's attention was directed to the line "-need to show our Nov & Dec events in order to borrow. BC made 15 - 20 calls - raised \$500K." The President did not recognize the handwriting on the page. He stated his belief that DAVID STRAUSS never sent him a memorandum.

The President was asked to recall the state of the DNC's finances in the October-November, 1995 period. He stated that the DNC's finances were not in good shape; that a lot of money had to be raised. The President was shown a copy of a memorandum to the President and Vice President (copy to several others) from HAROLD ICKES, dated October 20, 1995 and captioned "DNC Operating budget and media budget."

The President recalled that, at that time, he had started his re-election campaign, and the government was heading into a shutdown. The DNC was attempting, through its advertising, to contrast the differences between the Democratic and Republican Parties, after the Republicans had been in control of the Congress for the past year. The President stated that the memorandum appears to be about DNC finances in light of these factors.

The President recalled that, in the weekly meetings, there were updates on how the re-election campaign was doing, how the DNC budget was doing, and how their fundraising was going. The President does not recall if the idea of fundraising telephone calls came up in these meetings.

The President was shown a copy of a memorandum to him (copies for LEON PANETTA and ERSKINE BOWLES) from HAROLD ICKES, dated November 15, 1995 and captioned "Media and campaign related issues." His attention was directed to a line on the second page, that reads "Organize a rational fundraising plan which will undoubtedly require a substantial amount of the President's and the V.P.'s time." The President was asked to explain the meaning of the line.

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The President replied that it meant that he and the Vice President would have to spend a lot of time going to fundraisers, and that they did in fact do that. Both he and the Vice President would have to work hard to keep up with Republican efforts. The President added that he asked that, rather than scheduling him for large fundraising events around the country, he be scheduled to attend smaller lunches and dinners in Washington, D.C. The President requested this both to conserve his time, and because he frankly found the smaller gatherings to be more interesting.

Referring back to the 1994 telephone calls, the President stated that he has no independent idea how the proposal for them came up. He does not recall anyone suggesting that such calls would save time for the President. To conserve the President's time in 1995 and 1996, the DNC would schedule the smaller fundraising events, and allow the President to attend as many events as possible in Washington, D.C.

The President stated that expenditures for media were like virtually every other external (as opposed to administrative) expenditure made by the DNC, in that some mix of hard and soft money was required. The hard/soft mix is determined through a complex formula, and the formula may even vary from state to state. The President cannot put a date to his understanding of hard and soft money. He stated "I know what hard money is. I know what soft money is."

The President was shown a copy of a memorandum to him (copies to PANETTA, BOWLES and SOSNIK) from HAROLD ICKES, dated November 20, 1995 and captioned "Meeting on 18 November 1995." The President did not remember having seen this document.

The President was shown a copy of a memorandum to The President and Vice President (copies designated for several others) from HAROLD ICKES, dated October 20, 1995 and captioned "DNC 1995 Operating budget and media budget." Noting that there were no handwritten markings on the document, the President stated that he probably saw it, but is not sure if he read it; that he would be surprised if he went through more than the first page of the memorandum. It was pointed out that the memorandum breaks DNC finances into hard and soft money categories. The President noted that there was discussion at the time of the need

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to raise more hard money. This could be done through expansion of the direct mail base or by holding more small-dollar fundraising events. The President noted that the Saxophone Club was a mechanism for generating smaller contributions, all of which would be hard money. An effort was therefore made to schedule Saxophone Club events in conjunction with the bigger-ticket fundraisers.

The President's attention was directed to a memorandum to him, PANETTA, BOWLES, MAGGIE WILLIAMS, RON KLAIN, SKILA HARRIS, SOSNIK, STRAUSS and BRIAN BAILEY from HAROLD ICKES, dated 18 December 1995 and captioned "DNC budget meeting on 21 November 1995." The President acknowledged his left-handed check mark on the document, but he does not know if he read beyond the first page of the memorandum. He remembered that in late 1995 or early 1996, someone asked him to make fundraising telephone calls and gave him call sheets. He does not know "whether those call sheets grew out of this request."

The President recalled being asked to make the telephone calls around Christmas time, and being given call sheets. The President could not recall whether the call sheets remained on his desk in the Oval Office, in his private office off of the Oval Office, or in his study in the Residence. He carries a briefcase between his offices, and he may have brought the call sheets with him from office to office. Wherever he kept the sheets, the sheets "sat around for a long time." Making fundraising telephone calls "wasn't my favorite thing to do." The President preferred to speak to people in person, and he knew that he would be seeing a lot of them at campaign-related events.

The President was unable to advise whether the Vice President was making fundraising telephone calls at this time. The President knew that the Vice President was making some fundraising telephone calls at some time during the past five years, but the President does not know specifically when those calls were made.

The President was shown a copy of an E-mail to KIMBERLY H. TILLEY, copy to DAVID M. STRAUSS, from KAREN HANCOX, dated 11/24/95 and captioned "Calls". The President knew nothing about the E-mail, and he noted that neither TILLEY nor HANCOX works for him. The President did not recall making fundraising

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telephone calls on that date. He added that if he had been asked to make such calls, he would have done so.

The President was shown the original copy of his schedule for November 28, 1995. The schedule showed that the President had scheduled phone calls in the Oval Office from 5:00 pm to 6:00 pm, and phone/office time in the Oval Office/Residence from 6:00 pm to 7:00 pm. The President did not recall making fundraising calls on that date. He remembered that he had left the White House that evening for a trip to Ireland, and that it had been a busy day.

The President advised that he has no recollection of offering to make fundraising telephone calls. He was very disturbed at that time (late 1995), however, at how badly the Democrats were being outspent by the Republicans. He told the people in the DNC and other Democratic entities (such as the Democratic Senatorial Campaign Committee) that he would work hard at fundraising and, in fact, this is what the President believes he did.

The President was shown a series of sheets, captioned "DNC Finance Call Sheet," dated in November and December, 1995 and listing persons to be called. The President stated again that he remembered being asked in late 1995 or early 1996 to make fundraising telephone calls. On having been shown the call sheets as a part of his document review, the President recalled that he had seen them before. The President knows the people named on the call sheets, but he does not remember calling them. The President pointed out the names JERRY FORD and CRAIG HALL. The President does not believe that he has ever spoken to either FORD or HALL over the telephone.

The President doubts that he would have placed these calls without a staff member present. If he had been alone when he called, he would at least have had someone place the calls for him. The President does not believe that he would have dialed the people directly.

The President was shown a copy of a memorandum to him from NANCY HERNREICH and REBECCA CAMERON, dated December 22, 1995 and captioned "Phone call to Robert & Jane Meyerhoff." The President recalled that VERNON JORDAN had told him that MEYERHOFF



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was going to contribute one hundred thousand dollars to the DNC. JORDAN wanted the President to call MEYERHOFF to thank him. The President did not place the call for several weeks. This was the only time that JORDAN asked the President to make this type of call. JORDAN had to ask the President twice to make the call.

The President was shown a copy of a memorandum to him (copy to PANETTA) from HAROLD ICKES, dated February 7, 1996 and captioned "DNC fundraising calls," and attaching several call sheets. The President recalled having seen this communication and the call sheets. The President recalled that he had checked off a couple of the names, but did not call them because he had seen or was about to see them. He sent back the names of ARTHUR GOLDBERG and GAIL ZAPPA because he had seen them. The President distinctly recalled having run into ZAPPA somewhere, and GOLDBERG had held a fundraiser for him. The President did not recall all the names on the sheets. The President does not recall having called any of the individuals named, nor does he believe that he called any of them.

The President noted that there was "any number of ways" that he would be seeing the people named on the call sheets, particularly since he was in the midst of his campaign. He finally decided that he would not make any of the calls, but would instead wait until he saw the people. He did this both because he was busy and because he preferred to talk to people in person. The DNC was "doing OK in fundraising," and he was already spending a lot of time on fundraising. The President simply preferred, if he were going to ask people for their help, to speak to them in person.

The President noted that, under the notation "The President has seen" the date 5-30-96 is written. The President advised that his usual practice is, when he reads communications sent to him, to write on the actual documents and send them on. He does this for reasons of efficiency. May 30, 1996 is the date that the President "sent the memo back in some form or fashion" (either the first page alone or with the attached call sheets) to HAROLD ICKES. The President stated again that he recalled having checked off the names ARTHUR GOLDBERG and GAIL ZAPPA.

The President was shown a copy of a facsimile cover sheet from ANN BRAZIEL of the DNC to KAREN HANCOX, dated "3-7"

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and uncaptioned. On the sheet is handwritten "Harold - POTUS calls (illegible) DNC." Attached are four call sheets. The President stated that he believes he may have received this communication "between the first and second," (between the call sheets dated from November and December, 1995 and those sent on February 7, 1996). The President does not believe that he called any of the individuals, but that each of them made contributions. The President stated that he would not have called EDGAR BRONFMAN because, as noted on the call sheet, he would be seeing BRONFMAN at a fundraising dinner the next day. BRONFMAN would already be making a contribution by attending the dinner.

The President does not remember calling DANIEL ABRAHAM. He saw BERNARD SCHWARTZ "all the time." The President specifically refused to call DIRK ZIFF. ZIFF had already contributed "more than anyone could ask;" he may have been the largest individual contributor. To call ZIFF to ask for another contribution would have been "not a good thing to do."

The President pointed out that in 1994, when he had been asked to make fundraising telephone calls, he had been up against a deadline. He was preparing to leave the country, and the election was about to take place. This was not the case in 1996. The President could do his fundraising the way he preferred to do it.

The President was shown an original memorandum to him and the Vice President (copies to PANETTA, EVELYN LIEBERMAN, WILLIAMS, KLAIN, SKILA HARRIS, SOSNIK and HANCOX) from HAROLD ICKES, dated February 22, 1996 and captioned "DNC media funds." The President did not recall having seen the memorandum, with its attachment (memorandum to ICKES from BRADLEY MARSHALL, dated February 21, 1996 and captioned "Media buys") but he was "fairly certain" that he recognized his handwriting on it.

The President's attention was directed to the handwritten notation "how do we do that? w/o dir mail campaign?" The President stated that he was concerned at that time with direct mail; that he was continually trying to expand the direct mail base. He was "fairly certain" that the notation was a reference to the allocation of contributions between hard and soft money.

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The President's attention was directed to the last paragraph of the first page of the attached (MARSHALL) memorandum, in which the definition of federal money ("from the DNC perspective") is addressed. The President was not certain he had seen the attachment. He stated, however, "That's my understanding of what federal money is."

The President stated that when he and Vice President GORE call contributors, they have no idea whether the person is contributing in their personal or corporate capacity. The President recalled a conversation with a DNC official at an event of the Democratic Business Council (DBC) (for contributors of between ten thousand and forty-nine thousand nine hundred and ninety-nine dollars). The official gave the President some figures showing how the DBC had vastly increased its membership. The President had replied that was great; it would solve the hard money problems of the DNC. The DNC official corrected the President. Most of the DBC members were contributing in their corporate capacity; therefore, most of the funds raised were soft money. Federal ("hard") money is only an individual's first twenty thousand dollars.

The President repeated that no one ever discussed with him in advance the DNC's practice of reallocation of contributions. The only ways in which the President was asked to be involved in raising hard money was in building up the Saxophone Club and the DBC (to the extent the members were contributing hard money) and in approving direct mail campaigns. The President stated that he did not know the DNC had a practice of automatic reallocation. Had he known, he would not have countenanced it. The President stated "There is no excuse for doing this. None." "The last thing you'd want to do" is to jeopardize or compromise a major contributor. In the "real world," almost all of the major contributors have given to other candidates, which would count against their hard money limits. The contributions are a matter of public record. If the contributors exceeded the limits, they would be caught. Any reallocation of contributions from soft to hard money could only be done later, in direct negotiations with the contributor. The President stated "These people deserve to be treated with respect and care and not only that, it's the law."

The President stated that he knew that in 1996, some of

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the money he raised might later be converted to hard money. The President realized that hard money was an issue in 1996. A lot of money was being spent on a very expensive media campaign. The President knew that the conversion might be done "post facto." The President stated that he "knew that in '96, they might ask that," adding that he could not say that he knew that beforehand. The President did not have that knowledge in 1994, when hard money was not as big an issue. The President stated that his underlying assumption is always that when he is raising big money, it is all soft.

The President was shown a communication to "Clinton/Gore '96 New York Finance Co-Chairs", "recommended by" TERENCE MCAULIFFE, dated October 30, 1995 and captioned "Recommended Telephone Call." The President recalled that MCAULIFFE had held a huge fundraiser, and that MCAULIFFE wanted the President to call the co-chairs and thank them. The President made the call. He does not remember whether he spoke to all the co-chairs at once over a speaker phone, or whether MCAULIFFE brought them individually to the phone. It was a very brief call. All the co-chairs were already contributors. This was strictly a thank-you call. There were no solicitations.

The President has no specific recollection of placing fundraising telephone calls from any place in the White House other than his study. He has made and received calls elsewhere in the White House. His general practice is to make and receive calls in the Oval Office, his study and the sitting room off of his bedroom. Although he sometimes places telephone calls in his private office off of the Oval Office, he has never placed fundraising calls from there.

The President was aware that the Vice President was placing fundraising telephone calls. He has talked a lot to the Vice President over the past five years. He is sure that they discussed the election campaign in passing. He has no specific recollection of discussing fundraising telephone calls with the Vice President. The President does not recall whether he knew that the Vice President was placing fundraising telephone calls when he (the President) was not.

The President has no idea what legal advice the Vice President was given about conducting fundraising and political

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activity in the White House. The President does not recall discussing this with the Vice President. When he heard that the Vice President was making reimbursements for fundraising calls he had placed, it occurred to him that the Vice President might have gotten different advice. He did not ask the Vice President about the advice he had been given.

In the White House, the President can place telephone calls several ways. He can call many people in the White House directly by punching a direct dial button. When calling other people in the greater White House complex, whose number he does not know, he hits the button for BETTY CURRIE, who dials the number. When calling people elsewhere in the country, he hits the button for the White House operator, who places the call. When the President has a series of calls to be placed, he gives the list to BETTY CURRIE or NANCY HERNREICH, who place the calls. When the President is placing calls at night from his study, he generally goes through the White House operator.

The President recalled the fundraising telephone calls from October, 1994. He stated that, calling from his study, he would not have asked CURRIE or HERNREICH for help. He stated again that he did not know why he called only some people on the list and not others.

At the conclusion of the interview, the President was asked about his involvement in the media campaign for the 1996 presidential election. The President advised that he was involved in paying for the advertisements (by helping to raise money), but had no involvement in determining how the advertisements should be placed. He had some involvement in determining the content of the advertisements. He saw most of the ads before they were run, for two reasons. The first reason was to ensure that each advertisement was fair and accurate. The President recalled that he asked that "a couple" of the ads either not be run, or be sent back to be redone, because they were either inaccurate or unfair. The second reason was that the President wanted to ensure that each advertisement was "perfectly legal," within the parameters of the law. The President assured himself that the ads were legal because he had asked the counsels for the DNC and the CLINTON-GORE reelection campaign to ensure that they were within the parameters of the law. The President noted that the advertisements not only helped his Administration

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politically, they also helped the Congress. At the time the ads were run, a huge partisan struggle was ongoing to determine the direction the country would take. The President was asked what he knew about how the media campaign was funded. He replied that there were general references in the weekly meetings, and that he knew nothing beyond what he had heard in the meetings.

**WILLIAM JEFFERSON CLINTON FBI INTERVIEW SUMMARY**  
**NOVEMBER 9, 1998**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/9/98

WILLIAM JEFFERSON CLINTON, President of the United States, was contacted at his residence in the White House, Washington, D.C. Present throughout the interview were the President's attorneys, David Kendall, Nicole Seligman and Glen Donath, Williams & Connolly, 725 12th Street, N.W., Washington, D.C., telephone number (202) 434-5000. Participating with the below-listed Special Agents in the interview were U.S. Department of Justice Trial Attorneys Kirby Heller, Campaign Contributions Task Force (CCTF), and Robert Meyer, Public Integrity Section, Criminal Division. The President was introduced to the interviewers, and was informed that the interview concerned "issue ads" broadcast by the Democratic National Committee (DNC) or various Democratic state party committees during 1995 and 1996. Thereafter, the President furnished the following information:

The President recalls that the Clinton-Gore '96 Campaign Committee (hereinafter "C-G") financed and broadcast a "flight" of television advertisements in July 1995 concerning the issue of crime. The ads were prompted by Dick Morris, who urged the President to run ads early and frequently to increase public awareness of the crime bill and his Administration's accomplishments in that area. Morris urged the President to "get on and stay on the air," which Morris believed would have a lasting positive impact on the public's perception of what the President and the Democratic Party had accomplished. Toward this end, Morris also urged the President to forgo public financing of his campaign in light of fund-raising restrictions and limits. However, no one other than Morris seriously considered this alternative and his suggestion was not adopted. It was decided that one flight of crime ads would be broadcast to determine whether the ads would be successful in increasing public awareness, and the favorableness of the President and his Party.

President Clinton and his advisors hoped that the C-G crime ads would benefit his reelection effort. Another purpose of those ads was to place the President and the Democrats in the strongest possible position to engage the Republicans in what became a showdown over the federal budget. The more the President accomplished in the budget debate, the more he was able to assist the Democratic ticket.

Investigation on 11/9/98 at Washington, D.C.  
 File # 58A-HQ-1193317-MEDIADNC; 302 Date dictated 11/9/98  
 by SA JOHN WALKER/jw SA MARTIN CULBRETH FBI-00017



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The C-G crime ads were broadcast in areas where they were most likely to "influence people," and not in states in which the President and the Party already enjoyed overwhelming or little support. Although the President is unaware of precisely how the television markets were selected (he suggested that the media and polling consultants be contacted in this regard), he is generally aware that the ads were run in "swing states" deemed significant to either his reelection effort or the Democratic Party as a whole.

At some point in 1995, date not recalled, a discussion arose concerning the potential for DNC issue-advocacy. The President is not certain, but believes that he was first apprised of the potential for DNC issue ads by Dick Morris. The most likely forum for this discussion was one of the weekly Wednesday night White House residence meetings wherein the President and White House advisors discussed various political matters (the same meetings continue to this day). The President was informed, perhaps by Morris, that the Democratic Party could broadcast issue ads as long as the ads did not contain "express advocacy," which the President understood to mean that they could not urge someone to vote for or against a particular candidate. The President considered such advertising to be a particularly appropriate way to assist the Democrats in shaping the debate over the anticipated budget battle, and to assist all Democratic candidates, including himself, during the 1996 election.

The decision to commence the issue ads was reached by consensus of the President, his political advisors, and representatives of the DNC (Chairman Fowler normally attended the residence meetings and participated in such discussions) once it was determined that the program was lawful.

The television markets in which the issue ads were broadcast were selected by the same media/polling consultants based on research identifying the greatest numbers of swing voters for both the President and Congressional candidates. Further, certain Congressional districts were selected, and moderate Republican Senators targeted, to garner favorable votes on the budget. Finally, consideration was given to avoiding particularly expensive media markets, such as New York City.

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There were several purposes of the DNC issue ads. First, the Party wished to raise public awareness of the upcoming budget debate and shape public opinion in favor of the Democrats' positions, before, during and after the anticipated showdown. Second, the ads were generally designed to highlight the substantive differences between the Democrats and Republicans on a host of policy issues. Finally, the Party sought to enhance the prospects of all Democratic candidates for the 1996 election, including the President. The President is unable to quantify the significance of this third purpose in relation to the overall design of the issue ads campaign.

It was impossible during the 1996 election cycle, and has always been impossible, to extricate the political fortunes of the President from those of the Congressional officeholders/candidates of his Party. It has also been impossible for a majority party in Congress to extricate its political fortunes from those of its Congressional leaders, especially high-profile leaders such as Senator Dole and Speaker Gingrich. Accordingly, the best indicator of the standing of a party with a sitting president is the job approval of the president himself. Again, the same is true with regard to high-profile legislators holding majority leadership positions, as with Senator Dole and Speaker Gingrich during the 1996 election cycle.

The years 1995 and 1996 were politically unusual ones during which the Parties were engaged in a herculean struggle to shape the future of the country. Although it was typical for a sitting President to lose seats in the House of Representatives during an off-year election, Democratic losses during the 1994 election had been significant. The Republicans were emboldened by their successes and their "Contract on America," and sought to advance that legislative package during the 1995 budget battle. During these years, there was also an unusual convergence of Presidential and Democratic Congressional interests. Similarly, there was a great convergence of interests of Republican Congressional leadership and broader Republican interests. The Democratic Party considered it critical to raise public awareness and shape opinion in support of its budget package, as well as to tout its budget successes thereafter, particularly when the Republicans began to broadcast their own issue ads.

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The President was asked why, if the issue ads were designed to broadly advance the interests of the Democratic Party, the Party appeared to have gauged the effectiveness of those ads by monitoring, through polling, his favorableness ratings versus likely Republican presidential candidates. Reference was made to polling results presented to the President during the Wednesday residence meetings which compared his favorableness ratings with potential Republican presidential candidates, but apparently not those of other Democratic candidates. The President responded that the aforementioned "unusual convergence" of Presidential and Congressional interests meant that his "numbers" were a good indicator of how Congressional candidates were doing, as well as how effective the ads were in shaping public opinion on the Democratic message generally. Further, polling him head-to-head with other potential Presidential candidates, and monitoring changes in those numbers as the ads progressed, was perhaps the most useful barometer of how the other Democratic candidates would fare. It was impossible for him to "do better" as a result of the ads without all Democratic Congressional candidates also improving their election prospects. Finally, it was not economically feasible to poll all other candidates. For these reasons, polling was conducted not only to gauge what people thought of the ads generally, but also to ascertain the President's "favorable rating" and his vote share.

The President reiterated that the issue ads were borne of an analysis of the Democratic defeat in 1994, which suggested that the public had no understanding of the various accomplishments of the Party and his Administration during 1993 and 1994, including with regard to crime. There was a feeling that a great deal of work needed to be done to educate the public. This was the reason for the July 1995 anticrime ads. Issue ads, had they been earlier proposed to him, would have been helpful with regard to this educational work even prior to 1995. Factually accurate issue ads, created to resemble "informercials" as near as possible, would have assisted the Democrats in their political struggle in 1994, when suffering from the loss on the health care initiative and when confronted with the "Contract on America."

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The President was asked to describe his involvement with regard to the DNC issue ads. He responded that someone, likely Dick Morris, suggested to him the potential for the DNC to run issue ads to assist him and the Democrats in Congress in the coming budget fight, as well as in connection with the 1996 election. The President was generally informed how the ads would be run, why they were legal, and that he would be needed to raise money to finance the ads, which he did. Proposals for the issue ads, in the form of rough-cut video "animatics," were presented to him and his advisors at the residence meetings. He would comment whether he felt comfortable with the ads. His role was to ensure that the ads were factually accurate. The President asked "several" times, precise number and circumstances not recalled ("I didn't take notes"), whether the lawyers had approved "this." He was aware that lawyers for both the DNC and C-G were reviewing the laws applicable to issue-advocacy, as well as the content of each of the proposed issue ads prior to broadcast. Dick Morris was frustrated on a few occasions by the legal strictures imposed by these lawyers. However, the President insisted that any doubts concerning the content of an ad be resolved in the lawyers' favor.

The President was generally informed, likely by Harold Ickes, that the DNC issue ads were permissible as long as they did not constitute "express advocacy." It is the President's recollection that the DNC could broadcast such ads if they were not "tied to an election," and did not, for example, urge someone to vote for the President or against Senator Dole. In addition, the President was informed that the ads were permissible, and could mention presidential candidates, as long as they faithfully and accurately contrasted the positions of the Parties on issues, and did not say "vote for or vote against" a candidate. In considering these legal principles, the President wanted to ensure that the Democratic Party did not spend money that could only legally be spent by, and should properly be attributed to, his campaign.

Harold Ickes served as the primary intermediary between the President and the lawyers furnishing legal advice with regard to the issue ads: Lyn Utrecht of C-G and Joe Sandler of the DNC. The President did not receive legal counsel directly from either of these lawyers. President Clinton also believes that Cheryl Mills of the White House Counsel's Office was in some manner

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involved in furnishing advice as to the issue ads, including perhaps by reviewing the proposed ads.

The President was never informed by Ickes or anyone from the White House Counsel's Office that the issue ads, either in theory or with regard to the actual content of any proposed ad, were in any manner legally problematic. The President has no reason to believe that Ickes was not entirely honest with him in communicating such assurances from the lawyers, including that they were reviewing each of the ad proposals. In fact, the President believes that the lawyers did review each of the ads. In general, the President wanted any doubts associated with the issue ads to be resolved in favor of the law.

The President reiterated that the decision to commence the issue ads was arrived at through consensus of the President, his advisors, and the DNC. The President recalls that the decision was reached at one of the Wednesday night residence meetings, and that one of the DNC Chairmen was present. The President was naturally involved in the decision both because he is the titular head of the Democratic Party, as well as that he and Vice President Gore played a pivotal role in fund-raising for the issue ads.

The President was questioned as to role of the White House in approving each issue ad prior to broadcast by the DNC. He responded that, while the proposed ads were frequently discussed at the Wednesday residence meetings, another group, the White House political team, met separately from time-to-time to discuss budget issues associated with the ads. However, apart from being generally aware that the DNC awaited the lawyers' approval prior to broadcasting an ad, the President is unaware of whether there were meetings separate from the Wednesday residence meetings during which specific approval for an ad proposal was derived.

The President believes that he saw most of the issue ads, in "animatic" form, at the residence meetings prior to revision and broadcast. The President was concerned with ensuring the factual integrity of the ads. On more than one occasion, specific circumstances not recalled, the President questioned the consultants/advisors, "Is this accurate, is this fair?" The President did not himself focus on whether the ad

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content was legally acceptable, but instead whether the content was, for example, "too harsh." The President was not involved in reviewing the content of the ad proposals to determine legal compliance. He relied upon the work of the lawyers in conducting their review. The President was assured "at every turn" that the lawyers were fully involved in the ad review process.

The President recounted those instances when he solicited and/or received legal advice with regard to the issue ads. The first such time was in 1995 when the potential for such ads was first proposed to him, likely by Dick Morris. The President then inquired whether it could be done legally. On a separate occasion, date and details not recalled, the President was informed of the process established whereby the lawyers would be actively involved in reviewing ad content to ensure legal compliance. The President may also have received legal advice during other residence meetings when the animatics were reviewed. He reiterated that, while he cannot point to any specific date or meeting, he was continually assured the lawyers were on the job.

The President was shown a copy of a five-page document (the first two consisting of transmittal sheets) produced to the Department of Justice by C-G, bearing date stamp numbers IA008324-008328. The President was informed that the document was prepared by C-G General Counsel Lyn Utrecht. The President does not recall having previously seen the document, apart from his preparation for this interview. However, the content of the document is generally consistent with his recollection of what he was told about the law of issue-advocacy and the process that was followed by the lawyers. It is possible that the content of the document was discussed prior to the broadcast of any issue ads, however, the President does not specifically recall.

Most of the ad proposals reviewed by the President were in the form of animatics and were seen at the residence meetings. Occasionally, if he was unable to attend a meeting, a written script for a proposed ad was sent to him for his review. Because proposals for C-G ads were considered under the same general circumstances (i.e., during the residence meetings), the President does not have specific recollection of having reviewed DNC issue ads on a given occasion as distinct from C-G proposals. However, he would then have known, perhaps from the printed disclaimer on an animatic (he is uncertain if this format did

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contain such disclaimer), whether he was reviewing a proposal for an issue ad as distinct from a C-G ad. During either review, the President and the other participants of the residence meetings offered suggestions/comments on ads, which the President believes the media consultants took into consideration. The President certainly would not hesitate to revise an ad if he thought it was factually inaccurate or in some manner unfair.

The role of Vice President Gore with regard to the issue ads was similar to that of the President and the other participants of the residence meetings. The Vice President was present at most of the meetings and observed the same ad proposals as did the President. As with any of the other participants, the Vice President would from time-to-time make comments or offer suggestions on the ads.

The President was asked whether Harold Ickes exercised control of the DNC's expenditures for the issue ads. He responded that Ickes served as his liaison to the DNC and C-G. Ickes would review the budgets of both entities to ensure the proper allocations of money and personnel resources, and to ensure that the President was able to satisfy his fund-raising obligations. Ickes was primarily concerned with ensuring that the DNC could make its budget. The President is not sure, however, whether Ickes exercised control over that budget. While the view of the White House was sought and taken into account by the DNC, the President does not believe that Ickes exercised control over the manner in which the DNC expended its funds.

The President reiterated that, when the potential for issue ads was first presented to him, he was informed, perhaps as a result of an inquiry by him, that lawyers had considered the matter and the ads were permissible as long as they did not advocate a vote for or against a candidate. On a subsequent occasion, the President was informed that a process had been established to ensure legal compliance of the ads, and that lawyers for both C-G and the DNC were reviewing each ad prior to broadcast. The President never harbored a subjective doubt concerning the issue ad program generally, nor the content of any ad. He had been assured that the lawyers were approving each ad from a legal perspective, and he never had any reason to believe that this process was not being observed. The President reiterated that, one on at least one occasion, Dick Morris

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complained of the tight legal strictures imposed by the lawyers, and that the lawyers were overly cautious. The President's response(s) to Morris was "that's why they [the lawyers] were there."

The President was asked whether anyone ever suggested to him the reason why lawyers needed to be so actively involved in reviewing the ads. He responded that, while he and his political advisors were generally familiar with political advertising and the restrictions associated with various political expenditures, they were mindful that they were not experts with regard to the law of issue-advocacy. Accordingly, the President wanted the lawyers to tell him and his advisors what was permissible.

The President reiterated that the "enormous focus" of the issue ads was to favorably position the Democratic Party with regard to the coming budget struggle, as well as to interpret the Party's position through and after that struggle.

The President does not recall having received any legal advice in writing concerning the issue ads. He believes that Ickes verbally kept him informed.

Although the President recalls that Cheryl Mills was somehow involved with the issue ads, he does not recall having any discussions with her, or any other member of the White House Counsel's Office, on this topic.

The President is not aware of any modification to, or relaxation of, the legal guidelines imposed by the lawyers, nor to the system by which the lawyers reviewed the ad proposals. Although the fact of the lawyers' involvement in ad review was revisited on several occasions during the issue ads program (i.e., repeated assurances that this involvement continued), the President is unaware of any modifications.

No issue ad was permitted to be run, and no such ad did run, unless it was first approved by Lyn Utrecht and Joe Sandler, who ensured that it was consistent with federal election law. The President was assured of this on more than one occasion by Harold Ickes.



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The President never received legal advice contrary to that communicated to him from Lyn Utrecht and Joe Sandler that the issue ad concept, as well as the content of each ad, was legal.

**ALBERT GORE FBI INTERVIEW SUMMARY**

**NOVEMBER 11, 1997**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/13/97

Albert Arnold Gore, Jr., Vice President of the United States, date of birth March 31, 1948, Social Security Account Number: [REDACTED] was contacted via prior arrangement at his residence, U.S. Naval Observatory, Massachusetts Avenue, N.W., Washington, D.C. George Frampton and James Neel, Vice President Gore's legal counsel, and their assistant, Susan Kaslow, were also present during the interview. After being advised of the identities of the interviewing agents and that of Department of Justice Attorneys Peter Ainsworth, Jonathan Biran, Charles LaBella, and Lee Radek, Gore provided the following information:

During 1995, there were numerous discussions in small groups, which included President Clinton and Vice President Gore, regarding the issues of raising additional monies for the Democratic National Committee (DNC). As early as January 1995, President Clinton and Vice President Gore were looking forward to the new election cycle. During the spring of 1995, the DNC had scheduled some fund-raising events. However, it became obvious during the summer of 1995, that the DNC would need to raise additional monies in order to put television ads on the air. With the scheduled events that the DNC had during the summer of 1995, the monies raised would just be enough to pay the existing DNC bills and there would be no remaining money for the media fund. It was not until the fall of 1995 that there were discussions regarding the Vice President making fund-raising telephone calls in support of the DNC media fund. President Clinton and Vice President Gore were keenly aware that there was a need to raise more money if the television ads were to be run. Such money could be raised more easily if both the President and Vice President were personally involved in fund-raising efforts. The idea to make fund-raising telephone calls was an attempt to raise the needed money and at the same time reduce the amount of time that the President and Vice President were out on the road at fund-raising events.

Vice President Gore was shown a memorandum, dated December 18, 1995, from Harold Ickes to the President, et al., and the five related documents. The interviewing agents directed Vice President Gore's attention to the first paragraph to a reference of "DNC budget and fund-raising meeting on 21 November 1995 in the map room." Although Vice President Gore recollects

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 by SA Martin F. Harris  
SA Mark Richard Stanley:kjb

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attending the 11/21/95 meeting, discussions of the fund-raising calls for him and the President would not have been discussed at that meeting. The discussions regarding the fund-raising calls would have been conducted in a meeting which preceded the November 21, 1995 meeting. The November 21 meeting would have also been preceded by discussions within a small group, including the President, the Vice President, Leon Panetta, Harold Ickes, and possibly one or two other individuals. The issue of the Vice President and President making fund-raising calls would have probably been referred to in the November 21 meeting, but probably only in passing and not discussed in detail. The discussion in the smaller group was not a debate session and again, the idea of the President and the Vice President making fund-raising calls seemed attractive because it would require less time and expense to raise the necessary money.

The smaller group meetings were held on a regular basis during this same time frame (November 1995). The meetings were generally run by Ickes during which he (Ickes) presented an agenda of approximately five - six items dealing with fund-raising and campaign issues.

The smaller group meetings were not the meetings commonly referred to as the "Wednesday meeting," also known as the "residence meetings," which were held in the yellow Oval room of the White House. The topics of discussion at the "residence meetings" usually centered on the polling results in support of the DNC commercials. The group would also review new commercials, which were planning to be aired. These "residence meetings" were attended by approximately thirty people. There were also infrequent meetings held in the map room, as needed. These meetings would be attended by six - ten people and were usually held so that an issue could be resolved by the President.

Vice President Gore was shown a copy of a memorandum dated November 20, 1995, from Ickes to the President. The interviewing agents directed Vice President Gore's attention to the first paragraph regarding "This confirms the decisions made at our meeting 18 November 1995." Vice President Gore advised that he never saw this memo. However, it implies that the November 18, 1995 meeting may have been one of the small meetings which he (Gore) discussed earlier where the issue of fund-raising

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calls was brought up.

Vice President Gore was shown a copy of a memorandum dated November 28, 1995, from Harold Ickes to the President and Vice President, et al. The interviewing agents directed Vice President Gore's attention to the last paragraph of the first page, which listed "approximately 20 phone calls by the President, approximately 15 phones call by the Vice President." Vice President Gore advised that he does not remember ever seeing this memo. He stated that the number of telephone calls to be made by the President and Vice President was never discussed with him and he doubts that the issue was ever discussed with the President. This was because the general decisions were made by the President and then Harold Ickes and the DNC would try to make sense of it. The number of fifteen calls for the Vice President and twenty calls for the President may have been an effort by the DNC to put a reasonable number of such calls on the President's and Vice President's schedule. However, this did not reflect a conversation between the Vice President, the President and the DNC.

Vice President Gore was shown a copy of a computer E-mail dated November 24, 1995, from K. Hancox to Kimberly H. Tilley. Vice President Gore stated that he did not see this E-mail initially but has seen it through newspaper accounts. Again, the reference to "on their own" was consistent with the President and the Vice President initiating the idea of the fund-raising calls to reduce the amount of time on the road that would be required to fund the media campaign. The practice of "issue" advertising was a well-established practice by previous campaigns.

From a historical background, the need for the media campaign began in January 1995. This was when Newt Gingrich was sworn in as the Speaker of the House and the Republicans were the majority party. The Republican agenda (Contract with America) was at odds with the direction the Clinton Administration had intended for the country. Vice President Gore felt that these differences would come to a head near the end of the fiscal year, October 1995. He stated that in February 1995, he advised the President that there was a likelihood of a government shutdown in October 1995. At the time, the Republicans had a higher approval rating in the public opinion polls. Vice President Gore felt

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that in order to frame the upcoming election, the Democrats had to get their version as to the course of the country to the public. The public needed to be informed as to why this pending Republican agenda was not good for the country. At the time, the DNC was financially just barely keeping their head above water, but it was felt that they (DNC) could take on this media effort.

As the time for October 1995 was approaching, the only way that the Democrats could get their message out to the public was through the television ads. These ads had been budgeted at approximately one million dollars per week. The only way to get the message out was through the television ads and the only way to raise enough money for the DNC was for the President and Vice President to get personally involved in fund-raising. The DNC was running approximately one million dollars worth of television ads per week, depending on the DNC budget. However, this was on a week to week basis. Vice President Gore stated that when the DNC ads went off the air, the polls reflected an increase in the approval rating of the Republicans, but while the ads were running the Republicans approval rating fell. A government shut down was imminent.

During the November meetings, there was no discussion of where the fund-raising calls were to be made from. This issue was never discussed in the small or large meetings - at least, never in the presence of the President and Vice President.

The small meetings would usually be held based on a request from Harold Ickes. President Clinton would then convene one of these small meetings as needed. As background, there was a huge struggle going on between Dick Morris and Harold Ickes regarding the media effort. Morris was a strong advocate of having the television ads run each week. Ickes was highly skeptical of this approach. Ickes was also the liaison to the DNC, and as such was protective of the DNC budget. Any of the disagreements between Morris and Ickes over the media effort were resolved by the President. One of the normal disputes between Morris and Ickes would be around the issue of whether it was possible for the DNC to take on the media campaign without busting the DNC budget. There were also smaller disputes over particular ads, such as Ickes would feel an ad produced by Morris was terrible. Morris would then produce polling data that said the ad was good. Ickes would then question the legitimacy of the

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polling questions which had been asked. There were also disagreements over Morris being paid by the DNC. It was commonly known that Morris and Ickes did not like each other.

The small meetings were scheduled on very short notice and there was not a discussion of the fund-raising calls made during these meetings. The President and Vice President had already agreed to make the fund-raising calls so there was no need to bring the issue up at the small meetings. The context of these small meetings was framed by the larger question "was it possible or feasible for the DNC to take on such a large media project and would the DNC be able to raise the large amount of money needed for the project?" Vice President Gore said the answer to this question was "yes" because the President was the titular head of the DNC. Traditionally, the incumbent is able to do more for his party. Vice President Gore stated that he and the President were willing to do more personally to raise money for the media campaign by making more fund-raising trips and meeting with people to ask for contributions. However, there is also a need to balance the time spent in cities trying to raise money with spending more time on official duties. Vice President Gore stated that he had prior experience in calling people to raise money and knew that this could be done to raise money for the media fund.

Vice President Gore was shown a copy of a memorandum titled "DNC 1995 Budget Analysis - 11/21 POTUS Presentation." Attorney Ainsworth directed Vice President Gore's attention to the second page of the memo and the paragraphs numbered five - seven. Vice President Gore stated that the increase in the media budget from ten million to thirteen million, reflected the constant struggle between Morris and Ickes. Vice President Gore stated he had not seen this memorandum and that he did not typically read Ickes' memos. There was usually one of these memos produced each day. He stated these memos were ideological tracts (budget analysis) of the struggle between Ickes and Morris. Ickes would constantly document for the President reasons to show why Morris' ideas were "nuts" and would destroy the DNC. Vice President Gore stated that Ickes' memos would remain in his in-box until they were removed and destroyed. At the November 21 meeting, the topic of discussion was probably the DNC budget outlook and discussions regarding the potential

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sources of income. It was also discussed whether it was feasible to continue the television ads at a cost of one million dollars per week. Vice President Gore stated that in general terms, he does remember the topic of the media budget being increased from ten million to thirteen million dollars being discussed during this meeting.

Vice President Gore stated it was his understanding from the start that the media fund was funded by so called "soft" money. He stated that he does not recall any discussions about "hard" and "soft" money relating to the media fund. From the start, the media fund was feasible because it could be financed by corporate money or non-federal money. Vice President Gore was aware that the DNC needed to raise both "hard" and "soft" money. However, the "issue ads" were financed through the use of "soft" money.

Vice President Gore was directed back to the memorandum titled "DNC 1995 Budget Analysis - 11/21 POTUS Presentation." Vice President Gore advised he remembered the DNC budget and the effect of the ads on that budget being discussed during the November 21 meeting. Vice President Gore does not remember going over the issue (paragraph seven) that one million of the new 2.2 million dollars needed to be raised for the media budget would be "hard" money. Vice President Gore stated he is confident that he did not know that anything other than "soft" money was used to fund the media effort.

Vice President Gore stated there were frequent references that the DNC needed to raise a combination of "soft" and "hard" money to optimize the workings of the DNC. Vice President Gore stated that in regards to the "hard" and "soft" money ratios, that was a science he did not involve himself in. He stated he now knows something about the "hard/soft" ratios but there was a great deal of what he did not know about the "hard/soft" issue that was a mystery to him. Vice President Gore stated he does not know if the memorandum was distributed at the November 21 meeting. He recalls that there were budget tables distributed at the meeting. The specific topics of the "hard/soft" money in regards to the media fund, to his recollection, were not discussed.

Vice President Gore stated it was his understanding



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that the media fund was a fund for the production and purchase of commercials to be run by the DNC. Vice President Gore advised he never saw any DNC accounting information indicating there was a separate, discrete account set up for the media fund. However, he believes that the DNC's media fund was analogous to the Social Security fund. Vice President Gore stated that as a result of being involved in the fund-raising process, he has become aware that if you are asking someone to contribute it is better to allow the donor to make a firm connection to a result of their contribution. People are less likely to give money if they think it will be used to pay the salaries of employees, travel budgets of the chairman, and pay for lavish parties. The media fund was a way of describing the need for extra money to be raised for the television ads. It was easier to get people to contribute if they could tie their contribution to a specific thing, such as the television ads. The DNC financed an effort to put the ads on television and possibly on the radio. The funding for the television commercials came from the media fund. The television ads were aimed at showing the contrast between the Gingrich/Dole agenda and the Democratic Party's agenda.

Vice President Gore stated that the idea for the media campaign and the television ads may have begun in May 1995. The idea for the media campaign was Dick Morris'. Initially, Morris advocated running the commercials for a few weeks. Sometime prior to May 1995, meetings were held to discuss the media campaign. These meetings were informal and would sometimes only consist of the President talking separately with Morris. Vice President Gore stated the President would then come to him and ask for his thoughts about the media campaign. In late spring 1995, the President and Vice President Gore started raising funds for the DNC and the Clinton/Gore re-elect. The earliest commercials shown in the media campaign may have been related to the President's crime bill. All of the television ads focused on issues where the Democrats and the President were on one side of an issue, with the Republicans on the opposing side of the issue. The overall goal for the media campaign was in preparation of the anticipated battle over the budget. Initially, Morris had an idea to compromise with the Republicans, specifically with Trent Lott over the budget. A secondary goal of the media campaign was to frame the Democratic position for the reelection in 1996. The overall goal of the media fund was to prepare the battle field for the clash at the end of the year over the anticipated

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government shut down. The Vice President stated he had forewarned the President that this shut down was coming. If the ads were able to affect how Americans viewed the Democrats, they (Democrats) could win the budget battle with the Republicans. In addition, winning this budget battle would frame the reelection of the following year. Vice President Gore stated that in the meetings where the media campaign was discussed, he at first listened and then became an advocate for doing more (fund-raising) and launching the media campaign.

Vice President Gore stated there were several types of meetings in which the media campaign was discussed. One was the large "Wednesday or Residence" meetings, where the attendees would see the proposed television ads and hear the polling results. The DNC pretty much respected the wishes of the President in regards to the media campaign. The decision making process of the President regarding these media campaign issues included advice from his advisors, including DNC officials, information from the polls, discussions about the affordability of the media campaign and what effect or response the television ad would have on the Republicans. As a practical matter, the President would make any decision related to the media campaign. The media campaign television ads continued to focus on the clash between the Democrats and the Republicans. The media campaign was used to keep the pressure on the Republicans.

Vice President Gore stated it was understood that the President and he would have to do a lot more personal fund-raising to obtain the necessary monies for the media campaign. During meetings, the issues of how the DNC was presently raising money were discussed. These areas included how the direct mail campaign could be improved and discussing the number of fund-raising events that needed to be scheduled to meet the goals. It was understood that the media fund required adding extra effort by the President and Vice President. The only elasticity in the fund-raising system was the degree to which the President and Vice President would devote to these activities.

Vice President Gore stated that at the time, he was operating under the impression that the DNC was short of "soft" money. "Hard" money was raised from events with individual donors. Vice President Gore was shown a copy of a memorandum dated October 20, 1995, from Harold Ickes to the President and

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Vice President. The interviewing agents directed Vice President Gore's attention to the second page, first paragraph, referencing "since the approximate ratio of hard/soft for the media purchases to date is approximately 40%/60%." Vice President Gore stated the memorandum would have been sent to his office, but he would not have seen it, again because it was a Harold Ickes memo. As background, every memorandum to the President was copied to the Vice President. In addition, the Vice President also receives memoranda which are directed to him from his staff. Vice President Gore stated that when Harold Ickes started producing these types of memoranda, he (Gore) would not look at them. There are two in-boxes for incoming memoranda in the Vice President's office. One is located on the Vice President's desk and the other on the desk of the secretary. Vice President Gore would set aside the Harold Ickes memoranda and they would start to stack up. Eventually, a secretary would come into the office and automatically send these types of memos to the Vice President's Chief of Staff. Because of the clash between Morris and Ickes, the significance of the memoranda was diminished. Vice President Gore stated he knew that the memoranda only stated Ickes' position and that there was another side (Morris') to the issues. Vice President Gore advised that his Chief of Staff would alert him to anything that he (Gore) needed to see in the memorandums. However, Vice President Gore assumed the subject matter of the memorandums would have already been discussed in his and the President's presence.

Vice President Gore stated that if he read a memorandum, he would usually place a right-handed check mark in the upper left-hand corner of the document or by the caption of the document. Vice President Gore does not utilize a stamp. He stated if the document got to his in-box, and he read it, he would have almost certainly placed a check mark on the document. However, he qualified the statement by saying, if the volume of the documents that he was reviewing was high, he may not have placed a check mark on the documents. The memorandums received in the Vice President's office were not archived. Vice President Gore stated if he had seen the memo (10/20/95), it would have signaled that the media fund was made up of "hard" money. Vice President Gore stated that overall, he did know that the DNC's budgets required a mix of "hard" and "soft" money.

There were no separate meetings to discuss how the

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media campaign was going to be funded. The topic may have been touched on but there were no specific discussions of how the money was going to be raised for the media campaign. The principal issues of discussion were the issues for the ads (health care, environment, et ct.) and whether the money could be raised.

DNC officials were almost always present in the Wednesday night meetings at the White House, as well as the infrequent Map Room meetings. However, the DNC officials were almost never in the small meetings. The small meetings were usually attended by the President, Vice President, Ickes, Panetta, and possibly the Vice President's Chief of Staff.

Vice President Gore was shown documents related to a supporters meeting held on October 13, 1995 in San Francisco and December 11, 1995 in Chicago, Illinois, for the purpose of discussing the media fund with likely contributors to the media fund. Vice President Gore stated these meetings were an attempt to introduce the media fund "wholesale" to a group of people rather than through individual calls. Both of these events were added to the Vice President's schedule after he had been scheduled to go to the respective cities for other purposes. The people in attendance at the meetings were individuals who would be willing to contribute to the DNC media fund. Vice President Gore assumed that the DNC organized these events and that the DNC finance division came up with the idea. Vice President Gore stated that during these meetings, the proposed television ads were shown to the attendees as a group and he made a pitch to them as a group.

The talking points for the supporters meeting in San Francisco were prepared by Eric Anderson, who was on the Vice President's staff. The talking points were developed or prepared in consultation with the DNC finance division. Vice President Gore stated that he would not use the talking points that were prepared for him. Vice President Gore would typically tell the attendees that the Democrats were in the middle of a struggle and they needed to win the fight with the Republicans over the budget. He advised the group that the Democrats were able to run ads for this purpose and that "soft" money (corporate) was allowed. Vice President Gore would then tie the ads with the polling results which would show the success of the commercials.

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The commercials would then be shown to the group. Vice President Gore stated he would tie the commercials into the reelection campaign, as stated in the last bullet paragraph of the talking points for the supporters meeting. Vice President Gore stated the paragraph read "the outcome of this effort will not only affect the direction of many programs that affect Americans but will also frame the 1996 campaign." If there was hesitation on the part of a contributor, Vice President Gore would sometimes bring up the selling point that "soft" money was allowed because it is a lot easier to convince people to give "soft" money rather than "hard" money. Vice President Gore stated he did solicit the attendees for contributions during the meeting and sometimes let the attendees know that someone would be getting back to them in the future regarding a contribution to the media fund. Vice President Gore stated he was not sure if he told the attendees who would be getting back to them, but that it was safe to assume the attendees knew that someone would be contacting them. The attendees that were at the meetings were there because they were previous contributors. The DNC made the decision on what television ads were shown during these meetings.

Vice President Gore was shown a memorandum for the Vice President, dated February 26, 1996, titled "Weekly meeting with the President," which included "points for political budget meeting with President." Vice President Gore stated that he does not remember a "pep talk" meeting held on approximately February 28, 1996. He said that he does not think he went to this meeting because either the meeting was canceled or he was called out of town. He stated that in any event, he did not use the talking points which had been prepared by Ron Klain. Vice President Gore advised he believes these talking points were prepared by Ron Klain because the format of the talking points was characteristic of Klain's writing. He advised that he also knows the talking points were prepared by Klain because his memory has been refreshed by recent newspaper accounts.

Vice President Gore stated he has no recollection of the meeting and furthermore has never been scheduled to make a formal presentation at such a meeting. Vice President Gore advised that he would speculate the reason that Klain prepared the talking points was because of the continuing clash of recommendations between the President's advisors. Vice President Gore was identified with the school of thought to do more fund-

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raising rather than less. Ron Klain's role was to try and arm the Vice President with specifics so that the Vice President could be persuasive in the discussions. Vice President Gore stated he does not remember seeing this memorandum during that referenced time period. Furthermore, he did not read the talking points at that time.

Vice President Gore stated that the list of people that he was to call for his fund-raising calls was prepared by the DNC. A block of telephone calling time would appear on his schedule to make the DNC fund-raising calls. David Strauss may have staffed the calls with the Vice President on one or two occasions. Peter Knight may have been present on one or two occasions also. On the days that the calls were on the Vice President's schedule, Heather Marabeti, the Vice President's Executive Assistant, would come into the Vice President's office with the call sheets from the DNC.

Vice President Gore stated that as background, there was an earlier period of thank you calls made during the spring of 1995, during which the calls were initiated and dialed from Peter Knight's office. Once the answering party was on the line, the Vice President was conferenced in. Vice President Gore stated that he assumed that the DNC fund-raising calls were going to be handled in the same manner (initiated and dialed from Peter Knight's office). However, at some point during the initial DNC fund-raising calls, Vice President Gore became aware that the calls were being initiated and dialed from his office. Vice President Gore advised that he realized there was a departure from this earlier practice and then asked his Executive Assistant "is it alright?" He stated that his Executive Assistant replied "yes, we have a credit card."

Vice President Gore stated his earlier practice in the Senate did not differentiate as to where you were sitting when you made the call but how the call was billed. It had to be clear that the call would not be billed as a government expense. As a House and Senate member, there were ethics rules regarding fund-raising calls from the official office. However, the only legal question involved the reimbursement of such calls. Vice President Gore stated that as a House and Senate member, he would leave his office to make calls due to this restriction. He was also advised during his tenure as a House and Senate member, that

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if he left a message for an individual from which he was attempting to solicit a contribution, that it was "ok" to leave his office number for that individual to call him back. When the individual then returned the call to the official office, there would be no reimbursement issue as the caller would be paying for the call.

Vice President Gore stated when he got into the White House, it was this background from his House and Senate days, that he used when the calls were made in the spring of 1995. Vice President Gore advised that because there was no charge to the taxpayers he thought these calls were "ok." Vice President Gore stated that he assumed that the individuals listed on the call sheets from the DNC had been advanced, meaning the individuals had been previously been informed that the Vice President would be calling them.

Vice President Gore was shown a copy of a DNC finance call sheet, dated November 27, 1995, for Jim Hormel. Vice President Gore stated that the information he looked for on such call sheets included any spouse information and additional notes. He stated that he looked at this information so that he would be alerted to what the person may possibly talk about during their conversation. The written "PSK" were the initials of Peter Knight, which indicated that Peter Knight was present during this call. Heather Marabeti's handwriting was the "L.M.2p 11/28". Joel Velasco may have written the telephone number beside Hormel's name. Vice President Gore stated that the writing "non-federal \$ soft" and "will call back" was his handwriting. Vice President Gore could not identify who may have written "no federal \$ '95," nor does he believe that this writing was on the call sheet when he used it to talk with Hormel. The telephone calls to the individuals listed on the calls sheets were actually placed by Joel Velasco.

Vice President Gore stated it was his understanding that the money he was asking for the media fund was "soft" money. Vice President Gore advised that he thought "hard" money was subject to the \$1,000 limit to a candidate. If the candidate was involved in both a primary and general election, the limit would be \$2,000. If the individual (contributor) had a spouse, there was a possibility of an additional \$2,000 "hard" contribution. If the contributor had children, additional money could be given

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toward "hard" money. In all, the aggregate total for all candidates could not exceed in total \$25,000.

Vice President Gore stated when the controversy over his fund-raising calls broke, that was the first time he became aware that "hard" money could be given in any amount other than \$1,000 or \$2,000 increments. He advised that he thought the "soft" money which was contributed as a result of his fund-raising calls was anything above those limits (\$25,000). He stated it never occurred to him that it could be anything but "soft" money. Again, he used "soft" money as a selling point for the media fund because an individual could use their company funds to make the contribution.

Vice President Gore stated that Peter Knight may have staffed a few (three) of his fund-raising calling sessions. David Strauss may have sat in on one or two of the sessions and Heather Marabeti on one of the sessions. Vice President Gore stated that to his recollection, there were approximately four or five sessions in which he made fund-raising calls. During each of these sessions, there were approximately four to five calls made to donors. The other sessions that were conducted consisted of only one or two calls to donors. Vice President Gore stated the instances when a contributor returned his call were probably treated as a call session by the media.

Vice President Gore stated that during the fund-raising call sessions, Peter Knight would sit across from his desk and make notations on the call sheet. He advised that Peter Knight was his former Finance Chair and is recognized by those in the fund-raising arena as being associated with Vice President Gore's efforts to raise campaign funds. At the time that Knight was staffing the fund-raising calls, he (Knight) was not an official at the DNC and was still an attorney at a law firm. Vice President Gore stated that he was confident that the DNC may have given Knight or Strauss some type of feedback regarding the status of his fund-raising calls. He advised that he did not receive this information directly, nor did he receive it from Strauss or Knight.

Vice President Gore was shown a copy of a memorandum dated December 20, 1995, from Marvin Rosen and Richard Sullivan to Harold Ickes and Karen Hancox. Vice President Gore stated he



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has no recollection of this memo.

Vice President Gore was shown a copy of a DNC finance call sheet dated November 27, 1995, referencing Dr. C.J. Wang. Vice President Gore stated that upon reviewing the call sheet, he only remembered the general conversation, but no verbatim discussion during the call.

Vice President Gore was shown a copy of a DNC finance call sheet, dated December 1, 1995, in the name of Peter May. Vice President Gore stated that the handwriting for the two paragraphs on the call sheet was that of Peter Knight. He stated that reading this handwriting refreshes his memory as May wanted to honor him for the Simon Wisenthal Center. Vice President Gore stated he did make an appearance at the Center as requested in May's letter. Vice President Gore stated he had no knowledge that May was an overnight guest at the White House prior to receiving this fund-raising call.

Vice President Gore was shown a copy of a DNC call sheet dated April 22, 1996, in the name of Peter Angelos. Vice President Gore stated he does not specifically remember the conversation with Angelos, only that he remembers some type of confusion occasionally occurred on the part of the DNC. The DNC would sometimes ask the Vice President to call someone who had just given money or had already committed to give money. Peter Angelos may have already made it clear that he had already given money or was about to give money.

Vice President Gore was shown a copy of a DNC finance call sheet, dated February 1, 1996 in the name of Bob Johnson. Vice President Gore stated he has no independent recollection of the call, even though he does remember the call. Vice President Gore advised that he seems to remember Johnson making a point of insisting that it would be of benefit to the DNC to spend some of the money related to the media fund with black-owned or African-American owned radio and television stations. Vice President Gore stated that the attached "thank you letter" was probably prepared by the DNC finance division. Vice President Gore opined that the DNC finance division probably sent the thank you letters over to Heather Marabeti who would then bring the letters for him (Gore) to sign.

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Vice President Gore was shown a copy of a DNC finance call sheet, February 1, 1995, in the name Eric Becker. Vice President Gore stated that the handwriting on this call sheet was that of David Strauss. In regards to the writing "soft \$ is permitted," Vice President Gore stated this was only brought up to ease the sale of contributing to the media fund to Becker. Vice President Gore stated that not only did he not understand "hard" and "soft" money but that there is considerable doubt about the same topic in the donor community.

Vice President Gore was shown a copy of a DNC finance call sheet, dated February 1, 1995, in the name Jack Bendheim and directed to the writing "soft & corporate ok." Vice President Gore stated this language would always be found (referring to the "soft and corporate ok") on the call sheets when he made this distinction as a selling point. He stated the terms "need hard money" would never be found on the call sheets because he never brought that topic up in his discussion with the donor.

Vice President Gore stated he had no independent recollection of when he made the last fund-raising calls for the media fund. However, in preparation for this interview, he could place the date that the last calls were made as May 2, 1996. Vice President Gore advised that he was unsure of the reason that the fund-raising calls stopped. One reason may have been that there was always a need for a clear delineation between issue ads and candidate specific ads. In an issue ad, the ad cannot specifically ask people to vote for an individual campaign. Some of the DNC lawyers may have thought that closer to the time of the campaign, the issue ads had to be discontinued. Vice President Gore opined that another reason the calls may have stopped, was that it was about time for the President and himself to turn their attention to the campaign.

Vice President Gore stated he never inherited any fund-raising calls the President was not able to make. He stated that he never knew whether or not the President made fund-raising calls. He stated that from the knowledge that he has now, during the period of fall 1995 to spring 1996, he (Gore) made approximately forty-six calls, with possibly four additional calls made. Vice President Gore spoke with thirty-six people. Fourteen of those were not solicited (ie. Angelos). Twenty-two of the thirty-six people were called and asked for a

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contribution. However, fourteen of the twenty-two actually gave money as a result of the call.

Vice President Gore stated that his independent recollection of the fund-raising calling sessions was there were a few occasions and a grand total of possibly two to three dozen people contacted. However, after the newspaper accounts about his fund-raising calls were issued, the numbers were inflated because the media took into account any calls more than one minute in duration and assumed these were fund-raising calls.

Vice President Gore stated that both he and the President took an active role in reviewing the ads run for the media campaign. He and the President reviewed rough copies of the ads, which were usually presented to the group attending the Wednesday meetings. He stated that both he and President Clinton were active participants in reviewing and changing the ads as they saw fit.

Vice President Gore stated no one educated him on "hard/soft" money. There may have been a lawyer or someone from the DNC, possibly Lynn Utricht, that was knowledgeable about the topic. Vice President Gore stated he never reached out for this information because he felt that he had been in the political game for years and there was no need for further advice on the topic.

Vice President Gore stated he remembers talking with Noah Liff. However, he was not sure if it was part of the fund-raising call program. Liff is identified as a Republican, although he has given to Vice President Gore in the past when Gore was a candidate.

Vice President Gore stated he never said anything to a potential contributor that would produce a feeling or impression of being uncomfortable on the donor's part. This was reported in Bob Woodward's article through the quotation of an anonymous person. Vice President Gore stated he absolutely would not say or do anything to produce that type of feeling or impression, nor had anyone conveyed such a feeling to him.

Vice President Gore advised he can speculate on how the DNC finance division prepared the list of people to be included

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on the call sheets. He stated that the DNC finance division may have spoke with Peter Knight to determine who would be especially responsive to a call from the Vice President. He advised that all the call sheets he received for the media fund project specifically requested money to be raised for the media fund.

Vice President Gore stated that in regards to a call to David Cofrin, he does not think he (Gore) would suggest that Cofrin contribute to a coordinated campaign. A coordinated campaign is used to describe a mutuality of effort between local, state and federal candidates for projects such as "get out the vote." Vice President Gore stated he never asked for any money for the coordinated campaign during his fund-raising calls for the media fund.

Vice President Gore stated that it was his understanding that the money resulting from his fund-raising calls was being deposited as soft money into the DNC media fund. He stated that he believes the DNC was logging contributions as received. For example, if a contribution came in as "soft" money the DNC logged it as "soft" money and likewise if the contribution was a "hard" money contribution the money was logged as "hard" money. The DNC would adjust the types of fund-raising events depending on their need for "soft" and "hard" money.

Vice President Gore stated that his understanding of federal or "hard" money was within the \$1,000 per candidate limitation, per election cycle. This amount could be expanded if there were both a primary and general election for the candidate. Any additional family member of the contributor could add another \$1,000 toward the outer limit of \$25,000. This \$25,000 was the cumulative total of these \$1,000 and \$2,000 limits. A person can raise federal money in the amounts of \$5,000 or \$10,000, by asking other individuals to contribute \$1,000 for a candidate. However, the individual contributions would still be attributed to the individual donors and the total of those contributions would only be credited to the solicitor for DNC fund-raising purposes. This would not count against the solicitors "hard" money limits. Vice President Gore stated that his knowledge of the sources of "hard" money was from direct mail or from a fund-raising event. Federal money can only be spent toward specific candidates.

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Vice President Gore stated that his understanding of non-federal or "soft" money was either corporate money or money from an extremely wealthy individual. "Soft" money given by an individual was extremely rare but technically possible. Most of the "soft" money from individuals was obtained through the smaller fund-raising events. He stated that the way "soft" money was used depended on an archaic formula that was best left up to Miss Utricht and others to determine. The media fund was clearly non-candidate related and this was one of the "markers" that designated the media fund as a "soft" money expenditure.

Vice President Gore was shown a copy of a memorandum dated February 22, 1996 and an attached memo dated February 21, 1996, from Harold Ickes to the President and the Vice President. Vice President Gore stated he did not see this memo, however, if he had seen the memo he would have noted that the DNC had a zero balance in the non-federal individual account and that until more "soft" money was raised the DNC would be unable to put the ads on the air. He advised this was well into the period of time that he was not reading the Harold Ickes memos. The interviewing agent directed Vice President Gore's attention to the February 21, 1996 memo and its last paragraph stating "federal money is the first \$20,000 given by an individual." Vice President Gore stated that even if he had seen this memo, it would not have brought to mind that the contributions resulting from his fund-raising calls were going to be split according to that formula. However, it certainly would have challenged his understanding of "hard" and "soft" money. Vice President Gore stated that his belief of how the DNC treated contributions changed when he read about it in the newspaper a few weeks ago. The newspaper article was written about that specific memo.

Vice President Gore stated when he was in the House of Representatives from approximately January 1977 through January 1983, he never had a hard election race and doubts that he ever had a fund-raising event. However, when it became known that incumbent Senator Baker from Tennessee was not going to seek reelection, Vice President Gore decided to run for that Senate position and began fund-raising in support of his campaign. As a result of declaring his Senate campaign, he began to receive briefings from the Democratic Senatorial Campaign Committee (DSCC) and the Ethics Committee. The Ethics Committee would provide sessions for incumbents who were engaged in campaigns. One of

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the rules that was stated regarded the use of telephones. There was no law against using an official telephone for fund-raising calls. However, the Ethics Committee suggested that it would make a better forum to leave your office to make such calls. In response to questions from Congressmen regarding leaving a call back number when the potential contributor was not home, the Ethics Committee advised that the Congressmen could leave their office number for the caller to return the telephone call. If the caller returned the call it was "ok" to receive it at the office and ask for a solicitation. Vice President Gore stated that this was the advice that he received during his time in the House and Senate. When he got to the Senate, Vice President Gore followed the same advice. It was irrelevant where he was seated when the call was made. However, he did make fund-raising calls from an apartment in the Methodist Building which was rented by his parents. In the event that Vice President Gore attempted to contact someone for a solicitation and they were not available, he would leave his office number for them to call back. When the people called back to his office, if he (Gore) had placed the call to solicit a contribution, he would then make a solicitation to the caller. Vice President Gore said that from this understanding, it made perfect sense to him relating to the calls made during the spring of 1995, since they were being transferred to him from Peter Knight's office and resulted in no expense to the government.

Vice President Gore advised he did make fund-raising calls from the DNC on approximately October 28, 1994. This was immediately preceding the 1994 election, when the Democrats were facing a landslide defeat. There were many young people working at the DNC at the time who were facing morale problems because of the impending elections. Terry McAuliffe asked the Vice President to come over to the DNC to cheer up the DNC employees and "show the flag." Vice President Gore stated that while he was there he did make fund-raising calls to raise money for the party.

Vice President Gore was directed to a reference to David Strauss memorandum notes dated the fall of 1994. Vice President Gore stated he never saw the Strauss memo/notes until it came out in the newspaper. He stated it appears to be a set of notes that Strauss made during a meeting of political advisors. He advised he does not recall any discussion of where

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to make calls or to make calls from the residence. Vice President Gore stated he thinks that Terry McAuliffe directly asked him to come to the DNC to make the fund-raising calls. Vice President Gore was not aware of any conversation that Harold Ickes may have had regarding the topic of where the calls could be made from.

Vice President Gore stated his press conference was held on Monday, March 3, 1997. The day before, there was an article about the Vice President and the fund-raising calls on the front page of the Washington Post. However, the article, which had been written by Bob Woodward, did not say where the Vice President had made the calls from. Woodward said that it was not becoming of the office of the Vice President to solicit contributions. Vice President Gore stated that it was not until later that day on several talk shows, that some of the panelists mentioned that there may have been a problem with where the calls were made from.

Vice President Gore's attention was directed to his press briefing, dated March 3, 1997. Vice President Gore stated he said he was a candidate for reelection simply because as a candidate he should be able to and was asking for contributions. Vice President Gore stated that six months before the Woodward article came out, Woodward had asked him to help in writing a book about the campaign. Vice President Gore stated he turned down Woodward's request because he felt that providing information to Woodward would test his confidences to the President. He advised that he thought after he declined to assist Woodward, that Woodward would therefore "come after me." Vice President Gore advised he felt relieved when the article actually appeared in the newspaper, because Woodward had spent six months and nothing of substance was listed in the article.

Vice President Gore stated it was from the Sunday talk shows that he first became aware that there may have been a problem if the calls were made from his office. In the period of 24 to 36 hours before his press conference, he wanted to find out as much about his fund-raising calls so that he could make a clear explanation of what he had done to the press media. Vice President Gore advised that his staff did not want him to have a press conference so early before they had a chance to research his fund-raising calls. On one of the talk shows, George

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Stephanoupolis had stated that the White House had established a separate phone line for these types of fund-raising calls. Vice President Gore stated he knew that this was not the truth and that he wanted to lay out his position regarding the fund-raising calls he had made.

Vice President Gore stated he became aware of the press media's interest in his fund-raising calls through a Monday (March 3, 1997) meeting with the President and a Head of State. The press came in after the meeting and were asking questions about the fund-raising calls. Vice President Gore stated he told the press media that he would address their questions at a later time.

Vice President Gore stated he then went to his counsel, Charles Burson, and asked Burson for the backup information that he (Gore) needed so that he could say everything he did in regards to the fund-raising calls was correct. At that point in the interview, Attorneys Neal and Frampton raised a possible attorney client privilege regarding the discussions between the Vice President and Burson. However, Vice President Gore waived a limited attorney client privilege and agreed to answer questions regarding his discussions with Burson. Vice President Gore stated that Burson did the requested research and concluded that no law had been violated. Vice President Gore stated that until the articles about his fund-raising calls appeared in the newspaper, he did not know any of the title or section numbers of any possible violation, nor did he know what the term "Pendleton Act" meant. Vice President Gore stated that he did have a vague impression from the Ethics Committee training in Congress that Section 607 did not apply to telephone calls.

Vice President Gore stated the reason that he said the calls were placed on the DNC calling card was because in his rush to issue a statement to the press, he did not listen to his staff's advise to fully research the calls. He did clarify in a later statement that the fund-raising calls were placed on a Clinton/Gore calling card instead of a DNC calling card. Vice President Gore stated the first time he knew about the calling card was when he asked about the change in the way the fund-raising calls were initiated and dialed from his office. Vice President Gore asked Heather Marabeti if it was alright to make the fund-raising calls and she explained it was because they had



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a calling card. Vice President Gore stated that his conversation with Marabeti possibly took place in the presence of Liz Cotham and Joel Velasco, or close enough to them that they may have overheard the conversation. Vice President Gore was unaware that the Clinton/Gore calling card was issued in his name or that Marabeti had obtained the calling card.

Vice President Gore stated there were fund-raising events where the ticket price for the event was more than \$1,000. He opined that either this would be "soft" money or the person who had paid the ticket had raised the money from other contributors to go to the event.

Vice President Gore stated it was his belief that making the calls from his office was completely legal and proper and was not based on the "hard/soft" distinction. He stated the reason he was asking for only "soft" money had nothing to do with the "hard/soft" legality issues. Vice President Gore stated he assumed that there were no legal issues associated with the fund-raising calls because of the intense vetting process that occurs in placing events on his schedule. He stated the competition for both the President's and his time is so intense that each request is vetted by the Chief of Staff, Legal Counsel and staff advisors.

Vice President Gore stated the Clinton/Gore re-elect operation was able to put together the maximum fund-raising amount without the personal solicitations for contributions from the President and himself.

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**ALBERT GORE FBI INTERVIEW SUMMARY**

**JUNE 10, 1998**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription . 06/10/98

ALBERT ARNOLD GORE, JR., Vice President of the United States, date of birth March 31, 1948, Social Security Number [REDACTED] was interviewed at his residence, U.S. Naval Observatory, Massachusetts Avenue, N.W., Washington, D.C. Also present during the interview were VICE PRESIDENT (VP) GORE'S legal counsel, JAMES F. NEAL of Neal & Harwell, PLC, 2000 First Union Tower, 150 Fourth Avenue, North, Nashville, Tennessee, 37219, telephone number (615) 244-1713 and CHARLES W. BURSON, Counsel to the Vice President, Old Executive Office Building, Washington, D.C. 20501, business telephone number, (202) 456-7022 or (202) 456-9037. In order to be time sensitive, VP GORE was advised before the questioning began that when references were made to individuals who represented FRANKLIN HANEY this would include JOHN WAGSTER, PETER KNIGHT, AMBASSADOR JAMES SASSER, NORMAN BROWNSTEIN, ELLIOTT LEVITAS, JODY TRAPASSO, anyone from the law firm of WUNDER, DIEFENDERFER, CANNON, & THELEN, and anyone from the firm of BROWNSTEIN, HYATT, FARBER, & STRICKLAND. After being advised of the identity of the interviewing agent and that of Department of Justice attorney, Pamela Huff, VP GORE provided the following information:

The first time that VP GORE met HANEY was when HANEY was running for governor of Tennessee. VP GORE was a newspaper reporter for a Nashville paper and covered the election. VP GORE considers HANEY to be a friend and does not consider him to be a business associate. HANEY and VP GORE see each other one to two times per year. HANEY also attends large Democratic Party events which VP GORE attends. They do not have regular phone contact but he has talked to HANEY on the phone in the past although not recently. They do not exchange E-Mail.

VP GORE does not believe that he knows anyone by the name of JOHN WAGSTER. When told that WAGSTER is an attorney out of Nashville, Tennessee who represents HANEY and who is approximately 35 years old, VP GORE still had no recollection of WAGSTER.

REED HUNDT, former Chairman of the FEDERAL COMMUNICATIONS COMMISSION (FCC) is a good friend of VP GORE. They both attended the same elementary and high school. While HUNDT was Chairman of the FCC, VP GORE had regular contact with

Investigation on 06/10/98 at Washington, D.C.

File # 58A-HQ-1193317 Date dictated

by SA Kathleen M. Murphy FBI-TRIE-177

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him as they attended weekly communication policy meetings at the White House. There were usually about 8 people at these meetings and HUNDT would leave before any FCC issues were discussed. Also, VP GORE and HUNDT have had many conversations about the 1996 Telecommunications Reform Act. HUNDT and GORE have not had any communications whatsoever about the Portals project and/or the FCC'S resistance to move to the Portals complex.

VP GORE was never asked by HANEY or anyone representing HANEY to assist, influence, or intercede in any manner with lessening the FCC'S resistance to the move to the Portals complex. VP GORE did not give advice directly or indirectly to HANEY or anyone representing HANEY about how to best accomplish lessening the FCC'S resistance to the move to the Portals complex by directing HANEY or any of his representatives to speak with or meet with certain individuals. VP GORE stated that he was not aware of the FCC'S resistance to the move to the Portals project or the controversy surrounding the FCC'S move to the Portals until it was reported in the newspapers that a member of Congress was alleging wrongdoing in regards to the Portals and the FCC'S move to the Portals. VP GORE was unable to recall what time period this was but only that it was then when he was first aware of the controversy regarding the FCC'S move to the Portals.

VP GORE was never asked by HANEY or any of his representatives to assist, influence, or intercede in any manner with any aspect of the Portals project including the financing.

During the time period of 1994 to 1996 VP GORE could not recollect a specific conversation with HANEY regarding campaign contributions at the federal or state level. HANEY attended Democratic Party fundraisers and VP GORE stated that he was sure that they discussed campaign contributions since HANEY attended these events. VP GORE'S attorney, JAMES F. NEAL, asked GORE to clarify whether he was sure that they discussed campaign contributions or whether he assumed that they discussed campaign contributions. VP GORE stated that since he could not recall a specific conversation, he assumed that he and HANEY discussed campaign contributions at the fundraising events. Any conversation that HANEY and VP GORE may have had regarding campaign contributions would have had no correlation to the Portals.

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When asked if in 1995 or 1996 VP GORE ever spoke to HANEY or anyone who represented HANEY about the Portals project or the FCC'S move to the Portals, VP GORE stated that he has had "no conversations with FRANKLIN HANEY or anyone who represented FRANKLIN HANEY about the Portals ever."

VP GORE has no knowledge of HANEY or anyone who represented HANEY meeting with anyone from the Executive Office of the President in 1995 or 1996 regarding the Portals project. VP GORE has no knowledge of HANEY meeting with DOUGLAS SHEORN from the Office of the Deputy Chief of Staff of White House Operations. VP GORE has never heard of DOUGLAS SHEORN and did not recall SHEORN even after advised that he was believed to be Deputy Director of Information Systems and that the meeting occurred on September 25, 1995 in Room 133 according to White House waves records.

VP GORE had no knowledge of HANEY or anyone representing HANEY meeting with DAVID HAUN of the Office of Management and Budget which also falls under the Executive Office of the President regarding the Portals project. VP GORE has never heard of DAVID HAUN and still could not recall HAUN after being shown the White House waves record showing that HANEY met with HAUN ON 9/27/1995 in room 9002.

VP GORE has never spoken to GENERAL SERVICES ADMINISTRATION officials or FCC officials regarding HANEY and the Portals project and/or the FCC'S move to the Portals project. To VP GORE'S knowledge, no one under his direction has ever spoken to GSA or FCC officials regarding HANEY and the Portals project and/or the FCC'S move to the Portals project.

While ROGER JOHNSON was GSA Administrator, he and VP GORE had fairly frequent contact. VP GORE was in charge of a project called "Reinventing Government" and he recommended that a President's Management Council be formed for that project. JOHNSON used to be a Chief Executive Officer and Business Manager in private industry so VP GORE believed that he would be a valuable member of the council. JOHNSON became a member of the President's Management Council and VP GORE and JOHNSON became friends. VP GORE and JOHNSON have never had a conversation about the Portals and no one under VP GORE'S direction has had a conversation with JOHNSON about the Portals. JOHNSON is now back

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in private industry.

VP GORE knows BARBARA SILBEY but not that well. SILBEY was one of JOHNSON'S principal assistants. SILBEY was with JOHNSON at some of the events that VP GORE participated in with GSA.

The document headed "Gore to Roger Johnson" labeled with Bates Stamp #A1308-1534-01-0012 was shown to VP GORE. (The document had also been faxed to VP GORE'S attorneys a few days in advance of the interview for thorough review by the Vice President.) VP GORE stated that he had "no idea" what this document was or who prepared the document. The first paragraph of the document does not paraphrase a conversation that VP GORE had with JOHNSON directly or indirectly through someone else nor does the first paragraph summarize a communication that VP GORE had with JOHNSON. VP GORE noticed that REED HUNDT'S name was misspelled in the document.

VP GORE did not know who BROWNSTEIN refers to in the second paragraph of the document headed "Gore to Roger Johnson." VP GORE speculated that it may be NORMAN BROWNSTEIN whom he knows. VP GORE did not know HANEY was associated with BROWNSTEIN until writer listed BROWNSTEIN as a representative of HANEY at the beginning of the interview. VP GORE knows BROWNSTEIN through BROWNSTEIN'S association with the Associated American Israel Political Action Committee. VP GORE did not know who was referred to as "xxx" in the document. VP GORE added that the paragraph in quotations under the heading "Gore to Roger Johnson" "never passed his lips" nor anyone speaking at his direction.

An E-Mail dated 1/19/95 from ELLEN M. OCHS, Executive Office of the Vice President to BETH P. ALPERT bearing Bates # POR0593 was shown to VP GORE. (This document had also been previously faxed to VP GORE'S attorneys for thorough review a few days before the interview.) The E-Mail read "Senator Sassar gave the following 2 names to Strauss to receive some attention / recognition from the VP at some point:" and then listed FRANKLIN HANEY and Olan Mills as the two names. VP GORE stated that this message was never passed on to him. VP GORE speculated that the STRAUSS mentioned in the E-Mail was VP GORE'S Deputy Chief of Staff. VP GORE assumed that the message was political and meant that since these two individuals were strong supporters of SASSER

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Continuation of FD-302 of Albert Arnold Gore, Jr., On 06/10/98, Page 5

that STRAUSS should keep track of them because they could be great supporters for VP GORE as well. STRAUSS was not from Tennessee and would not have known that both HANEY and Olan Mills were already two great supporters of VP GORE. VP GORE stated that ELLEN OCHS worked for DAVID STRAUSS but was not sure of her title and that ALPERT was VP GORE'S Executive Assistant.

VP GORE has never talked to PETER KNIGHT, JODY TRAPASSO, VICTOR GATTO, THOMAS GRUMBLY, or DR. CLYDE FRANK about Molten Metals and neither has anyone from VP GORE'S staff. VICTOR GATTO was a college classmate of VP GORE and the hero of the 1968 Yale / Harvard football game. GATTO was present at the Molten Metals facility in Massachusetts when VP GORE visited the facility and they did of course speak to each other but not regarding the Department of Energy (DOE) contract or extensions or modifications of the DOE contract. VP GORE did not speak to WILLIAM HANEY regarding the DOE contract with Molten Metals or about modifications or extensions to the DOE contract. VP GORE did speak to WILLIAM HANEY regarding environmental issues and Molten Metal technology but never about the DOE contracts. VP GORE spoke to no one else at Molten Metals about the DOE contracts and to his knowledge, no one on VP GORE'S staff at his direction spoke to anyone at Molten Metals regarding the DOE contract. No one representing Molten Metals approached VP GORE about modifying or extending their contract with the DOE.

DR. JACK GIBBONS invited VP GORE to attend the Fall River opening. DR. GIBBONS was President Clinton's Science and Technology Advisor. DR. GIBBONS envisioned an environmental event around the same time as Earth Day to show that economic growth and environmental protection are not irreconcilable goals. DR. GIBBONS believed that Molten Metals technology was a premier example of this concept.

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**ALBERT GORE FBI INTERVIEW SUMMARY**

**AUGUST 8, 1998**



## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/12/98

Albert Arnold Gore, Jr., Vice President of the United States, Date of Birth March 31, 1948, Social Security Account Number [REDACTED] was interviewed at his residence, U.S. Naval Observatory, Massachusetts Avenue, N.W., Washington, D.C. James P Neel, Vice President Gore's legal counsel, was also present during the interview. After being advised of the official identities of the interviewing agents and that of Department of Justice Attorney Peter Ainsworth, Gore provided the following information:

Vice President Gore was provided with a copy of a memorandum, dated 12/18/95, from Harold Ickes to the President, et al., along with five documents referenced in the memorandum. The Vice President's attention was drawn to a 11/21/95 meeting in the Map Room at the White House, which was the subject of the 12/18/95 memorandum. The Vice President was also provided with a copy of his schedule for 11/21/95. He recognized that this meeting on 11/21/95, was discussed during his earlier interview by the FBI on 11/11/97, because of Ickes being the contact person and the location of the meeting in the Map Room. Vice President Gore has no independent recollection of whether or not his schedule for that day was kept. Often times his schedules were not kept.

The 11/21/95 meeting was one of several meetings that took place from time to time, to prepare the groundwork for the confrontation between the ideas of the President and the Democratic National Committee (DNC), and those of the Republican majority in Congress. The President and Vice President were in the beginning stages of a re-election campaign, so these meetings also served to update them as to where they and the DNC were and to define their goals. Although Vice President Gore could not specifically recall what was said or discussed at this meeting, he did recall that the DNC budget was discussed, along with activities relating to commercials and the direct mail campaign. The discussion at this type of meeting typically evolved around how can we meet the needs of the DNC to carry on their activities to help candidates get elected. They would discuss the overall status of the DNC budget, as well as sources of income such as the direct mail campaign, and expenses such as the media campaign. The point would be made that the DNC had expenses,

Investigation on 8/8/98 at Washington, D.C.File # 58A-HQ-1193317Date dictated 8/12/98by SA Martin F. HarrisFBI-TRIE-182by SA Kevin J. Comiskey

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such as staff, payroll and travel, and if they were going to also be expected to pay for television commercials, they needed help. Vice President Gore believed that discussion of the above points would accurately represent the nature of the 11/21/95 meeting.

The Vice President reiterated that he did not read memorandums from Ickes, such as the 12/18/95 memorandum, but felt it was fair to say that the 12/18/95 memorandum was about the 11/21/95 meeting. He recalled that in addition to the President and himself, other attendees were Leon Panetta, George Stephanopoulos, Don Fowler, Marvin Rosen, Scott Pastrick, David Strauss and Ron Klain. Brian Bailey and Bobby Watson, two others reflected on the memorandum as being at the meeting, are less well known to Vice President Gore, and he has no recollection of them being at the meeting. He also does not recall anyone else being at the meeting.

Vice President Gore advised that he and the President were at this meeting to participate in the discussions and to give guidance. The President is the titular head of the Democratic Party, and it is normal for him to be active in the Party. This was a period when the DNC was running commercials promoting Democratic ideas and their agenda, and the President was actively involved. Decisions ultimately had to be made, and the President would make these decisions, with guidance from the Vice President. Klain and Strauss were at the meeting as part of Vice President Gore's staff. They would normally not speak at a meeting like this, but instead were there as part of his team. They also had relationships with the DNC, and Vice President Gore presumed they would have had some type of follow up concerning the meeting, on behalf of the Vice President. The DNC people were at the meeting because it obviously concerned the operations at the DNC. Panetta, Stephanopoulos and Ickes were there as the President's staff. Stephanopoulos probably did not serve any specific role, but at such meetings sometimes simply offered general type advice.

Vice President Gore observed that there were not many meetings like this one in the Map Room, especially ones with the President and Vice President in attendance. This was by no means a regularly scheduled meeting. The big decisions were typically made at smaller, more frequent Oval Office meetings, that were attended by both the President and Vice President. There were

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also larger meetings, known as the "Wednesday" meetings. These meetings were also in the White House and were used for things like reviewing proposed television commercials.

Vice President Gore does not recall who called the 11/21/95 meeting, but presumes it was Ickes. He also does not specifically remember receiving papers at this meeting, but usually at this type of meeting, papers were handed out. Typically something was given out to everyone as a sort of "road map" for the meeting. Based on the 12/18/95 memorandum, he presumes the documents listed on the memorandum were provided to everyone, including him, who attended the 11/21/95 meeting. He did observe that some of those documents, specifically the 11/19/95 memorandum and the DNC responses to that memorandum, were not the type of thing typically handed out at a meeting like this one. The type of documents typically handed out were those referring to the agenda, summaries and categories of DNC expenses, and documents relating to matters up for discussion.

The Vice President was provided with a six page document (Bates stamp numbers EOF 070968 thru 070973), containing handwritten notes on papers from the 11/21/95 meeting. He advised he was familiar with the document and had been provided with a copy of it, to prepare for this interview. He had no knowledge of its' existence, prior to its' recent discovery. He reiterated that he does not have a specific recollection of anything talked about at that meeting. He does recall, in general terms, that the DNC budget was discussed, as well as their activities relating to commercials and the direct mail campaign. He did not typically take notes at this type of meeting, nor did he rely on anyone else to take notes for him. He was completely unaware that Strauss took notes during the meeting, and was unaware if anyone else did as well. He had never before seen these notes, prior to reviewing them for this interview.

Vice President Gore does not know if he left this meeting, while it was going on, for any reason. It was not uncommon for him, and for that matter the President, to excuse themselves from meetings to use the restroom. There also were times when he might walk in on a meeting that was already underway. Normally at this type of meeting he sat next to the President, and it was not unusual that his attention would be

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diverted by private conferences with the President. He could not recall any of the above described scenarios, that could have diverted his attention, occurring during this meeting. He also could not recall any one else leaving the meeting or having their attention diverted for any reason.

The Vice Presidents' attention was drawn to the first page containing handwritten notes (Bates number EOP 070968). He stated that he did not recall anyone saying, or any discussion regarding 65% soft / 35% hard. He also did not recall anything being said about hard/soft relating to the media fund, or about the media fund having a hard component. He offered that he was well aware that the DNC had hard and soft money components, but it was his belief that only soft money was being used for the media commercials. He did not recall the statement, "corporate or anything over 20K from an individual", being made at this meeting, nor any type of discussion concerning the definition of soft money. He does not know who would have said this at the meeting. He also did not recall the handwritten statement at the bottom of the page, "need for 8 million in next 5 weeks to meet fundraising goals, 4 million from direct mail", being made at the meeting. He was not sure who would have made that statement either, but indicated it would be normal for DNC people to say that. They would have been discussing the overall needs of the DNC, and showing that additionally, they had a specific need for money for commercials. These meetings were a way for the DNC to show what expenses they had, in particular to show they needed money for expenses beyond just the television commercials. They would often articulate goals when discussing their needs. Fowler normally was the one who spoke on behalf of the DNC.

The Vice Presidents' attention was then drawn to the second page containing handwritten notes (Bates number EOP 070969). He stated he does not recall the President, or anyone else, making the statement "not an option", or making a decision relating to the possibility of the DNC borrowing money. He speculated that possibly the President was saying it was not an option to end the year in debt. There were reporting requirements that had to be satisfied at the end of every year and these reports were available to the public. A negative balance, or large debt, would have possibly been dangerous politically. People might have interpreted this to mean the DNC and the campaign were in trouble. Vice President Gore remembered

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a discussion of the need to raise more money if the DNC was going to finance television commercials, and meet other expenses, without going deeply in debt. Vice President Gore believed he and the President left that meeting with the intention to raise more money for the DNC. He and the President would carve out more time for raising money. This was typical of the conclusion reached at most of these types of meetings, raise more money. Ickes, as the White House point of contact with the DNC, typically would be the one who made a presentation such as this, and if not him then Fowler. He could not recall a specific discussion concerning how to raise money, but it was typical to hear a list of possible options. Among the options would be, do more events, direct mail, and telephone calls by the President and the Vice President. He had no recollection of the final handwritten note on that page, "hard limit 20K".

Vice President Gore was then directed to the last page containing handwritten notes (Bates number BOP 070973). He did not specifically recall the quote, seemingly attributed to him, "is it possible to do a reallocation for me to take more of the events and the calls?". He offered that although he could not recall this quote at this meeting, it sounds like the kind of thing he would have said, and he probably did say it. He felt it was the role of the Vice President to take the load off the President. He believed it had been determined earlier to do the telephone calls, but he was not sure how they arrived at the number of calls to be made. He could not recall discussing the number of calls to be made at this meeting, only that he was prepared to take on the burden of the responsibility for the calls. He wanted more of the burden for himself, to relieve the burden on the President. He also could not recall another quote on that page, also seemingly attributed to him, "count me in on the calls". This was also in keeping with something he would have said. The final quote on the page, "one or two night time events week of 11 Dec. or week of 18 Dec.", was also unrecalled by the Vice President. He further stated that this did not sound like something he would say. He also did not recall the quote attributed to the President, "making calls on over Thanksgiving".

As of 11/21/95 he was not aware there was a hard money component to the DNC media fund. He certainly knew the DNC required and had, hard and soft money components. He also knew that some expenses were paid with hard money, and some with soft

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money. It was his general impression, at the time of this meeting, that they needed more soft money than hard money. He was told they needed soft money, and they could spend it to buy commercials. The principle advantage of the generic commercials they were running was that they could use the soft money. This belief of his that soft money could be raised to pay for the television commercials, originated at the Wednesday night "residence" meetings. He recalled being told this at the meetings, possibly by Dick Morris. Morris was the advocate of the media campaign, and may have been saying that as part of pushing the initiative. Morris would prepare samples of the commercials for them to view, and would provide them with feedback from people who saw the commercials. He argued the need for money to continue the media campaign.

Vice President Gore stated he was unaware of the way the DNC allocated hard and soft money. He could also not recall that topic being discussed at the 11/21/95 meeting. He was not well versed on the DNC accounting methods and procedures. His attitude was that it was fine for them to handle the nuances of their accounting procedures. He pointed out that he had been a candidate for 16 years, and thought he had a good understanding of hard and soft money.

Vice President Gore had no knowledge concerning the recent discovery of the document with the handwritten notes, or why it had not been discovered earlier. The first time he saw it was when he was recently provided with a copy of it to prepare for this interview.

The Vice President concluded by saying that Strauss is a truthful and diligent person. If he took those notes at the 11/21/95 meeting, the Vice President would not dispute that what is reflected in the notes was said at that meeting. Vice President Gore simply did not hear those things said. Vice President Gore advised that normally at these meetings he sat next to the President, and it was not uncommon for them to consult while a meeting was going on. It was also not unusual for the Vice President to be pulled outside during a meeting by one of his staff members, and that he might even leave the meeting. The Vice President also observed that he drank a lot of iced tea during meetings, which could have necessitated a restroom break. He additionally pointed out that much of the

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subject matter discussed at this meeting was of no interest to him, which could explain why Strauss heard it and he did not. In any case, he recalled that there were almost always interruptions at this type of meeting. After again reviewing his schedule for the day, he noted there was an hour long foreign policy meeting on 11/21/95. He remarked this was not normal and surmised it meant something important was happening in the foreign policy arena. This increased the possibility of an interruption at the DNC meeting. He also indicated that the time allotted for the DNC meeting on his schedule seemed short. Most of those type meetings were longer.

FBI-TRIE-188

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**ALBERT GORE FBI INTERVIEW SUMMARY**

**NOVEMBER 11, 1998**



## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/11/98

ALBERT ARNOLD GORE, JR., Vice President of the United States, was contacted at his residence at the U.S. Naval Observatory, Washington, D.C. Present throughout the interview were the Vice President's attorneys, James F. Neal, Neal & Harwell, 150 4th Avenue, N., Nashville, Tennessee, telephone number (615) 244-1713, and Charles W. Burson, Counsel, Office of the Vice President, Washington, D.C, telephone number (202) 456-7022. Participating with the below-listed Special Agents in the interview were U.S. Department of Justice (DOJ) Trial Attorneys Kirby Heller, Campaign Contributions Task Force (CCTF), and Robert Meyer, Public Integrity Section, Criminal Division. Vice President Gore was introduced to the interviewers, and was informed that the interview concerned "issue ads" broadcast by the Democratic National Committee (DNC) or Democratic state party committees in 1995 and 1996. The Vice President was further informed that, in light of previous statements made by him with regard to the DNC media campaign, the interview would focus on any legal counsel solicited/received by him or President Clinton in connection with the issue ads. Thereafter, the Vice President furnished the following information:

The Vice President was asked when and how he first became aware of the potential for the DNC to broadcast issue ads. He replied that the ads arose out of the Republican Congressional takeover in 1994, and the emerging 1995 budget battle. Dick Morris, President Clinton's political advisor, was long an advocate of early and extensive political television advertising. He urged the President to run television commercials to assist the Democrats in prevailing in the budget debate.

Sometime during the spring of 1995, during a meeting in the oval office attended by the President, the Vice President, Leon Panetta, Harold Ickes, Jack Quinn, and perhaps others, Ickes informed the President of the potential for the DNC to run issue ads. Ickes informed the President that he had received an analysis of applicable law, and that it was his opinion that the broadcast of such ads was viable and advisable. The Vice President does not recall the full agenda for this meeting, but distinctly recalls Jack Quinn, his then Chief of Staff and Counsel, speaking up and suggesting that Ickes confer with Attorney Lyn Utrecht, considered by Quinn and the Vice President

Investigation on 11/11/98 at Washington, D.C.

File # 58A-HQ-1193317-MEDIADNC; 302 Date dictated 11/11/98  
 by SA JOHN WALKER/jw FBI-TRIE-04221  
SA MARTIN CULBRETH

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.

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as by far the most respected lawyer with regard to federal election law. Ickes responded that he "had already done so," although the Vice President does not recall whether Ickes was indicating that he had simply asked Utrecht to begin her legal analysis or whether he was already in possession of her final conclusion. In any event, the Vice President had the impression that Ickes held at least a tentative opinion that the issue ads were feasible and advisable, whether that opinion was based on information from Utrecht or some other source.

The Vice President was asked whether he understood, when learning of the potential for issue ads, that there were any legal risks associated with the broadcast of the ads. He responded that the ads were not presented as part of some gamble, nor was there any hypothetical discussion as to the consequences of not complying with the law. Instead, it was understood that the ads were entirely permissible as long as they were done "according to Hoyle."

While the Vice President does not recall having heard or used the terms "express advocacy" or "electioneering message," the substance of the law applicable to the issue ads became clear to him after proposed ads were repeatedly reviewed at Wednesday evening White House residence meetings. If only "by osmosis," the Vice President came to an understanding of the "redlines" of the issue ad campaign; essentially, that the ads could not say "vote for Clinton and Gore." During the residence meetings, various participants would suggest revisions to proposed ads. This discussion would provoke statements by Ickes and Morris to the effect of, "No, the lawyers say we cannot do that."

The Vice President relied upon the assertions made at the residence meetings that Lyn Utrecht and Joe Sandler were actively involved with the issue ads. He had a clear understanding that these lawyers continued their review of proposed issue ads throughout the DNC ad campaign ("line-by-line, frame-by-frame, picture-by-picture"). The Vice President believed that the issue ads necessitated this extensive involvement of the lawyers because the ads had to be in a particular form to ensure legal compliance. It was the Vice President's belief that only lawyers versed in federal election law could ensure proper format of the ads. The Vice President had introduced campaign finance reform legislation in 1988, and

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Continuation of FD-302 of ALBERT ARNOLD CORE, JR., On 11/11/98, Page 3

generally knew that federal election law was in such a state in 1995 that political candidates needed lawyers involved in such matters.

The Vice President was questioned as to his knowledge of any other involvement of Jack Quinn with regard to the issue ads. He responded that he has known Quinn since 1988, when Quinn assisted in the Vice President's presidential candidacy. The Vice President is aware that, although Quinn is not a specialist in federal election law, he possesses certain knowledge or expertise in that area. Quinn's suggestion during the spring of 1995 that Lyn Utrecht be consulted with regard to proposed issue ads was entirely in keeping with his careful, meticulous professional practices.

Although the Vice President has no direct knowledge, he inferred that Quinn maintained contact with Harold Ickes, Leon Panetta, Lyn Utrecht, and perhaps Joe Sandler to ensure that the lawyers continued their involvement with the issue ad campaign. In 1995, prior to his appointment as White House Counsel, Quinn served as the Vice President's Chief of Staff and Counsel. As such, Quinn was present at all of the White House residence meetings. Quinn was the person upon whom the Vice President principally relied to communicate to him information concerning the law associated with the issue ads and the continued involvement of Utrecht and Sandler in reviewing the ads. The only lawyers involved in furnishing advice to the Vice President concerning the issue ads were Quinn, Utrecht and Sandler, although the Vice President did not discuss these matters directly with Utrecht or Sandler, relying instead upon Quinn to communicate their advice. The Vice President assumes, but has no direct knowledge, that Quinn's assistant, Kumiki Wilson, may have played some limited role at Quinn's direction.

The Vice President recalls a debate within the White House in 1995 concerning the potential of forgoing public matching funds for the Clinton-Gore reelection effort. Dick Morris was a proponent of this idea. However, President Clinton, who believed that such a move would effectively destroy the public campaign funding system, never seriously entertained the possibility.

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The Vice President reiterated that the Clinton-Gore '96 and DNC lawyers reviewed each proposed issue ad to ensure that its content and format complied with federal election law. The Vice President understood the content and format to have been the key legal issue. The Vice President does not recall any discussion concerning the legal ramifications of running an ad which did not comply with the law, because the possibility of such noncompliance was never even contemplated.

The issue ads were designed to promote and strengthen the standing and future of the Democratic Party generally, as well as that of President Clinton. There was a belief that a strong Party would "have stronger implications" for all Democratic candidates. The ads were permissible as long as they did not say that someone should vote for the President or Vice President.

The Vice President does not recall having received any written legal advice concerning the law of issue-advocacy or the work undertaken by Clinton-Gore '96 or DNC lawyers. Instead, he relied upon the repeated references at the residence meetings to the applicable law and the continued involvement of the lawyers with regard to the proposed ads.

The Vice President was shown a five-page document, bearing date stamp numbers IA008324-IA008328, the first two pages of which are transmittal documents, dated September 15, 1995, from Lyn Utrecht to Jack Quinn. The interviewers stated that the last three pages were prepared by Utrecht. Apart from his preparation for this interview, the Vice President has not seen these five pages.

The Vice President never maintained any subjective doubt that a process was in place for legal review of proposed issue ads, or that the process was working properly. The Vice President knew that Quinn and Utrecht were "sticklers" in their legal practices, and seemingly-obsessive in their attention to detail. He also knew that Utrecht was nationally regarded as an expert in federal election law, and that Joe Sandler was also highly-regarded in this area. The Vice President comfortably relied upon the professional reputations of these lawyers, as well as his understanding that they were continually involved with ad review.

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The Vice President is convinced that the DNC never broadcast an issue ad without first having obtained the approval of Joe Sandler and Lyn Utrecht.

It was the Vice President's impression that Dick Morris accepted at face value the legal strictures imposed by the lawyers in connection with the issue ads. The Vice President never observed Morris to chafe at these restrictions, although he is confident that Morris would only have done so privately with Harold Ickes, and not during a residence meeting.

The Vice President does not recall any discussion regarding the possibility of any relaxation in, or modification of, the legal "redlines" for the ads, including in response to any actions by the Republican Party in connection with its own media campaign. Nor does the Vice President recall any discussion concerning the use of Senator Dole's photograph in an issue ad.

President Clinton was similarly aware of the heavy involvement of the Clinton-Gore '96 and DNC lawyers throughout the issue ad campaign, including their review of proposed ads. The President similarly relied upon the lawyers' expert involvement. Unlike the Vice President, who attended law school for two years but is not a lawyer, the President is a lawyer and had worked as a law professor. The President enjoyed discussing the legal parameters of the media campaign and other matters with lawyers such as Quinn and Ickes, and was aware of the legal work being undertaken.

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**HAROLD ICKES FBI INTERVIEW SUMMARY**

**SEPTEMBER 24, 1997**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/29/97

HAROLD MCEWEN ICKES, date of birth September 4, 1939,  
 SSAN [redacted] address [redacted] P  
 [redacted] home telephone [redacted] was advised of the  
 identities of the interviewing agents and the purpose of the  
 interview. ICKES was represented at the interview by ROBERT S.  
 BENNETT, Esq., AMY R. SABRIN, Esq., and LILY G. ARBAB, Esq.,  
 Skadden, Arps, Slate, Meagher, and Flom, LLP, 1440 New York  
 Avenue, NW, Washington, D.C. Also present were PETER AINSWORTH  
 and ROBERT MEYER, Trial Attorneys, U.S. Department of Justice,  
 Public Integrity Section. Ickes thereafter provided the  
 following information:

BENNETT requested that he be given a copy of the  
 interviewing agents FD-302 so that he may review it for mistakes  
 before it was memorialized. BENNETT was informed that his  
 request had been noted, but denied.

ICKES stated that he does recall conversations with  
 Democratic National Committee (DNC) officials concerning  
 telephone solicitations by President CLINTON and Vice President  
 GORE, but can not recall when they took place or in what setting  
 they were discussed. There is a possibility that the discussions  
 took place during the so-called Wednesday night DNC budget  
 meetings, however it is more likely that it was discussed in  
 another setting with DNC fundraisers. ICKES stated that the DNC  
 people he was most likely to speak with concerning fundraising  
 calls by the President and Vice President would have been TERRY  
 MCAULIFFE, LAURA HARTIGAN, DON FOWLER, RICHARD SULLIVAN, MARVIN  
 ROSEN, and TRUMAN ARNOLD, but probably not ARNOLD. ICKES stated  
 to his recollection that the President and Vice President did not  
 volunteer to make these calls, but only agreed when asked by the  
 combined DNC and White House staff, through ICKES.

ICKES stated that he remembers being asked in late  
 1994, by MCAULIFFE, to push the President and Vice President to  
 make fundraising calls. ICKES associated the calls of 1994 with  
 the ongoing effort to raise money to pay for the health care  
 issue ads being released by the DNC. It was ICKES understanding  
 that the DNC had established a specific fund for health care  
 donations. ICKES stated that he went to the President and Vice  
 President and personally asked them to make calls for the DNC.

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 File # 58A-HQ-1193317 Date dictated 9/29/97  
 by SA Martin W. Culbreth/mwc SA Gregory Deegan FBI-00027

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ICKES does not recall if he spoke to both men separately or during the same conversation and is not sure if any other person was present during the conversations. Once the President and the Vice President agreed to make the calls, ICKES informed either MCAULIFFE or other DNC officials to begin preparing the list of names to be called. The White House staff was not involved in suggesting or approving donors that were to be added to the list. This was purely a DNC function and was left to their judgement. When the DNC had finished compiling the list of donors they would forward the names to ICKES, for Presidential calls, or to someone on the Vice President's staff. ICKES stated that he did not review the call sheets that were delivered to him at the White House, for any other reason than to see who was being called. He would make no changes or deletions to the sheets.

ICKES opined that the call sheets could have been delivered to him via mail, which was unlikely, hand delivery, or through the fax machine that was set up in the Chief of Staff's office for use during political events dealing with the DNC or Clinton/Gore '96. If the call sheets did not come directly to him, it is likely that they would have been delivered to KAREN HANCOX in the political office. ICKES in turn would deliver the sheets to the President in one of three ways. ICKES would deliver the sheets personally to the President, give the sheets to NANCY HERNREICH, the President's executive assistant, or route the sheets through the staff secretary's office.

ICKES stated that he does not recall handling call sheets for the Vice President. The Office of the Vice President (OVP) would have handled the exchange with the DNC or possibly through HANCOX or DOUG SOSNIK, in the political office. ICKES recalls that he would have talked with DAVID STRAUSS in the OVP and informed him that the Vice President had agreed to make calls for the DNC and that he should expect contact from the DNC.

ICKES stated that he did consider the legal issues of the calls and on his own went to discuss the matter with someone in the White House General Counsel's office. ICKES does not recall with whom he spoke, but suggested that it was most likely CHERYL MILLS or someone at her level. ICKES recalls asking if the counsel's office saw any general problems with the President and Vice President making fundraising calls. ICKES recalls that he was informed that it would be preferable if the calls were



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made from the residence, but does not recall being told that the calls could not be placed from other places. ICKES remembers speaking to White House counsel only once concerning the calls and never spoke to JOE SANDLER or any other member of the DNC counsel's office. ICKES stated that it was common knowledge that the White House and DNC Counsel's offices were in constant contact. ICKES stated that he does not recall being asked by the President to research the legal issues of the calls. ICKES does not recall discussing his legal conversation with any member of the OVP.

ICKES recalls that he was present when the President made a limited number of phone calls in 1994. The President placed the calls from his study, located on the third floor of the White House mansion and the second floor of the residence. All the calls were placed during the same session and ICKES thought that they most likely concerned health care related issues. ICKES does not recall the time of day the calls were placed, if any notes were taken by the President, or what the specific language of the conversations was, only that four or five calls were placed. ICKES stated that he always associated the 1994 calls with the health care issue, because that was the hot topic during that time. ICKES has no personal knowledge that the Vice President placed calls for the DNC in 1994. ICKES does not recall speaking to anyone at the DNC following the President's calls.

ICKES stated that the calls placed by the President were relatively short, no more than five or ten minutes. ICKES is unsure if the President was able to connect with all the people listed on the 1994 call sheet. ICKES stated that he may have dialed some of the names on the sheet and the President dialed several of the names himself. It is also possible that all the calls were not solicitations, some may have been for the purpose of thanking the individual for their past support. ICKES does not recall if the DNC drafted "thank you" letters to those donors, contacted by the President, who had committed to supporting the DNC financially. ICKES stated that he was shown a list of the 1994 call sheets at his Senate deposition on 9/2/97, but does not recall if those names were actually called during 1994. ICKES stated that there was no specific talk about the breakdown of "hard" and "soft" money during the President's conversations.

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ICKES stated that the DNC again requested that the President and Vice President make fundraising calls in 1995 and 1996. ICKES asked the President and Vice President to make more fundraising calls for the DNC and they agreed. ICKES offered to be present with the President when the calls were made, but was never taken up on his offer. ICKES stated that this, along with the fact that the President did not like to make fundraising calls, prompts him to believe that no calls were placed by the President in 1995 and 1996. ICKES does not recall being told by the President or the Oval office staff that any fundraising calls were made by the President in 1995 and 1996. ICKES recalls no feedback from the DNC concerning the President's calls requested for 1995 and 1996.

The 1995 and 1996 proposed calls were scheduled to raise money for the general accounts at the DNC, not for a specific cause as had been the case in 1994 with the health care issues. This was true of both the President's and Vice President's calls and was common knowledge of ICKES. ICKES stated that if the President and Vice President were indeed placing the fundraising calls they were acting as "deal closers". It was not their place to explain to the donor how to split up their "hard" and "soft" contributions. The President and Vice President were only asking for a large dollar contribution, not a specific breakdown. The President was never briefed by ICKES or the DNC about how the money raised by his telephone calls was to be split, nor did the President ever ask how the money was to be split.

ICKES does not recall if there was any discussion between the White House and DNC as to who was responsible for the cost of the fundraising calls.

ICKES stated that he would have requested the scheduling office add time for the calls to the Presidents agenda. The 1994 request would most likely have been a phone call to the schedulers, but subsequent request in 1995 and 1996 would have been more formal, most likely a letter or e-mail. ICKES recalls that the schedulers he worked with were STEPHANIE STREET and ANN WALLYHOLLY (ph). ICKES had nothing to do with the Vice President's schedule. ICKES contact would have been someone in the Vice President's Chief of Staff's office. ICKES reiterated that he had nothing to do with the Vice President's call other

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than asking the Vice President if he were willing to place the calls.

ICKES stated that prior to the Senator THOMPSON hearings there was only a handful of people, including himself, who knew the DNC must have hard money in order to spend its soft money. Most people think of "soft" money when they think of giving to the DNC. They think that "hard" money is limited to the \$1,000 limit that can be given to a specific candidate or campaign. ICKES pointed out that only the donor can decide how their money is allowed to be split between "hard" and "soft" accounts. It was ICKES understanding that if the donor did not designate their donation as "hard" it first had to be deposited into a "soft" account. ICKES stated, that until he heard SANDLER's Senate testimony, he was not aware that the DNC could automatically place all or a portion of the individuals donation into a "hard" account and then follow it up with a request for redesignation. ICKES was surprised by SANDLER's testimony. ICKES stated that he thought this was a bad way to handle a person's donation, because the DNC may be responsible for putting that individual donor over their legal "hard" money limit, of \$25,000, in contributions for the calender year.

ICKES stated that he was in limited contact with KNIGHT in connection with the fundraising calls to be made by the Vice President. ICKES did not recall if KNIGHT was present in the White House when and if the calls were made, nor did he have specific knowledge the Vice President placed the calls.

ICKES explained the Direct Mail campaign was an effort to raise "hard" money. Most direct mailings were sent out in late December and began coming back to the DNC in February or March of a given year. The direct mailings were asking for money to cover cost such as yearly membership dues. ICKES stated that it was easy to understand that if money came in due to direct mail it was "hard" money. If the DNC had a large influx of "hard" money in February or March, then the DNC would have to raise more "soft" money. ICKES reiterated that the DNC could not spend "hard" money without having a comparable amount of "soft" money.

ICKES was shown a three page memo dated 7/31/95 addressed from ICKES to the President, Vice President, and LEON PANETTA. The memo's subject line read DNC "Daily Income Summary

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Report." ICKES stated that he does not recall writing this particular document, but stated that it was the type of document he did write to inform the President and Vice President of DNC activities. ICKES added that this memo was probably forwarded to the President through the staff secretary's office. ICKES stated that the numbers shown for federal money were most likely from direct mail responses.

ICKES was shown a memo dated 8/14/95 addressed from ICKES to the President. The memo's subject line read, "Certain issues regarding the 1996 re-elect effort." ICKES was asked to look at page five of the memo and the paragraph labeled DNC that dealt with the percentage split between "hard" and "soft" money. ICKES stated that he did not recall any specific conversations he may have had dealing with the subject, but does recall that he would have briefed both the President and Vice President on the need to have "soft" money in order to spend "hard" money.

ICKES was shown a memo dated 11/15/95 addressed from ICKES to the President. The memo's subject line read, "Media and campaign related issues." The attached pages are labeled "discussion points". ICKES stated that this appears to be a document that he drafted. ICKES typically drafted and typed the discussion points himself, but does not recall if the discussion points in this memo were ever brought to the attention of the President or Vice President.

ICKES was shown a memo dated 11/20/95 addressed from FOWLER, ROSEN, PASTRICK, and SULLIVAN to ICKES. The memo asked the President make 18-20 calls and the Vice President make 10 calls. ICKES stated that he was shown this document during his Senate deposition, but otherwise has no recollection of the document. ICKES identified the writing on the second-page as his own.

ICKES was shown a memo dated 12/20/95 addressed from ICKES to the President, Vice President, and staff from both the White House and DNC. The memo's subject line read, "DNC 1995 budget analysis." ICKES does not recall writing this memo, but stated that he did keep the President informed of the DNC financial status. The memo shows that the DNC had a "hard" money debt at the time and that they were taking steps to abolish that debt. The DNC would have pushed in the areas of direct mail,

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Continuation of FD-302 of Harold McEwen Ickes, On 9/24/97, Page 7

major donors, and Saxophone Club events to raise hard money. ICKES stated that "hard" money in the general operating account could have been used to pay off the "hard" money debt of the media fund. The DNC would sometimes have more "hard" money than "soft" and other times more "soft" money than "hard", it really depended on the time of year and the events being held.

ICKES was shown a memo dated 1/10/96 addressed from ICKES to the President and Vice President. The memo's subject line read, "DNC operating and media budget." ICKES does not recall this specific document, but feels confident that he would have had a meeting with DNC personnel regarding the "hard" money issues. ICKES identified the President's handwriting on the first page, but is unsure whether the backwards check mark over the President's name was made by the President. If the President did make the check mark it would indicate that he had seen the document. ICKES recalls no conversation with the President regarding this memo.

ICKES was shown a memo dated 1/31/96 addressed from ICKES to the President and Vice President. The memo's subject line read, "Estimated DNC and other expenditures for calendar 1996." ICKES does not recall writing this memo, but stated that he did keep the President and Vice President informed as to the financial activities of the DNC.

ICKES was shown a memo dated 2/22/96 addressed from himself to the President and Vice President. The memo's subject line read, "DNC media funds." ICKES does not recall this memo, but stated that he did keep the President informed of the use of "hard" and "soft" money by the DNC.

ICKES was shown a memo dated 4/17/96 and addressed to FOWLER from ICKES stating that the DNC would not make any monetary decisions, budget or otherwise, without first receiving authorization from the White House. ICKES stated that he does not recall writing the memo, but that he did have discussions with the DNC about this topic and that it did come to pass that the White House had final say over all DNC money issues. ICKES stated that the reason behind the decision was based on the fact that the White House did not want the DNC spending money that had mostly been raised through the efforts of the President and Vice President without White House consent.

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**HAROLD ICKES FBI INTERVIEW SUMMARY**

**DECEMBER 12, 1997**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/15/97

Harold M. Ickes, 3107 Dumbarton Street, NW, Washington DC, Partner, Ickes & Enright Group, phone (202) 887-6726, DOB 9/4/39, SS# [REDACTED] was advised of the identity of the interviewing agents and the purpose of the interview. Also present at the interview was Ickes' attorney Amy Sabrin and her legal assistant, DOJ attorney Steve Bunnell and DOJ attorney Bill Corcoran. Ickes then provided the following information:

Ickes had two stints of employment at the White House. From January 3, 1994 to January 21, 1997 he served as Assistant to the President and Deputy Chief of Staff and from February 1997 to August of 1997 he served as Director of Summit Affairs. Ickes first heard of the Hudson, Wisconsin, casino matter in the spring of 1995 when he received a phone call or was returning a phone message, from Indian lobbyist Patrick O'Connor. Ickes knew O'Connor because of his Democratic Party affiliation but he did not know him particularly well. Ickes returned O'Connor's phone call and left a message but does not recall ever speaking to O'Connor on the phone. O'Connor may have spoken over the phone to another member of Ickes' staff but Ickes can not verify this.

At some point, Ickes' office received a memo from O'Connor stating his concerns about the Hudson casino. Ickes assigned this matter to one of his assistants, Jennifer O'Connor who contacted the Interior Department (DOI) and asked about the status of the Hudson casino application. Ickes does not recall personally speaking to anyone at DOI about the Hudson matter. Shortly after giving Jennifer O'Connor this assignment, she reported back to Ickes about her contacts with DOI. She gave Ickes a brief overview of the matter. She told him about an Indian tribe wanting a casino in Wisconsin and DOI had to O.K. the project, etc. Jennifer O'Connor told Ickes DOI was leaning toward denying the casino application.

Ickes has no recollection, and is very confident, he did not call DOI Secretary Bruce Babbitt about the Hudson casino matter. He does not recall speaking to Ann Shields, Bruce Babbitt's Chief of Staff, or John Duffy, DOI Counsel, about the Hudson matter. He does not recall speaking to anyone at DOI about the casino matter. He knew nothing about the mid-July 1995 decision date to deny the casino application. He is not aware of

Investigation on 12/12/97 at Washington, D.C.File # 58A-HQ-1193317-302Date dictated 12/15/97by SA Paul Palumboby SA Patricia Doyle

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anyone at his office taking an interest in the timing of the decision. Ickes stated he had very little to do with DOI during his time at the White House. He does not recall ever calling DOI about expediting any matter under their jurisdiction. Ickes would typically check with the White House Counsel's Office to determine if it was appropriate and legal for he or any member of his staff to contact a "rule making" agency. The only issues he remembers talking to DOI about were things like mines and wolves when the President was going to a national site and those type of issues may surface. Strictly status reports on these types of issues.

Ickes stated he was part of the Chief of Staff's Office at the White House and had no oversight role whatsoever of DOI. The Cabinet Affairs Office at the White House has a person assigned to "deal" with DOI. He did not have "day-to-day" dealings with DOI. Ickes only remembers visiting DOI once in the three years he worked at the White House. Babbitt invited him to his office to see a portrait of Ickes' father who was Secretary of Interior at one time.

Ickes knew Babbitt before the two of them joined the Clinton Administration. Ickes described their relationship as cordial and friendly. When asked about their current relationship in light of recent events, Ickes stated "fuck him". Ickes stated Babbitt did not have the decency to call and explain why he pulled Ickes into this matter by stating he (Babbitt) invoked his name during a meeting with lobbyist Paul Eckstein. Ickes gave Babbitt no reason to invoke his name during Babbitt's conversation with Eckstein.

Ickes had an employee named Loretta Avent who worked in the Inter-Governmental Affairs Office of the White House dealing with Indian matters. Technically, Avent reported to Ickes but she was more or less on her own. Avent was the only other person at the White House, besides Jennifer O'Connor, who corresponded with him about this matter. Ickes does not know if Avent spoke with Interior about the casino. Ickes stated Avent was "memo happy" and he always had a stack of Avent memos on his desk. She wrote a memo about her dealings with Pat O'Connor and stated the White House should stay out of this DOI decision. The FBI showed Ickes Avent's 4/24/95 memo. He understood this memo to say not to get in between the Clinton Administration and the Indians.

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Ickes stated Avent had a very proprietary relationship with American Indians. Avent and Clinton treated Indians like sovereign nations. Ickes received a memo and may have spoken on the phone to White House staffer Michael Schmidt about this matter. Schmidt was the White House expert on Indian policy. Tom Shea, who replaced Jennifer O'Connor at the White House, may have been involved with this matter but Ickes is not sure.

Ickes stated he spoke to Democratic National Committee (DNC) Chairman Don Fowler on one occasion about the Hudson matter. He remembers Fowler initiating this phone call. Fowler wanted Ickes to talk to Babbitt about the application for the Hudson casino. Fowler mentioned Pat O'Connor and the fact some Chippewa tribes were squabbling over the casino matter. Fowler was in favor of not having DOI grant a casino application in Hudson. Ickes stated he is not sure if Fowler asked him to do anything but it would be naive for him (Ickes) to think this call was strictly informational. Fowler may have asked him to check the status of the application with DOI. Ickes stated it was a combination of this call and the Pat O'Connor memo which prompted him to put Jennifer O'Connor on this matter.

Ickes stated if any person got through to his office, he would see to it his or her concerns were addressed. Fowler is the DNC Chairman and is responsive to big contributors to the DNC. It is not unusual for Fowler to get involved with contributors problems and concerns. Ickes is not sure if Fowler mentioned the name of specific tribes and their contribution habits when he called Ickes on the Hudson issue. Ickes is not sure if he received a note from Fowler on this issue.

The FBI showed Ickes a June 12, 1995 letter to him from Martin Sabo and seven members of congress asking Ickes to talk to Babbitt about denying the Hudson casino application. Ickes does not recall talking to Minnesota Senator Paul Wellstone or anyone else who signed the letter about this issue. He does not know why this letter was sent to him.

Ickes does not recall corresponding with anyone from the Department of Justice on this matter. He has no recollection of talking with President Clinton either before or after the decision to deny the casino application was made. Ickes has no recollection of talking with either Bruce Lindsey or Leon Panetta

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about the Hudson casino matter. Ickes does not recall ever speaking to Paul Eckstein about this matter.

Ickes is relatively confident he did not go to a fundraiser at Tom Schneider's house in Sandy Springs, Maryland on 7/13/95, one day before the DOI decision not to grant the casino application was made. Ickes was born and raised near Sandy Springs, Maryland and he would have remembered going. At some point, he may have spoken to Schneider about the casino matter because he did this type of thing all the time.

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**HAROLD ICKES FBI INTERVIEW SUMMARY**

**AUGUST 14, 1998**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/17/98

Harold M. Ickes, date of birth September 4, 1939, Social Security Account Number [REDACTED] was voluntarily interviewed at the law offices of Skadden, Arps, Slate, Meagher, and Flom, LLP, 1440 New York Avenue, N.W., Washington, D.C. Also present during the interview were Ickes' attorney Amy Sabrin and Department of Justice Trial Attorney, Peter Ainsworth. At the request of Sabrin, Ickes was informed that as of 10:00 a.m., 8/14/98, he was not a "subject" of a 30 and/or 90 day Independent Counsel investigative inquiry. Ickes was advised of the identities of the interviewing agents and the purpose of the interview. Ickes thereafter provided the following information:

Ickes was provided with a copy of the following documents: November 15, 1995 Memorandum to the President, et al., from Ickes; November 20, 1995 Memorandum to the President, et al., from Ickes; December 18, 1995 Memorandum to the President, et al., from Ickes; and documents EOP 070968 - 070973 containing handwritten notations.

Ickes advised the November 15, 1995 Memorandum to the President referred to a "private" meeting he held with Doug Sosnik, Erksine Bowles, and Leon Panetta. Ickes was directed to page 2, #1 of the memorandum, and item number 4 (D) of the November 20, 1995 memorandum. Although Ickes had no specific recollection, he advised it was "fair to say" that these two documents referred to a November 21, 1995 meeting held in the Map Room of the White House. As referenced in the memorandum, the topics of discussion at the meeting included the DNC budget and the DNC Media Fund.

The November 21, 1995 meeting was one of several such meetings held in the Map Room of the White House during 1995 - 1996. Participants in the meetings included the President, Vice President, and other "top principals" of the White House. The topics of discussion during the meetings included the "aggregate budget" of the DNC and the current "political situation."

Ickes requested that the November 21, 1995 meeting be held in order to establish the DNC fund-raising accomplishments and totals, and to review "budgetary assumptions." The meeting was held in the Map Room of the White House and lasted

Investigation on 8/14/98 at Washington, D.C.  
 File # 58A-HQ-1193317 Date dictated 8/17/98  
 by SA KEVIN J. COMISKEY  
SA MARTIN F. HARRIS/mfh FBI-00038

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approximately 45 minutes to one hour. Ickes "chaired" the meeting and determined who needed to attend. Ickes drafted a "manifest" regarding the meeting and the attendees, and cleared it with Panetta. Panetta in turn cleared the manifest with the President. Once the manifest had been approved, the meeting would be scheduled through the official scheduling office. Ickes opined that Karen Hancox, Deputy Political Director, telephoned the attendees to inform them of the meeting.

Ickes was directed to the December 18, 1995 memorandum that contained a handwritten list on possible attendees to the November 21, 1995 meeting. Ickes could not recall if an "arrow" by an individual's name indicated they attended the meeting. Ickes noted that several attendees of the meeting did not have an "arrow" by their name. Ickes could not recall if Brad Marshall of the DNC attended the meeting. Ordinarily, Ickes would request that Marshall attend this type of meeting because he (Marshall) was "one of few people at the DNC who knew the numbers." Ickes added he would be "surprised" if Marshall did not attend the meeting.

Because the DNC budget was clearly a focus of the November 21, 1995 meeting, several DNC officials were invited including Marvin Rosen and Don Fowler. Ickes could not specifically recall the other DNC officials included on the December 18, 1995 memorandum attending the meeting. Ickes advised that typically the list of attendees was "held tight"; however, he would not be surprised if others not listed on the memorandum attended the meeting.

The President and the Vice President attended the November 21, 1995 meeting in order to be "briefed" on the current financial status of the DNC, the projected financial needs, and how such issues impacted on future fund-raising. The President and Vice President were an "integral" part of fund-raising on behalf of the DNC and the Clinton/Gore (C/G) campaign. It was therefore important to keep them informed of the financial status of the DNC.

Ickes could not recall if the President, Vice President, or any other attendee, dismissed themselves at any time during the meeting. Occasionally during meetings, "aides" would interrupt the meeting to hand the President or Vice

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President a "note." As a result, it was not "atypical" for them to make a telephone call during a meeting. There was also a restroom in the Map Room of the White House. Occasionally one of the principals of the White House would excuse themselves from a meeting to use the restroom. Ickes did not recall any such interruptions during the November 21, 1995 meeting. If any such interruption occurred involving the President or Vice President during the meeting, the meeting would have been "suspended" until they returned.

It was very rare for the President or Vice President to attend a meeting without at least one member of their respective staff also in attendance. The staff members would normally take notes and "follow-up" on any issues such as the scheduling of events. Staff employees listed on the December 18, 1995 memorandum as attending the meeting include David Strauss, Deputy Chief of Staff, OVP, and Ron Klain, Chief of Staff, OVP, and Brian Bailey. Strauss was responsible for "political matters" of the OVP and therefore attended the meeting. Strauss may have also "followed-up" on the scheduling of any proposed events. Bailey was an assistant to Erksine Bowles, Deputy Chief of Staff, EOP. Bailey had a business background and could "read the numbers." Bailey was responsible for addressing financial budgetary matters, and therefore attended the meeting.

Ickes did not specifically recall George Stephanopoulos attending the meeting. Stephanopoulos was "omni present" and seemed to attend "all" meetings. Stephanopoulos was an advisor to the President on policy and political matters.

Ickes chaired the November 21, 1995 meeting and other similar meetings. Ickes started the meeting by laying out the agenda and purpose of the meeting and the issues that needed to be discussed. Ickes normally provided a presentation on issues such as the DNC budget, during which time other attendees would "chime in" and/or present specific information. The President and Vice President would routinely ask questions and participate in the discussion.

Ickes recalled that DNC officials Fowler and Rosen may have presented information during the meeting. Ickes could not recall the specific topics Rosen and Fowler discussed.

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It was a common practice for Ickes to prepare "handouts" to be used during the meetings. Ickes could not specifically recall if the attachments to the December 18, 1995 memorandum were used as "handouts" during the November 21, 1995 meeting. Ickes added it was possible that the attachments and possibly additional documents were used as "handouts" for the meeting.

Ickes did not recall taking notes during the meeting. Ickes did not typically take notes during meetings that he chaired. Ickes did not rely on anyone to take notes for him during the meeting and was not aware if other attendees to the meeting took notes. Strauss usually took notes during similar meetings; however Ickes was not aware if Strauss took notes during the November 21, 1995 meeting. Ickes had previously provided all of his personal notes to the DOJ, and did not possess any notes or documentation regarding the meeting.

Ickes explained he wanted to ensure that the President and Vice President were aware of the financial status of the DNC. The President and Vice President were preparing for the up-coming election which integrally involved the DNC. As a result, the President and Vice President would be required to participate in numerous fund-raising events which needed to be integrated into their schedules.

Ickes was directed to documents EOP 070968 - 070973 which contained handwritten notations. Ickes advised the notations were not his and he had not seen the documents prior to the interview. Ickes opined that the handwritten notations were Strauss'.

The interviewing agents directed Ickes attention to the handwritten notation "65% soft/35% hard" located on the top portion of document EOP 070968. Ickes had no knowledge of any such statements being said during the November 21, 1995 meeting. Strauss was very knowledgeable of the rules surrounding fund-raising and could have been taking notes "to himself." Although he had no specific recollection, Ickes was certain there were references made to "hard" and "soft" money, and discussions regarding such issues during the meeting. Ickes did not recall the issues of "hard" and "soft" money as it applied to the Media Fund, being discussed during the meeting.

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Ickes was directed to the handwritten notation "corporate or anything over \$20k from an individual." Ickes advised he "doubted" such issues were discussed during the November 21, 1995 meeting. Ickes explained that Strauss was very "sophisticated" regarding knowledge of the rules of fund-raising, including "hard" and "soft" money and political contributions. As Deputy Chief of Staff, OVP, Strauss attended the weekly Wednesday meetings where these issues were also discussed.

Ickes did not recall any discussion regarding the notation "need for \$8 million in next 5 weeks to meet fund-raising goals (\$4 million from direct mail)," located on the bottom of EOP 070968. Ickes could not recall who would have presented or discussed any such information noted on the document. Ickes asserted that he (Ickes) made the opening statements of the meeting and presented "aggregate" information regarding the overall budget of the DNC. It was not likely that the agenda of the meeting included reviewing a DNC budget analysis "line by line." Ickes was as knowledgeable of such issues as anyone. Ickes did not recall preparing any of the documents used as "handouts" during the meeting. Ickes opined that the documents were prepared by a DNC official.

Ickes identified the handwritten notation "11/21/95" located at the top of documents EOP 070968, 070971, 070972, and 070973 as his own. Ickes normally dated such documents and advised the date referred to the date of the meeting. Ickes was not aware of a "DNC media file" as noted on the top of the document.

Ickes was directed to document EOP 070969, #5 a) and b). Ickes had no specific recollection of a discussion during the November 21, 1995 meeting regarding an option to borrow or to raise additional money needed to finance the DNC media campaign. Ickes advised however, it was "fair to say" such discussions occurred during the meeting. Typically such options were discussed and recommendations made to the principals of the White House. The final decisions on such issues were usually "delegated and reserved." Such presentations were designed to be "informative," and to solicit a reaction from the President and Vice President. The DNC had a "revolving line of credit," and therefore borrowed as well as raised the additional money needed. Ickes advised Marshall was more knowledgeable of such issues.



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Ickes did not recall the President stating "not an option" as noted on document EOP 070969.

Ickes was directed to the handwritten notation "hard limit \$20k" located at the bottom of document 070969. Ickes did not recall this topic being discussed during the meeting. Ickes was doubtful that such issues would be discussed with the President and Vice President. Ickes emphasized that the purpose of this meeting was to assess the overall financial status of the DNC and how it impacted on continuing the media campaign.

During the time of the November 21, 1995 meeting, Ickes was not aware of the DNC's practice of reallocating contributions received without the contributor's consent. Ickes became aware of such practices subsequent to DNC official Joseph Sandler's recent Senate testimony. Ickes was not aware that such practices were permissible. Ickes was confident that such practices were not discussed during the November 21, 1995 meeting.

Typically, all of the money raised by the President and Vice President was exclusively through various fund-raising events. The President "hated" to make fund-raising telephone calls. The President would "rather go to 18 events than make one phone call." Ickes could not comment on the Vice President's attitude toward fund-raising telephone calls.

Ickes was directed to document EOP 070973 referencing "Additional DNC Fundraising Requests." A proposal of fund-raising telephone calls being made by the President and the Vice President was "generally" discussed during the November 21, 1995 meeting. Ickes could not recall any specific discussion or comments made during the meeting, but recalled that there was a "general" discussion regarding the President and Vice President making fund-raising telephone calls to help finance the DNC Media Fund. Ickes opined that such a proposal was probably also discussed with the President and Vice President, and other principals of the White House, prior to the November 21, 1995 meeting. Ickes explained that "making phone calls for money" was discussed "from time to time." The November 21, 1995 meeting was the first time such a proposal was "put on paper" and presented to the President and the Vice President as a "serious" proposal. Ickes did not recall the President and/or Vice President making any of the comments quoted on document EOP 070973.

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Ickes explained that prior to the November 21, 1995 meeting, he requested that the DNC officials draft proposals which would address the financial needs of the DNC. The memorandum to Ickes from Fowler, et al., dated November 20, 1995 (EOP 070973) represented their proposals in response to Ickes request. Ickes opined the document (EOP 070973) was included as one of the "handouts" provided to the attendees November 21, 1995 meeting.

Ickes was not aware if there was a separate account set up by the DNC for the Media Fund. The President and Vice President were less interested in the operations aspect of the DNC budget, and more concerned with DNC's media budget.

Ickes was aware of the requirement to breakdown expenditures of the DNC into both "hard" and "soft" money components. Ickes explained that such expenditures could not consist solely of "soft" money. A portion of each expenditure was required to be made up of "hard" money. Ickes advised "without reservation," he was not aware of any conversation involving the Vice President regarding the issue of the DNC Media Fund having a "hard" money component.

Ickes did not discuss the interview with anyone, with the exception of his attorney.

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**HAROLD ICKES FBI INTERVIEW SUMMARY**

**OCTOBER 27, 1998**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/27/98

Harold McEwen Ickes, date of birth September 4, 1939, Social Security Number [REDACTED] who resides at [REDACTED] was interviewed on October 27, 1998, by Special Agents Pamela J. Lane and Paul Conley. Also present conducting the interview were attorneys Steve Bunnell, Public Integrity Section, Department of Justice (DOJ) and Debra Herzog, CAMPCON Task Force. Ickes' attorneys, Amy Sabrin and Lilly Camat of the law firm Skadden, Arps, Meagher, Slate & Flom, LLP, 1440 New York Avenue, Washington, D.C., were also present representing Ickes. After being advised of the identity of the interviewing agents and the nature of the interview, Ickes voluntarily provided the following information:

Ickes is currently employed at the consulting firm, Ickes and Enright Group, 1300 Connecticut Avenue, NW, Washington, D.C. He has been at this firm since it was first formed in early February 1997. The nature of the consulting business is government representation. Basically, he represents clients before congress and other government agencies. Ickes was employed and paid as a Special Government employee from March 1997 until September 1997. He was the Director of the Denver G-7 Summit. Ickes was employed as an Assistant to the President and the Deputy Chief of Staff at the White House from early January 1994 until late January 1997. Prior to working at the White House, Ickes was a partner at the law firm Mayer, Suozzi, English, and Klein, which is located in Mineola, New York. Ickes worked at this firm for approximately 13 years or from 1980 until 1993. Most of the work that Ickes handled while at the law firm was representation for labor unions. He did do some election law but he was known for his labor work. At one point Ickes was the head of the labor department at the firm. This law firm did handle and currently still does handle a lot of labor work. Ickes did not represent the Teamsters while he was at this law firm but he did have partners who represented them. He had both personal and professional relationships with people in the Teamsters. Some of these relationships developed from his professional exposure to individuals and some of it was from his political exposure as he was an active politician in the state of New York. Ickes knew the Teamster's Local 237 was represented by the law firm and he knew these people through his association with them at the law firm. He never represented them. At the

Investigation on 10/27/98 at Washington, D.C.File # 58A-1193317 Date dictated 10/27/98by SA Paul Conley  
SA Pamela J. Lane:kjb

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national level, Ickes met Ron Carey before working at the White House although he cannot place where or when the meeting occurred. Ickes remembers that it was a casual meeting and he is sure that Carey would not say that he knew Ickes at that time. Other partners of Ickes may have represented other Teamster individuals while he was at the law firm but Ickes would not be able to give any names.

Ickes knew Bill Hamilton while he was employed at the law firm. He does not know if Hamilton was employed at the Teamsters at that time and does not believe that he was. Other Teamsters that Ickes knew were Judith Scott, Ron Carver, Bob Mellancamp. Ickes recalls having dinner with Scott but cannot remember whether or not she was at the Teamsters and he cannot recall whether or not he was working at the law firm or the White House.

While employed as Deputy Chief of Staff at the White House, Ickes' responsibilities varied over time. Initially, he was asked by the President to oversee the health care initiative. He was also asked by the Chief of Staff, who was then Mack McLarty, to be the point person in the Chief of Staff's office for Whitewater issues. At one point he was asked by the President and the Chief of Staff to oversee the DNC from the White House point of view. In 1994, he was tasked to oversee the mid-term elections.

Ickes described his role as that of a political point person in the White House who dealt with a series of substantive issues as they came up on an ad hoc basis or he handled anything the Chief of Staff asked him to handle. When asked if he was known as a labor expert, Ickes jokingly said that he was known more as a political hack. When Ickes went to the White House to work, because of his background, labor issues fell into his bailiwick. Although many labor leaders had their own relationship with the White House through the National Economic Council with Bob Rubin and Gene Sperling, and the Domestic Policy Council, when issues made it to the Chief of Staff's office, Ickes was the person who generally handled them.

Ickes reported directly to the Chief of Staff. In January 1994, when Ickes first started at the White House the Chief of Staff was McLarty. In either late spring or early

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summer 1994, McLarty was replaced by Leon Panetta. Panetta was the Chief of Staff through the rest of Ickes' tenure at the White House.

After he began working at the White House, Ickes started doing some work on labor issues and this intensified as time went on. The percentage of time spent on labor issues depended on what issues were important at that time. For instance, at one point Ickes worked on the Welfare bill which took a huge percentage of his time. During this time, he worked on very few other issues. It is safe to say that weeks could go by without Ickes handling labor issues and at other times three quarters of a week could be spent on labor issues. Ickes had a staff member, Jennifer O'Connor, who did most of the labor work for him in his office. Ickes believed the problem with trying to quantify the percentage of his time which was devoted to labor issues was that he could work on something such as the health care initiative which was also an item of concern for unions, however, he did not view this as a labor issue. Although he may have spent time meeting with unions about the health care initiative he did not consider this to be a labor issue.

Ickes defined a typical work week for himself to be that of 14-hour days at least 6-days per week. In the 1994 - 1995 time frame, Ickes may have spent 10 to 15 percent of his time handling labor issues. The percentage of time probably decreased once O'Connor began handling labor issues after she began in the office in 1995. Before O'Connor came to work in Ickes' office, there was no other person who was designated as the labor person and Ickes handled most issues by himself. He does not recall spending an inordinate amount of time on labor issues while employed as the Deputy Chief of Staff.

While Ickes worked as the Deputy Chief of Staff, there was another Deputy. In 1994 Phil Lader was a Deputy who was subsequently replaced by Erskine Bowles. Bowles left and Evelyn Leiberman replaced him. Leiberman, Panetta and Ickes all left the White House in January 1997.

Ickes was asked if the other Deputy Chief of Staff would handle labor issues and he said, "No." He was basically the point person regarding labor matters and he would generally be consulted if an issue came into the Chief of Staff's office

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regarding organized labor. There were times when labor matters might go directly to Panetta but the general rule of thumb was that Ickes would handle the matter. In Ickes' office, O'Connor did the labor work and she also had a couple of interns who worked with her in this job. O'Connor had a small staff which had a high turn-over rate.

Also working in Ickes' office was John Sutton who worked with Ickes during his entire White House tenure. Sutton was a staff person who eventually worked right outside Ickes' office. Sutton's responsibility was to oversee the interns and to basically run the office. Sutton typed and checked the typing of others.

Tom Shea was also an employee in Ickes' office. Shea was employed as a Special Assistant to the Deputy Chief of Staff. Although Shea was not a labor person, he was often tasked to do research on labor issues and Ickes felt that he was competent enough to do any assignment.

Janice Enright also worked in Ickes' office. Ickes described Enright as his Chief of Staff. Enright basically ran the office and everyone who worked in the office went through Enright to get to Ickes. Enright also handled phone calls that Sutton could not handle. Ickes added that Enright is the Enright in his current consulting firm. Ickes often delegated things to Enright to farm out to others in the staff. He had a policy of dealing directly with O'Connor but it depended on the issue and how intricate and substantive it was as to who would handle it. Ickes had a practice of following up but it depended on the matter whether or not he handled it personally or delegated it to others to handle.

Ickes was asked to tell the interviewers about all public testimony, anytime he had been interviewed, or any public record of statements he may have made regarding the Diamond Walnut issue. Ickes said that he was deposed on three separate occasions by the Thompson Committee in 1997 and had two days of testimony in public hearings for the same committee. He recalls the Diamond Walnut issue coming up only during the deposition. Ickes also went to New York City and was interviewed by the United States Attorney's Office, Southern District of New York regarding the Teamsters. He does not recall the topic of Diamond

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Walnut Growers being mentioned in the course of that interview. Ickes does not recall specifically talking to any reporters concerning the Diamond Walnut matter but it could have happened. Ickes estimated that he has testified more than 25 times. The only time he recalls discussing the Diamond Walnut matter was during the Thompson Committee deposition. Ickes has never been interviewed by any Independent Counsels concerning the Diamond Walnut/Teamster matter. When asked to be deposed and to testify for the Congress, Ickes had no informal interviews prior to his testimony or his deposition. Ickes does not recall ever being specifically requested to provide documents concerning Diamond Walnut and Ickes' attorneys agreed to provide copies of subpoenas and correspondence to the Task Force at a later date. Ickes cannot think of any place else where there is a record of any statements that he made regarding the Diamond Walnut issue. He does not recall ever appearing on a talk show where he was asked about the Diamond Walnut strike.

Ickes was shown a copy of a Time Magazine article dated October 27, 1997 and written by Michael Weisskopf. Ickes said that he may have spoken to Weisskopf regarding the Diamond Walnut matter but he does not recall this. After reading the article it did not refresh his recollection of an interview. Ickes was asked about his statement in the article and his question was what is the "this" in his statement. He is not sure if "this" refers to the Diamond Walnut strike. If the "this" refers to the strike then it is a fairly accurate statement. Ickes has no recollection of talking to Mickey Kantor in connection with this article. Ickes volunteered that he believed Weisskopf to be an excellent reporter.

Ickes was asked about any knowledge he had about the strike at Diamond Walnut prior to 1995 and whether or not the Diamond Walnut strike was an issue on his radar screen. The first time he became aware that the strike at Diamond Walnut was an issue was shortly before a meeting he had with Kantor which was when the Teamsters brought this issue to him during a "union" meeting.

"Union" meetings occurred on an irregular basis. Various unions would get together to discuss important issues which they wanted to bring to the attention of the White House. Ickes recalled that Ron Carey was the head of the Transportation



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Trades Department (TTD) of the AFL-CIO because he was president of the International Brotherhood of Teamsters. He recalls a meeting at which Carey was present because the meeting was dealing with transportation issues. Ickes knows that he met with Carey and his people from both the TTD and the IBT, at these meetings. These meetings took place when an issue could not be resolved at a lower level in the White House and it had made its way to the Chief of Staff's office. Issues that would be discussed ranged from Amtrak to the "ICC." Ickes recalls a meeting during which the strike at Diamond Walnut and Pony Express were raised by the Teamsters. Ickes believes Bill Hamilton may have raised the issue at the meeting. Ickes recalls the Teamsters wanted to bring a serious labor dispute to Ickes' attention and this was the strike at Diamond Walnut. Ickes learned this was an ongoing strike of low paid minority working women in California who were permanently replaced. Three points made during the discussion were that the strike was ongoing, that the workers were permanently replaced and that the Teamsters were making no headway with the company Diamond Walnut Growers concerning a resolution. It was implied to Ickes that the company was stonewalling them. Ickes does not recall specifically what he said after learning this information but believes that he probably asked for someone to send him some paper about this matter. Generally, Ickes recalls that the Teamsters were asking the administration to be of assistance to the union by ending the strike. Ickes received some documents from the Teamsters concerning the strike but does not recall when he received them.

Of the meeting, typically O'Connor came to Ickes and said the Teamsters wanted to meet because they had some issues to discuss. O'Connor routinely met with the Teamsters and other unions but when something needed to go higher, she scheduled meetings. Normally she would find out the issues of concern so that the Chief of Staff's office could be prepared. Ickes does not know if the Diamond Walnut strike was on an agenda or if it was just raised as a side-bar to the meeting. Ickes has no independent recollection that the strike at Diamond Walnut or the Pony Express issue were going to be raised at a particular meeting.

After learning about the Diamond Walnut strike, Ickes assumes he probably staffed this issue out to O'Connor. He does

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not have a specific recollection of asking O'Connor to handle this but he cannot imagine that he did not do it this way as this would have been his normal routine. Ickes has no specific recollection of any subsequent meetings with the Teamsters regarding this issue.

Ickes was shown a copy of a memo from Bill Hamilton to List dated March 27, 1995. After reviewing the memo Ickes stated it did not refresh his memory. He remembers a meeting during which the individuals mentioned in the first paragraph of this memo were in attendance. Specifically, he remembers meeting with Lynn, Downey and the personnel from the White House in addition to the Teamsters' people. Ickes also remembers the issues of NAFTA, ICC, Amtrak and 13-C being discussed at the meeting. The strike at Diamond Walnut was discussed but he is not sure if it was a side-bar or if it was an issue addressed to everyone at the meeting. Of the meeting, Ickes does not recall saying anything to the effect that Kantor would use his discretionary authority to do anything. Ickes is not sure what "discretionary authority" is in connection with the United States Trade Representative's office.

Ickes was shown a copy of a memo dated March 6, 1995, from himself to Kantor. Although Ickes did not recall writing the memo he believed he probably did. He verified that he had initialed the memo, that it was on White House letterhead and the content of the memo appears to be something he wrote. He recognized phrases in the letter as being ones he commonly uses. The March 6, 1995, memo had documents attached to it that Ickes did not have a specific recollection of reading and after reviewing these attachments they did not refresh his memory as to when he wrote the memo. The memo had a reference to a meeting which occurred on March 1, 1995 and Ickes did not recall this meeting.

Ickes was shown a memo from Podesta Associates to Harold Ickes and Doug Sosnik dated March 13, 1995. Ickes does not know why the memo was sent to both himself and Sosnik and he does not recall ever seeing the memo before. At the time the memo was written, Sosnik reported directly to him. After meeting with the Teamsters at the "union" meeting, Ickes does recall meeting with Kantor in the spring of 1995. The reason Ickes went to Kantor was because he has known Kantor for twenty years and he

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considers him to be a close colleague. Kantor is knowledgeable about California and he is a savvy, political guy who Ickes believed may have had some personal knowledge about Diamond Walnut. Ickes asked for a meeting and during the meeting he asked Kantor if he knew who the top officials were at Diamond Walnut and would he be willing to make a call. Ickes told Kantor that the Teamsters felt stonewalled by the Diamond Walnut company. Also, he explained to Kantor that the strike was a thorn in the side of the Teamsters. The Teamsters may have suggested to Ickes that he talk to Kantor but he does not specifically recall this. It was not unusual for the Teamsters to offer suggestions as to who they thought would be able to resolve an issue. The reason Ickes thought of Kantor, as opposed to handling it personally was because he "did not know Diamond Walnut from anyone else" and he thought that Kantor would be the man to handle this request.

Prior to meeting with Kantor, Ickes sent him background material about the company. Kantor was somewhat familiar with the strike, however, he did not know all the details. Ickes recalls telling Kantor it was an issue which was important to the Teamsters and believes Kantor may have said he knew the head of Diamond Walnut. Ickes asked Kantor to call the head of Diamond Walnut to see if they were willing to meet and try to resolve the strike. Ickes looked at this as an opportunity to try to help out a constituent. Ickes is sure Kantor knew about the strike independent of him sending him materials. Kantor said that he would make the call. He does not recall Kantor asking why he selected him to make the call and he does not recall any reluctance on the part of Kantor to make the call.

Ickes described the purpose of the call as trying to get the strike resolved and to try to see if there was any way to facilitate a meeting between both parties to help resolve the situation at Diamond Walnut.

Ickes does not know if there was a specific issue of concern on the part of the USTR because of Kantor making this call. Ickes did not give Kantor instructions as to what to say when making the call and he would not have asked Kantor to put pressure on the company. Ickes' only intention was to get some serious negotiations started. Ickes does not know what kind of pressure the USTR's office could apply to Diamond Walnut anyway.

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Ickes does not recall any follow-up with Kantor. He recalls asking O'Connor to "bird-dog" Kantor's office to make sure the call got made. O'Connor's job was basically to find out what happened. Ickes thinks he briefed O'Connor on the issue and probably showed her some documents. Although he does not specifically recall, Ickes is confident he told O'Connor as much as he knew about the issue.

O'Connor reported back to Ickes that Kantor had made the call and that the response was a flat no. Basically, the company was not going to do anything on this matter. Ickes does not recall that this inquiry went beyond this. Ickes does not remember any discussion concerning the limitations the USTR felt would apply concerning the call, nor any discussion concerning the USTR consulting with their General Counsel's office.

Ickes does not recall speaking to Kantor about the call in the 1995 time frame. To Ickes, this was not a big issue. It was on his list of things to do but it was certainly not the biggest thing. Ickes has a vague recollection of running into Kantor in the White House some time after the call while Ickes was still employed as Deputy and Kantor said he did not get anywhere with Diamond Walnut. Nothing else was said about this matter.

Ickes had very little direct dealings with the Teamsters. O'Connor did most of the substantive work and he spent very little of his time on labor related issues. As far as the Teamsters were concerned he is sure they viewed this as an important issue because they brought it up at a meeting, but in Ickes' mind this was not the most important issue to them.

Ickes is certain that someone reported back to the Teamsters about the results of the call, but he is not sure who handled this. Ickes is confident this was handled because the Teamsters would have wanted him to and also it is Ickes' practice. Ickes said jokingly the Teamsters would have "strung him up" had he not reported back. Ickes does not remember hearing directly or indirectly what the Teamsters response was to this call. Ickes does not recall the Teamsters requesting him to do anything else regarding the Diamond Walnut matter. He does not recall any other meetings with the Teamsters regarding the Diamond Walnut matter.

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Ickes was not aware of any meetings the Teamsters had with U.S. Department of Agriculture (USDA) concerning the Diamond Walnut strike. He does not ever recall having any meetings or conversations regarding the strike at Diamond Walnut with the USDA, the USTR's office (other than Kantor), the Department of Commerce, the Environmental Protection Agency, the Department of Defense or the Department of Labor. Ickes does know who Richard Rominger is but he has no recollection of Rominger being involved in the Diamond Walnut issue in any way.

During the meeting with Kantor, Ickes does not recall any conversation about walnuts and trade agreements. There was no discussion at any time about trade agreements. Ickes is not familiar and had no knowledge of the Market Promotion program. He knows what the School Lunch program is but does not remember any mention of this in connection with the strike at Diamond Walnut.

Ickes was involved in the replacement workers legislation and executive order in 1994 and 1995. He does not recall the Teamsters weighing in heavily on this issue. He does recall the AFL-CIO pressing hard for the President to order an executive order, but did not perceive this as being connected in any way with Diamond Walnut. He does recall Catapillar and Bridgestone Tire Company as being sort of an "exhibit A" on the replacement worker issue.

Ickes was asked if he was aware that in 1994 Department of Labor Secretary Reich arranged for Diamond Walnut and Teamsters to sit down with a Federal Mediation Conciliation Services and he said that he had no recollection that Department of Labor was doing anything for the strike at Diamond Walnut in 1994.

Ickes does not recall having any discussions or conversations, telephonic or in person, with any government agency regarding the debarment of Diamond Walnut concerning the executive order. Ickes was aware the NLRB had taken some action as a result of the Diamond Walnut strike. His understanding was that one or two elections had been overturned. Ickes thinks that he learned this information through the Teamsters when they were providing background information to him concerning the strike.

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After meeting with Kantor, Ickes does not recall reporting back to anyone regarding the call from Kantor to Diamond Walnut. Ickes defined this as a self-contained issue. He does not ever recall this subject of Diamond Walnut and the strike coming up at any meeting at the White House with anyone including the President or the Vice President, the Chief of Staff or the other Deputy Chief of Staff. Ickes does not recall discussing this with anyone other than with O'Connor and Kantor. Ickes said that he had regular Wednesday meetings at the White House. He added that the meetings were well documented. He described two sets of meetings. Typically there was a DNC/Fundraising meeting which occurred early Wednesday morning and a Wednesday or Thursday night meeting which was a political strategy meeting. Ickes does not recall the strike at Diamond Walnut coming up at any of these meetings. He has no recollection of any mention of Diamond Walnut at any time during these meetings. Ickes was never asked to do anything else regarding the strike. He does not know if the Teamsters went to anyone else at the White House concerning the resolution of the strike. At no time did anyone come to Ickes and say, "I thought you handled this matter."

Ickes was asked about his preparation for the Thompson Hearings. He said that his understanding was that it was to be an inquiry into the 1996 fundraising practices. He did not expect to be asked about the strike at Diamond Walnut. He does not think his subpoena covered this topic. Ickes does not know why he was asked to come back in September after having been deposed for two days in June. Ickes did not have any conversations with anyone from the Thompson Committee or the staff prior to his testimony. He did talk to others who had testified but they did not talk about the substantive testimony.

Ickes was asked to review pages 132 through 141 of his Senate deposition. He was asked about the question, "What if anything was done on the Diamond Walnut strike?" "By the administration," and Ickes said that he understood the question to be had the administration taken any active role in settling the Teamsters/Diamond Walnut Growers strike and his answer was "I'm not sure anything was done on the Diamond Walnut strike." Ickes said he tries to answer all questions as accurately as he can. During his Senate testimony in September 1997, he was being asked about an issue which was more than two years old and he had

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to think about the question before answering. Ickes was asked if he was unsure of the question or of his recollection and he said that he was not sure he was remembering it correctly. The uncertainty that he had when testifying was his memory and what he recalled. Ickes was asked again about answering that question later in the deposition and he said that there was no difference in his mind between the two answers. They meant the same thing to him. Answering the questions differently at two times had nothing to do with a change in his level of certainty of the answer. Ickes was asked that if while being deposed if he was aware of the Kantor call and he said that he does not recall recalling the Kantor call. He would not have answered the question differently had he remembered the call. In addition, as far as Ickes was concerned the administration had not taken any action concerning settling the strike. Ickes said that he got hot during the deposition because the question was reasked. He felt they had a nerve plaguing him about his memory when they were asking him about things which happened over two years ago and they could not remember their own question which was only two minutes old.

Ickes does not think that there was anything at all wrong with Kantor making the call to Diamond Walnut. There was nothing about the Kantor call that Ickes viewed as causing negative publicity for the administration. Ickes does not believe that there was anything about the call and the relationship to the Teamsters that would have been politically embarrassing. Ickes is aware that people are using the alleged relationship with the Teamsters and the White House against Bill Clinton but this was not a concern when answering the question. Ickes described this as a routine call. There was no political downside to revealing that the call had been made. Ickes did not believe that there was anything untoward or illegal regarding talking to Kantor about making a call. Ickes was asked about whether or not the administration would have gone public with something like this and he said that generally the administration does not talk about any specific union or issue because they direct their talks to a larger audience. The White House administration generally does not issue public statements about specific constituent issues. Ickes said that it really did not matter whether the administration revealed this information because when the administration has done something for a constituent, the word generally gets out from the constituent

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anyway. Ickes summed up his statements by saying there was nothing negative about the call and there were no negative political consequences of revealing the call had been made.

Ickes saw O'Connor before she testified for the Hoekstra Committee. He said that he did not discuss the substance of this interview or any other testimony or deposition with O'Connor. He said that he and O'Connor may have exchanged notes from prior testimony but they never got into substance of what questions were asked.

Ickes was asked specifically if he recalled discussing the Diamond Walnut issue and his deposition testimony with O'Connor in October or November of 1997. Ickes said he may have, but has no specific recollection of the conversation. Ickes was reasked about when he remembered the Kantor call after his deposition and Ickes said he does not know when he remembered the call and had he remembered it, he would have answered the question the same way. Ickes said he did not recall the Kantor call and does not think that the Kantor call had anything to do with the question. Ickes has spoken to Kantor regarding his interview with the FBI, but he did not go into any details. Ickes said that Hickey from the Thompson Committee never asked him if he spoke to Kantor and he never volunteered this information.

At some point Ickes remembered the Kantor call and he was asked if he ever tried to advise the Committee of this and he said no. Ickes' counsel suggested that Ickes may have discussed the issue with counsel but declined to let the interviewers ask about Ickes' attorney-client communications.



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**HAROLD ICKES FBI INTERVIEW SUMMARY**

**NOVEMBER 10, 1998**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/11/98

HAROLD MCEWEN ICKES, date of birth September 4, 1939, former Deputy White House Chief of Staff, voluntarily appeared for an interview at the offices of his attorneys, Amy R. Sabrin and Lily G. Arbat-Camat, Skadden, Arps, Slate, Meagher & Flom, LLP, 1440 New York Avenue, N.W., Washington, D.C., telephone number (202) 371-7000. Also participating in the interview were U.S. Department of Justice (DOJ) Trial Attorneys Kirby Heller, Campaign Contributions Task Force (CCTF), and Robert Meyer, Public Integrity Section, Criminal Division. Ickes was introduced to the below-listed Special Agents, and informed that the interview concerned issue-advocacy television advertisements ("issue ads") broadcast by the Democratic National Committee (DNC) and Democratic state party committees during 1995 and 1996. Thereafter, he furnished the following information:

Ickes was asked to describe his involvement with the DNC issue ads campaign. He replied that he served as White House Deputy Chief of Staff from January 1994 through January 1997. As such, he acted as the "point person" between the White House and the Clinton-Gore '96 campaign committees (hereinafter "C-G"). He also served as the primary, although not sole, White House liaison to the DNC, which entity reported to him regarding its overall budget, fund-raising needs and schedule, and several different advertising campaigns, including with regard to the issue ads. Members of the White House Political Office separately maintained contact with the DNC and C-G on various matters, including with regard to the ad campaign, reporting their interaction to him.

Ickes outlined the general procedure for the production and financing of issue ads. The media consultants hired by the DNC and C-G proposed ad(s) at weekly strategy meetings of the President, the Vice President, the White House Chief of Staff, Ickes, the media and polling consultants, and others, usually held on Wednesday evenings and usually in the residence of the White House. The proposals were considered in several different formats. There were times when general proposals and themes were discussed without reference to prepared written scripts, while on other occasions scripts were reviewed. In the former instances, the media consultants frequently returned to subsequent meetings to present written script proposals or to screen "animatics"

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 File # 58A-HQ-1193317 Date dictated 11/11/98  
 by SA Martin W. Culbreth:mwc  
SA John Walker FBI-00058

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(rough cut videotape depictions), often after they had been "mall-tested" (screened at shopping malls in conjunction with the administration of written questionnaires). On other occasions, an ad proposal was first considered by the group in the form of an "animatic."

Issue ad proposals, in whatever format, were discussed by the attendees of a meeting and a consensus was reached as to whether to proceed with ad production. If there was agreement at a meeting as to an ad in its "final" videotape format, the completed product would be broadcast in whatever television markets the media consultants had selected. It was not unusual for those involved in the issue ads process, namely those from the White House and the DNC attending the Wednesday evening meetings, to be considering ad proposals in some format three to four weeks in advance of anticipated broadcast dates.

Ickes volunteered that it is important to stress that, albeit unrelated to the ad screening and consideration work being undertaken during the Wednesday evening meetings, lawyers for both the DNC and C-G, at his instruction, were heavily involved in the entire issue ad production and approval process. Ickes understood that Joe Sandler, DNC General Counsel, and Lyn Utrecht, C-G General Counsel, reviewed written copy and videotape of each ad proposal throughout the production process to ensure that the ad fell within legal parameters.

Ickes has no knowledge of the President having personally edited (made "pen to paper" revisions of) written scripts of proposed issue ads. However, on those occasions when written scripts or animatics were presented for discussion, the President would look at them and occasionally offer suggestions for revisions. These suggestions were typically, although not always, adopted by the media consultants.

Ickes was asked whether it was necessary for the DNC to obtain White House approval prior to authorizing the production and broadcast of an ad it financed, or authorizing the expenditure of its funds to broadcast the ads (to make a "media buy"). He responded that the White House was fully involved in the development of the ads being aired by the DNC, and that there was not a separate group at the DNC (and outside the context of the Wednesday evening meetings) working on issue ad production.

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He "doubt[s] that there was an ad run by the DNC that did not run through the White House," that did not emanate from the aforementioned Wednesday evening screening process. DNC money was being used to pay for the ads. The DNC was permitted to spend its money on the ads without a formal authorization of the White House. However, as a practical matter, the decision to produce and broadcast a particular ad was characterized by consensus of the DNC and the White House. Chairman Dodd of the DNC often attended the Wednesday evening meetings and participated in the consensus agreement that a certain ad would be run, where it would be broadcast, and how much money would be spent on it.

Ickes was questioned as to the manner in which the media consultants were formally notified of authorization for the production and broadcast of an issue ad. He stated that authorization forms bearing his signature were sent from the White House to the consulting firm of Squier, Knapp & Ochs (SKO), and later to the November 5 Group, Inc., notifying the consultants as to precisely how much money had been approved for a particular media buy. Ickes signed the forms, as the President's representative, generally prior to the actual expenditure of DNC funds. Doug Sosnik or Karen Hancox would occasionally execute the forms in Ickes' absence. Ickes was reluctant to characterize these forms as constituting written authorization for the expenditure of DNC money. Instead, the purpose of the forms was to maintain control over a process involving a great many people in which a large amount of money was being raised and spent. Ickes wanted to establish a reasonably distinct paper trail to ensure that all agreed-upon procedures, including those concerning the legal review of the ad proposals, were being observed by Dick Morris and the other consultants. He wanted to ensure there would be no misunderstanding as to precisely what level of spending, and what other details concerning the ads, had previously been authorized during the Wednesday evening meetings. Ickes added that "nothing [decisions made regarding the ads] was locked down" until checks had actually been delivered to the television stations.

Copies of the authorization forms were received by Jennifer O'Connor, Ickes' White House assistant, who later reconciled them with the consultants' invoices, which were directed to the White House. With a "sea of paper," O'Connor

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would ensure that the actual expenditures corresponded with what had been authorized. Ickes does not know whether the DNC was similarly reconciling its issue ad expenditures. He has no specific knowledge of internal DNC procedures.

Ickes was questioned as to whether, separate from these authorization forms, there was White House or DNC communication to the consultants of authority for the expenditure of DNC money for the broadcast of the issue ads. He replied that, typically, the media consultants would come to a Wednesday evening meeting bearing ad proposals, as well as information concerning the cost of a proposed media buy. A consensus was sometimes reached at the meeting concerning an ad proposal, and the consultants would be so apprised to proceed with production and/or broadcast, perhaps with certain modifications. Occasionally, a much smaller group of people met after the Wednesday meetings to resolve any open questions concerning a proposal, and to inform the consultants to proceed with production. The composition of the group varied depending upon the nature of the lingering questions. For example, if the factual accuracy of an ad was challenged, Ickes might have Doug Sosnik or Karen Hancox contact Gene Sperling or someone else within the White House for input. If script or other changes were contemplated, Ickes might meet with Sosnik or Hancox to discuss the matter. This smaller group had the authority of the President to "okay" an ad proposal and to communicate this authority to the media consultants. Ickes does not recall the President having participated in these subsequent meetings to resolve any such open questions concerning the ads, although Ickes may have raised such matters with the President from time to time.

Ickes was asked whether smaller group meetings including the President were convened subsequent to Wednesday evening meetings for the purpose of discussing official policy matters outside the presence of the media and polling consultants, perhaps the following mornings. Although he does not specifically recall such meetings, they may have occurred from time to time. Generally, the Wednesday evening meetings focused on the issue ads and polling results, not official government policy.

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Ickes was again questioned as to whether the DNC was required to obtain White House authorization prior to expending funds to produce and broadcast issue ads. He responded that it would be "fair to say" that the DNC would not transmit money to the Democratic state party committees to purchase air time for the ads without first confirming White House approval. The DNC's Brad Marshall, responsible for the transmittal of DNC funds, was cognizant of this practice and would check back with Ickes, Karen Hancox or Doug Sosnik to ensure that "everyone was continuing on the same understanding" reached at the Wednesday evening meetings. Marshall was the last word on DNC money, and did not want to rely solely on the word of the consultants as to what had been agreed upon. Marshall was not going to expend DNC funds on the ads without first confirming that the White House had signed off on the media buy. White House approval was conveyed to the DNC in several ways. Karen Hancox or Doug Sosnik would sometimes speak with Brad Marshall, or fax a copy of the authorization form to him. On occasion, Ickes may well have verbally communicated such authorization to Marshall, or to either of the DNC Chairmen.

Ickes first became aware of the potential for the DNC to broadcast issue ads in the spring or summer of 1995. He is not certain who first raised this possibility; either he addressed it with Lyn Utrecht or Joe Sandler, or they broached the subject with him. In whatever manner the matter was first suggested, Ickes did request that Utrecht and Sandler research the potential for DNC issue-advocacy to determine under what conditions it could be accomplished. Dick Morris was very excited to learn of the potential for DNC issue-advocacy. Ickes had a passing familiarity with the law of issue-advocacy (the DNC had already financed generic advertising concerning health care) and asked the lawyers to advise him whether the DNC could again finance such generic media. It was not unusual for a national political party to undertake generic advertising in connection with a presidential election. The President was aware that the DNC had done some health care advertising, and was interested in doing the same thing again. Ickes does not know what type of money, "hard" or "soft" dollars, was used to finance the health care ads. However, consideration of "hard" and "soft" dollars was a consistent issue of the issue ads campaign.

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The possibility of running advertising in 1995 had already been the subject of discussion at the Wednesday evening meetings. The President and Dick Morris were enthusiastic about running television ads in the wake of the 1994 Democratic election debacle. Morris wanted to do advertising as early as possible. The President agreed. There was discussion of broadcasting ads at a cost of approximately \$1 million per week. The question arose as to where the money would come from. Since the President had already accepted federal matching funds for his campaign, discussion ensued as to sources of money other than C-G. This prompted the question of whether the DNC could lawfully undertake such advertising.

The key issue in Ickes' mind was whether it was possible for the DNC to do advertising which would not be attributed to the C-G primary committee. He asked Utrecht and Sandler to investigate the matter and lay out the circumstances under which DNC advertising could proceed. Utrecht and Sandler's ultimate advice was that the DNC could run issue ads, the content of which (as distinct from the purpose of the advertising) was the operative legal consideration. With regard to content, the lawyers advised that the ads could not contain "express advocacy," as that term is defined by the U.S. Supreme Court. They also expressed a preference that the ads focus on issues pending before Congress. Finally, Utrecht and Sandler, whom Ickes considers to be "top FEC [Federal Election Commission] lawyers," urged that they be involved in the ad production and approval process. Ickes concurred that their input was necessary, subsequently urging their involvement in the ad production and review process "every step of the way."

Ickes left it up to the lawyers to ensure the legality of each ad. The media consultants chafed at the fact that Utrecht and Sandler had very broad authority from the President, through Ickes, to impose legal guidelines for ad production and to approve or reject ad proposals.

Ickes was asked why it was so important to have lawyers involved in the ad production and review process. He replied that, once the C-G primary committee was formed in April 1995, the overriding consideration was that DNC ad expenditures not be mistakenly or inappropriately attributed to C-G. Such a concern had not been present during the DNC's earlier broadcast of health

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care ads. Further, the issues and standards associated with the generic ad campaign, including that of "express advocacy," were legal in nature. The FEC would consider the ads in light of those legal standards, which, in his view, were not clearly written and were subject to interpretation. Particularly since the media consultants producing the ads were not lawyers, it would have been "totally negligent" to have left to their discretion the determination as to whether an ad satisfied applicable law. The lawyers were so involved in the process at his instruction.

Ickes believes, although cannot guarantee, that he solicited written legal advice concerning the issue ads campaign from Utrecht and Sandler. However, he does not recall having received any such written advice. At this point in the interview, Ickes requested to consult with his attorneys outside the presence of the interviewers. After consultation, Attorney Sabrin stated that, while she is unaware that Ickes possesses any privileged documents which might constitute such advice from the lawyers, she would double check his files and would promptly identify and produce any such materials in writing in Ickes' behalf.

Ickes was shown a copy of a document, the first and second pages of which are facsimile transmittal sheets, dated September 15, 1995, from Lyn Utrecht to Jack Quinn, then Chief of Staff to Vice President Gore, containing legal discussion of issue-advocacy. Ickes does not recall having earlier received or read this document. Ickes described the role of Jack Quinn with regard to the issue ads as a participant in the Wednesday evening meetings, at least prior to his assumption of the position of White House Counsel. Ickes is unaware of what, if any, legal advice concerning the issue ads campaign Quinn may then have rendered to the Vice President.

Although he does not recall specific conversations (other than that they did not occur in the context of Wednesday evening meetings), Ickes is confident that he discussed with both Doug Sosnik and Karen Hancox the fact that Lyn Utrecht and Joe Sandler were involved with the production and review of the issue ads. Further, while he does not recall if a general discussion of the topic occurred at a Wednesday meeting, Ickes does recall having similarly informed the President and Vice President of the

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lawyers' involvement. Although he cannot recall when or where such conversation(s) occurred (whether telephonically, in the oval office, perhaps during a Wednesday evening meeting, etc.), Ickes is certain he so informed the President and Vice President, and generally discussed with them the standard of "express advocacy." Without going into detail, he advised the two that the issue ads could not advocate their reelection or the defeat of other candidates. Ickes believes that the President understood this concept of express advocacy. Ickes recommended that lawyers be involved in the ad production and approval process, and both men agreed.

Ickes was asked whether he spoke with the President and Vice President on more than one occasion concerning the lawyers' involvement, as well as to impart their legal advice. He replied that he believes so. Legal compliance of the issue ads was a source of concern for the President. Ickes was similarly concerned that, during subsequent FEC audits, there be no improper allocation of DNC ad expenditures to the C-G committees; this despite assurances from Utrecht and Sandler that content of the ads alone was legally dispositive. The President, Vice President, and Ickes were always adamant that the lawyers' advice concerning the issue ads be followed, notwithstanding the continual "whining" of Dick Morris as to the legal constraints imposed.

Ickes was asked what the issue ads were designed to accomplish. In posing the question, the interviewers suggested that the White House may have viewed the DNC as just another pot of money to be used for the benefit of the Reelect. Ickes responded that the backdrop of the issue ads was the election debacle of 1994. The President was frustrated beyond belief, almost despondent, as a result of his failure to inform the public as to what he and his Administration had accomplished during 1993 and 1994. The President felt that he had been unable to effectively communicate his message and achievements, and took the matter very personally. In addition, the Democratic Party as a whole was reeling from the 1994 election. In this environment, the issue ads campaign had several purposes: to use paid media to focus on specific issues then under debate, and to discuss and advance the message of the President and his Administration; to revive the fortunes of the Democratic Party; and to revive the fortunes of the President. These goals were interlinked.

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By early 1995, discussions were already taking place within the White House concerning the President's reelection effort, including the impact early advertising would have on that bid. Again, the discussion focused on whose money could be used to finance the advertising, that of C-G or the DNC.

Ickes viewed Utrecht and Sandler as exercising great caution in connection with the issue ads, including with respect to their interpretation of applicable law. Ickes does not recall ever having been made aware that a particular issue ad in some manner exceeded some legal boundary. To the contrary, he recalls Dick Morris, in particular among the media consultants, continually "whining" about the legal strictures imposed on them. Morris often complained that the lawyers were too conservative and heavy-handed. Despite such complaining, the President was absolutely "rock hard" that the lawyers would prevail in any disputes concerning the ads.

Ickes would on occasion talk with Lyn Utrecht to inquire how things were proceeding with the issue ads campaign. He would also discuss the campaign from time to time with Joe Sandler, with whom Utrecht advised she was collaborating in her continued involvement in the ad production and review process. Ickes had, and currently has, no reason to believe that a system of legal review of the ads had not been established, or that it was not fully operational throughout the ad campaign. Morris' constant "whining" about the lawyers' involvement, which the President was aware of, solidified this impression. This complaining was particularly acute following the Republican National Committee's broadcast of a purported issue ad concerning the life of Senator Dole, commonly referred to as the Dole "bio ad." Morris could not understand why the C-G and DNC lawyers continued in their conservative legal approach in the face of such opposition media.

Ickes recalls discussing with Utrecht and Sandler their recommendation that issue ads not be broadcast in states within 28 days of their primary elections. This was not born of some FEC ruling, but instead of a desire by the lawyers to exercise caution. Although Ickes cannot recall the specifics of any conversations concerning this recommendation with the President, he does believe that he informed the President and the Vice President of this 28-day rule.

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In September 1995, a meeting was held in the residence of the White House during which it was agreed to proceed "full steam" with the issue ads campaign. As the legality of the DNC's issue-advocacy had already been hashed out, Ickes doubts, but does not precisely recall, that the meeting included discussion of a legal nature. Instead, the participants used the opportunity to put the final touches on the ad campaign. Ickes does not recall whether that meeting occurred on the evening of September 10, 1995, a Sunday. The meeting was attended by the President, the Vice President, Ickes, Leon Panetta ("undoubtedly"), and others. Ickes tends to believe that someone from the DNC also attended the meeting, but has no specific recollection. During, or perhaps before, the meeting, there was discussion of the serious implications such a decision would have on the time [fund-raising] commitments of the President and Vice President.

Ickes does not recall the President ever meeting with Utrecht or Sandler to receive legal advice concerning the issue ads. Instead, Ickes, as indicated, served as the intermediary between the lawyers and the President. Ickes is unaware of any other conduits of legal advice for the President.

Ickes has no recollection of Joe Sandler ever expressing concern to him that the issue ads campaign was "skirting" or exceeding applicable legal boundaries. Contrarily, Ickes had the distinct impression that both lawyers considered the issue ads within the strictures of the law. They cautioned that they needed to be involved in the ad production and review process because it could not be left to the discretion of the consultants.

The selection of television markets for the ads followed the same process as the production of the ads. The pollsters would present their recommendations during the weekly meetings and a consensus agreement was reached by those in attendance. The suggestions of the pollsters were either accepted, rejected or modified based on the circumstances, usually whether there was enough money to pay for polls or time buys.

Ickes was asked whether there was discussion of the use by the DNC and C-G of the same media and polling consultants. He

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responded that he strongly recommended to the President that more than one polling firm be employed, although not because of legal considerations. Instead, he considered it financially prudent to execute an agreement with a pollster separate from that entered into by the DNC. Further, he considered it useful to receive a "reading" or opinion from more than one pollster. Ickes did not have similar concerns with regard to the media consultants.

Ickes was shown copies of four pages of handwritten notes, bearing date stamp numbers IA008365 through IA008368. These are Ickes' notes. He is unable to determine the date written atop page IA008365. It could be "9/10/95," "9/18/95," or "9/19/95." The top portion of page IA008365 likely contains his notes from a telephone conversation or meeting with Lyn Utrecht regarding 441a(d), "hard/soft money" splits, and the issue ads. Ickes cannot say if pages IA008365 and IA008368 are related.

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**HAROLD ICKES FBI INTERVIEW SUMMARY**

**APRIL 30, 1999**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/30/99

HAROLD MCEWEN ICKES, white male, date of birth 9/4/39, was interviewed at the law office of SKADDEN, ARPS, SLATE, MEAGHER AND FLOM, 1440, New York Avenue, N.W., Washington, D.C. ICKES was represented during the interview by his attorneys CARL RAUH and LILLY ARBAB. Present during the first section of the interview concerning JOHN HUANG were U.S. Department of Justice attorneys KIM CASSIDY and JONATHAN BIRAN. Present during the entire interview were U.S. Department of Justice (DOJ) attorney WILLIAM CORCORAN and Federal Bureau of Investigation Special Agents MARK RICHARD STANLEY and GEORGE D. WEBSTER III. After being advised of the identities of the interviewing agents, and the purpose of the interview, ICKES provided the following information:

The first time ICKES met JOHN HUANG in a "formal" setting was during his meeting with HUANG at the White House on October 2, 1995 when ICKES was White House Deputy Chief of Staff. ICKES may have "run into" HUANG previously at various functions, but does not recall any such instances.

ICKES had asked HUANG to meet with him as HUANG had expressed an interest in coming to the DEMOCRATIC NATIONAL COMMITTEE (DNC) in connection with the upcoming Presidential election. ICKES believes he called HUANG to set up the appointment, but it is possible ICKES did not speak directly with HUANG.

The meeting between HUANG and ICKES was not an "interview" or "screening," but rather, ICKES wanted to get to know HUANG and wanted to see if HUANG desired to move to the DNC and "under what circumstances."

ICKES was shown a copy of his notes from the 10/2/95 meeting with HUANG, marked with Bates stamp number A0096-0147-01-2965, and was asked to provide a description of the meeting. ICKES stated that during the meeting, he got to learn more about who HUANG was, including his background. The import of the meeting, however, was HUANG's stating what groups HUANG wanted involved in the upcoming election from a "political and fundraising point of view." To ICKES' knowledge, there had been no formal decision made by anyone regarding HUANG's moving over

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to the DNC at the time of HUANG's meeting with ICKES.

ICKES explained that the role ICKES played in HUANG's move to the DNC was as follows: After the meeting with HUANG, ICKES talked with either DON FOWLER, the DNC Chairman, or MARVIN ROSEN, the DNC Finance Chairman, and told one or both of them that HUANG was interested in leaving the U.S. DEPARTMENT OF COMMERCE (DOC) and coming over to the DNC and working full time to obtain financial support for the general election. When asked if ICKES made a recommendation about HUANG to anyone after his meeting, ICKES stated that in fundraising, if someone wants to be helpful by working, you do not turn them down.

ICKES believes that HUANG began working at the DNC sometime "within a month or so" of ICKES' meeting with HUANG. ICKES explained that it was hard for him to separate what he knows now of the series of events surrounding HUANG from what he knew then because of all the publicity and discussion of the issue in the media. ICKES does not think he could definitively say when HUANG moved over to the DNC, but he remembers a "big fuss" about HUANG's status at the DCC after he arrived at the DNC.

With regard to the campaign of JESSE JACKSON, JR.'s special election campaign in 1995, ICKES had no specific role. ICKES has known JACKSON, JR. for a "number of years" and knew of him through his father, Reverend JESSE JACKSON. ICKES had known JESSE JACKSON, JR. casually through Reverend JACKSON, for whom ICKES had worked in 1988.

ICKES does not have any recollection of asking HUANG to find contributors to JESSE JACKSON JR.'s campaign. ICKES had no recollection of HUANG raising any money for JACKSON's campaign. ICKES may have had two meetings with HUANG, but ICKES can only recall the one meeting, described above, prior to HUANG's move to the DNC.

ICKES was shown a copy of a telephone message slip bearing Bates number A0008-0010-01-1646 dated 10/23 from HAROLD ICKES at 456-2459. ICKES had "no idea" if 456-2459 was his telephone number at the White House, although he recognized 456 as a White House exchange. ICKES did not remember this call, although he did not deny that he may have made one to HUANG.

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ICKES did not recall receiving any telephone messages from HUANG, either by voice mail or in written form. ICKES thought that he may have given HUANG some indication that he would call HUANG back after the October 2, 1995 meeting, although ICKES did not remember making any such contact or ever getting back with HUANG.

ICKES had no knowledge of HUANG soliciting anyone prior to HUANG's move to the DNC, other than what he has read in the media.

ICKES did not recall discussing campaign fundraising or anything specific about his election with JACKSON, JR. ICKES "wouldn't rule out" but did not remember discussing JACKSON, JR.'s campaign with Reverend JESSE JACKSON. ICKES did remember that Reverend JACKSON was "proud" of his son's winning his election. ICKES does not have any recollection of discussing any details of JACKSON JR.'s Congressional race with Reverend Jackson other than the fact that JACKSON JR. was running and won his election.

ICKES was not involved in and did not "recall" having any role in JACKSON JR.'s election. When asked if he made any efforts to have anyone raise money for JESSE JACKSON, JR.'s campaign, ICKES stated "not that I recall." ICKES was "totally uninvolved with that and every other Congressional race."

ICKES had no specific discussions regarding HUANG and his background with anyone at the DNC. ICKES typically dealt with the "top people" on the fundraising staff at the DNC.

When asked what directives or information President Clinton may have discussed with ICKES about HUANG prior to ICKES' meeting with HUANG in November, 1995, ICKES stated that he had nothing to add to his previous Senate testimony on the matter.

To ICKES' best recollection, he became aware of VOTE NOW in 1992. At that time, ICKES was the Deputy Chairman of the DEMOCRATIC NATIONAL COMMITTEE (DNC) under RON BROWN. HUGH WESTBROOK and GARY BARRON were associated with VOTE NOW, a voter registration/get-out-the-vote (GOTV) organization. VOTE NOW was non-partisan and tax exempt. ICKES is unsure whether he gained his knowledge of VOTE NOW from WESTBROOK and BARRON or through others.

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During the VOTE NOW projects of 1992, 1994, and 1996, it was ICKES' understanding that BARRON was the Executive Director of VOTE NOW. As such, BARRON's primary responsibility was raising money and distributing it to others conducting GOTV activity. WESTBROOK was a businessman who operated a company in Florida providing some type of medical services. WESTBROOK was a former fundraising chair of the DEMOCRATIC SENATORIAL CAMPAIGN COMMITTEE (DSCC) and a supporter of both the DNC and President CLINTON.

During 1995 and 1996, ICKES met with BARRON on one or two occasions at the White House or possibly at a function in Florida while ICKES was accompanying the President. ICKES also had several conversations with BARRON in person and on the telephone. During their conversations, BARRON would tell ICKES about VOTE NOW '96 and what it was doing. BARRON maintained a "constant drumbeat" that Vote Now '96 was always in need of money. BARRON asked ICKES if he (ICKES) knew of anyone willing to contribute to Vote Now '96. In response to that request, VOTE NOW '96 became an organization that ICKES would refer people to if they (donor) had "maxed out" (couldn't give any mor money to the DNC or CLINTON/GORE) or were people who didn't want to give money to the Democratic Party. ICKES had peripheral contact with other GOTV organizations during this time but not to the extent of VOTE NOW '96.

ICKES is unsure if he knew of the formal entity known as CITIZENSHIP EDUCATION FUND (CEF). However, as background, Reverend JESSE JACKSON has historically organized the "Jackson Project" (as known in DNC circles), which is voter registration/GOTV activity conducted in connection with the general election. JACKSON has always been an advocate of GOTV activity. The DNC, beginning with the tenure of RON BROWN, would finance or partly finance JACKSON's GOTV/voter registration activities. In 1992 and 1994 the DNC funded Jackson's efforts but in 1996 funding was given to Jackson by way of association with Vote Now '96.

As background, when ICKES joined the Clinton Administration he was the point person to the DNC and Clinton/Gore campaign (when formed). ICKES had always believed the DNC's GOTV effort was ineffective. Beginning in 1994, the DNC did little in GOTV or voter registration funding or getting

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involved in such activity thru other organizations. In 1996, JACKSON was again interested in doing his GOTV/voter registration effort. The question arose if the DNC would provide financial assistance for the 1996 effort. Because of the demands for funds by the DNC for media and other expenditures, ICKES had hoped the funding of JACKSON's effort would go elsewhere. ICKES communicated his views to the DNC that the if the JACKSON project could be financed elsewhere it definitely would be a savings for the DNC. ICKES was unaware of any commitment, obligation, contractual arrangement, or promise that may have existed for the DNC funding of JACKSON's effort.

ICKES cannot recall the dates of conversations he had with BARRON regarding whether or not Vote Now '96 would fund Jackson's project (1996). ICKES has a recollection of at least a telephone conversation with BARRON, although he can't remember details of the conversation. ICKES may have given BARRON a history of JACKSON's involvement with the DNC, said that JACKSON's effort would be non-partisan, and explained the DNC's financial decision not to fund JACKSON's effort in 1996. ICKES asked BARRON if VOTE NOW '96 would fund JACKSON's effort. BARRON said he would have to talk with WESTBROOK and the board of directors at VOTE NOW '96 about the request. ICKES is not sure if BARRON made a commitment at that time or if BARRON got back to ICKES with an answer shortly thereafter. ICKES had an impression that BARRON was very cautious with the request because VOTE NOW '96 was a 501(c)(3) entity and wanted assurances that JACKSON's effort was not-for-profit and non-partisan.

To the best of ICKES' recollection, the DNC provided JACKSON's effort with approximately \$600,000 - \$800,000 in 1992. He was unsure of the level of funding in 1994. In 1996, JACKSON's project was looking for funding of approximately \$750,000 - \$1,000,000. ICKES was unsure of what amount was agreed upon between the two sides (BARRON and JACKSON).

BILL LYNCH is a close friend of ICKES and JACKSON and had taken part in JACKSON's GOTV/voter registration projects in 1992 and 1994. ICKES had a couple discussions with LYNCH regarding the funding of JACKSON's project in 1996. LYNCH was involved in the 1996 effort because LYNCH could deal with JACKSON and had prior involvement with JACKSON's projects.

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ICKES has no recollection of reaching out to other groups for the funding of JACKSON's efforts.

ICKES had virtually no involvement in raising funds for VOTE NOW '96, although it would be fair to say he alerted TERRY MCAULIFFE, RICHARD SULLIVAN, and MARVIN ROSEN to this issue. ICKES may well have talked to MCAULIFFE, SULLIVAN, and ROSEN and said it would be helpful if they could raise money for VOTE NOW '96.

ICKES does not recall a specific conversation with BARRON, wherein ICKES told BARRON he would get donors for VOTE NOW '96. If that situation occurred (hypothetically), BARRON probably would have said he would be hopeful that donors would be sent to VOTE NOW '96. ICKES does not know if he committed potential donors or contributions toward VOTE NOW '96. However, it is fair to say if MCAULIFFE, SULLIVAN, and ROSEN could raise money for VOTE NOW '96, it was from donors with money available to contribute to VOTE NOW '96; similar to the donors who had "maxed out" or didn't want contribute to the Democratic Party. ICKES does not recall being updated on the fundraising efforts of MCAULIFFE, SULLIVAN and ROSEN for VOTE NOW '96.

ICKES described the period of Fall 1996 as "hectic beyond belief" during which he was constantly traveling to various functions with the President. He had no recollection (at that time) of being aware of GILBERT CHAGOURY's \$450,000 contribution to VOTE NOW '96 or that MARK WEINER was the solicitor of that contribution. WEINER is a former chairman of the Democratic State Committee in Rhode Island and active in Democratic politics, especially on the fundraising side. WEINER is a businessman, although ICKES is not aware what his company does. ICKES may have subsequently learned of WEINER's solicitation of the CHAGOURY contribution thru press articles.

To ICKES' understanding, WEINER had a fairly close relationship with JACKSON. WEINER had served as treasurer (and chief fundraiser) for the DEMOCRATIC GOVERNOR'S ASSOCIATION (DGA). At a DGA meeting in Milwaukee, Wisconsin, ICKES remembers WEINER saying that he (WEINER) was having dinner with JACKSON. ICKES was not sure how close the relationship was between WEINER and JACKSON or how long it had existed.

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To the best of his knowledge, ICKES has never met CHAGOURY, nor had any conversations with anyone about CHAGOURY. ICKES has no recollection of CHAGOURY's meeting with the NATIONAL SECURITY COUNCIL (NSC) in July 1997. At that time (July 1997), ICKES was no longer working at the White House - ICKES was fired in November 1996 and formally resigned January 20, 1997.

ICKES does not recall meeting with JACKSON after the 1996 general election. At that time, ICKES was immersed in the preparations for the inauguration activities. ICKES cannot rule out that such a meeting did not take place, but not to his recollection.

WEINER did receive some of the souvenir business for the inauguration. The political souvenirs would include items such as pins, buttons, commemorative items, cuff links, and umbrellas. MCAULIFFE and ANN JORDAN were co-chairs of the inauguration event.

ICKES may have had a conversation with WEINER about raising money for VOTE NOW'96. ICKES believes that in 1995-1996, he knew WEINER had a relationship with JACKSON. When asked if any of these conversations occurred while ICKES was at the White House, ICKES explained most of the conversations between him and WEINER were "social-political chit-chat gossip."

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**YAH LIN "CHARLIE" TRIE FBI INTERVIEW SUMMARY**  
**JUNE - OCTOBER, 1999**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/18/99

YAH LIN "CHARLIE" TRIE, aka CUI YALIN, and TS'UI YAH-LIN, date of birth 8/15/49, Social Security Account number [REDACTED] resides at 1407 South Cleveland Drive, Little Rock, Arkansas. TRIE was interviewed on May 28, June 1, 2, 14, 15, 17, 18, July 19, 20, 21, 22, 23, 26, 27, September 14, 15, and October 27. BRIAN HEBERLIG, with Steptoe & Johnson LLP, TRIE's counsel, was present on all occasions. Steptoe & Johnson attorneys, REID WEINGARTEN and WILLIAM HASSLER were also present during portions of the interview. P

On behalf of the government the following individuals were present at various times: Special Agent (SA) C.S. KIM, SA GREG TIMBERLAKE, SA MARK STANLEY, SA GREG DEEGAN, SA ANGELA BYERS, SA GEORGE WEBSTER, SA EDUARDO HEGEWISCH, SSA BRUCE CARLSON, Investigative Research Specialist (IRS) CECIL SPURLOCK, IRS CAROLYN ROWE, Assistant United States Attorney GEORGE VIEN, and Trial Attorneys MONIQUE ROTH and JOHN KACAVAS. Having been apprised of the identity of the interviewers and the nature of the interview TRIE provided information on a number of events and individuals.

To the extent possible, the information provided by TRIE has been organized chronologically. Major events and subjects, listed in the Table of Contents, provide context and a time frame for other significant incidents and individuals.

Investigation on Jun-Oct 1999 at Washington, D.C.  
 File # 58A-HQ-1193317 Date dictated 10/27/99  
 by SA Anne Hopkins:ah FBI-TRIE001

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TRIE advised that he was born in Taiwan in 1949, the year after his parents had moved to Taiwan from China. Prior to leaving China, TRIE's father had been a fighter pilot in the Chinese army under Chiang Kai-shek's rule. Upon graduating from high school he was offered a basketball scholarship which he turned down, knowing that a degree from an athletic college would prepare him only for a career in teaching. TRIE entered the Taiwanese army and served two years compulsory service. He married WANG MEI in 1974, and came to the United States in 1976 (during the Summer of 1998, while being cared for in Taiwan, WANG MEI TRIE passed on). He worked in his sister's restaurant in Little Rock, Arkansas, before moving around the country, working in various restaurants in Washington, D.C., New York City, and Lubbock, Texas. He returned to Little Rock for the opening of Fu Lin, his sister's restaurant near the capitol. Prior to becoming governor, CLINTON attended the opening of Fu Lin and, thereafter, ate lunch there three or four times a week. TRIE became part owner of the restaurant, and eventually sold it 1992.

**Business Affiliations in the U.S.**

Although TRIE did not personally know either MOCHTAR or JAMES RIADY, in 1981 he received a \$120,000 loan from the RIADYS' bank in Little Rock, Worthen Bank, to renovate his restaurant. TRIE explained that in the early 1980's PETER CHEN, aka CHEN GENGGI (Chinese Telegraphic Code (CTC) 7115/1649/1015), who is married to his mother's god-daughter, was working for the Lippo Bank as their import/export manager. According to TRIE, CHEN's wife, TINA CHAO, helped him secure the loan. CHEN and his wife lived in Little Rock at the time and she worked for Worthen Bank.

TRIE stated that CHEN was involved in the import/export business for Lippo, and had some deals with ceiling fans and lumber. It was TRIE's understanding that CHEN was both an employee of Lippo and a joint venture partner.

**Jesco International**

TRIE stated that in 1990, while still running the restaurant, he went into business with JIMMY LEE FARRIS. They established a company named Jesco International (Jesco) and designed a ratchet wrench which they had manufactured in the People's Republic of China (PRC). Jesco signed a contract with K-Mart to sell the ratchets in the U.S. Jesco was a failure, and TRIE lost a lot of money. TRIE stated that the RIADYS did not provide any financing to TRIE or his partner, FARRIS, for the Jesco venture. TRIE believed that Lippo and the RIADYS



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had already pulled their banking business out of Little Rock by that time.

TRIE, wishing to make more money than the restaurant business was capable of, branched out into the international trade business. In 1991, TRIE tried to develop a sister city relationship between Little Rock and Changchun, China. At that same time he also brokered the export of bio-tech machinery and elevator equipment to China.

TRIE explained that he would have contributed money (perhaps \$1000) to CLINTON's campaign back in 1992, but he was aware at that time that either the FBI or the CIA was interested in talking to him. He assumed that he was in some kind of trouble for making the telephone call to the Taiwanese Consulate in Houston, Texas. TRIE advised that when CLINTON told him that he was going to run for President TRIE telephoned the Taiwanese Consulate and the Chinese Embassy. Because of the negative FBI and CIA attention this call generated TRIE avoided becoming politically involved at that time in spite of his pro-CLINTON enthusiasm.

Additionally, TRIE said he had talked with several people at the PRC consulate in New York and had attended a dinner with PRC consular officials in Los Angeles, but had never contacted the PRC consulates in San Francisco or Chicago.

#### United Biotech

TRIE acknowledged being a close friend of Dr. PETER FU, a research biochemist who was chief of the toxicology branch of an FDA facility near Little Rock. He said FU and his wife, VIOLETTA, were "silent partners" who helped TRIE establish Daihatsu by investing thousands of dollars in start-up capital. He said the FUs withdrew from the partnership in 1992 or 1993. PETER FU introduced him to CHARLES CHIANG, a Washington, D.C., restaurateur and Democratic Party activist, in the 1980's for business rather than political reasons. TRIE said he was unaware of any connections Dr. FU had in the PRC, even though he was shown a business card indicating that Dr. FU has ties with two institutions managed by the PRC government.

TRIE said he met Dr. ZHANG JIANGMING, director of the Changchun Biological Products Institute, a component of the PRC Public Health Ministry, in 1992. The only biotech equipment he helped ZHANG purchase was a 500-liter fermenting machine from the Sulzer company, for which TRIE received a "\$20,000 or \$30,000" commission. TRIE said ZHANG was present in Little Rock when United Biotech was incorporated in November 1992 and opened

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a bank account there. TRIE said United Biotech was dissolved in December 1993 "because it did no business." He was shown a document indicating that United Biotech earned \$16,000 in 1993 and was asked about the source of that income. TRIE replied that he didn't know, but thought the \$16,000 could have been a commission.

TRIE stated that he was not asked to procure any bio-tech material for the Chinese company, instead, he was requested to provide them with samples of American made medicine bottles. Prior to this request, TRIE had sold them a medical fermentation tank.

When asked what he and ZHANG intended to accomplish by setting up United Biotech TRIE said there was no "business plan" and that after United Biotech was set up TRIE had no further discussions with ZHANG. TRIE was asked if he thought it possible, considering the high priority the PRC gave to acquiring advanced biotechnology, that the United Biotech corporate name and address may have been used by PRC purchasing agents to make purchases elsewhere in the U.S., TRIE replied, "It never happened that they used this address."

TRIE stated that Dr. PETER FU did not help set up United Biotech, but he introduced FU to ZHANG in Little Rock.

San Kin Yip

TRIE was asked if there was any significance to the fact that LI SHAO GUO and YANG XIAO QING were present in Little Rock on the day San Kin Yip (SKY) was incorporated (11 October 1994) and if TAN SHOUSHENG, who was affiliated with the China International Travel Service, was scheduled to be present. TRIE said their presence in Little Rock was "coincidental." He was shown a facsimile dated January 25, 1995, from DIA MAPILI to KESHI ZHAN (Attachment 1). The document indicated that TRIE instructed MAPILI to ask ZHAN to wire \$10,000 to SKY's First Commercial Bank account in Little Rock, and to attach a promissory note pledging that the money would be repaid by February 7, 1995. He was asked why the promissory note was necessary in light of the fact that SKY's incorporation papers designated Mr. WOO aka NG LAP SENG, as the registered agent. TRIE remarked that the note, as well as other receipts for "loans" from WOO, were done for bookkeeping purposes.

Differences in the wording of the "business purpose" statements in the SKY incorporation papers in Little Rock and Washington, D.C., were pointed out to TRIE, as well as a statement by SAM CHANG, TRIE's attorney in Washington, that the SKY offices in Little Rock and Washington were separate entities. TRIE insisted that both companies belonged to

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Mr. WOO and there was no difference between them except that they were in two different places.

TRIE was asked to comment on a *Washington Post* interview of WOO in January 1997, during which WOO remarked, "I didn't want to just speculate on property and stocks, I wanted to do international trade." In view of the fact that WOO apparently made no effort to "do international trade" during the two-year period after his SKY offices were set up in the U.S., TRIE was asked if he thought WOO was serious about getting into export-import. TRIE stated that he, not WOO, was the one interested in international trade. According to TRIE, WOO was interested only in real estate.

TRIE was asked about another remark made by WOO during his *Washington Post* interview, "Giving money to Clinton and the Democrats would bring access to the U.S. market." TRIE was asked how WOO's contributions could have benefitted him personally if they were made "anonymously." TRIE replied that WOO's main interest was finding people to invest in his Nam Van Lakes project in Macau more so than opening up markets in the U.S. With TRIE's help WOO was able to take pictures with the President and obtain access to the White House. According to TRIE, photographs with President CLINTON enhanced WOO's business prospects in Asia by making him look important.

TRIE was asked about the background of KESHI ZHAN, WOO's part-time office manager. He said ZHAN's father was a university professor in Beijing and had been a counselor of sorts to WOO. When asked if he was aware that ZHAN had been an economist with the China International Engineering Consulting Company in Beijing before coming to the U.S. in 1989 to attend an international conference, TRIE replied that he was not.

When asked what work LI YIPING did for SKY to justify her \$35,000 annual salary as the "Sales Manager," TRIE replied that LI was WOO's personal secretary and traveled with WOO when WOO visited the U.S. As far as he knew LI did no work for SKY. TRIE was asked what MING CHEN did for SKY to justify his salary of about \$30,000 a year, TRIE said WOO may have "felt sorry" for MING CHEN, but MING CHEN did not work for SKY.

#### San You Company

TRIE was asked how he met LIN RUOQING (CTC 2651/5387/7230), chairperson of the board of the San You Scientific and Technical Industry Group in Beijing. TRIE said he was introduced to LIN by MARIA HAN XIAO. He said it was his idea, rather

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than LIN's, to incorporate the San You company in Little Rock. He said that LIN agreed to join him in setting up the company because she wanted to export medicines produced by her company. In fact, he added, the San You company in Little Rock never did any business.

Sanyou was trying to market products related to painless birth, child rearing, and education. LIN wanted to market these products in the United States and needed TRIE's help. LIN owed TRIE 500,000 rmb (apx 8rmb/1.00 U.S. dollar = \$62,500 U.S.) for rent of office space that TRIE had paid for in advance. TRIE learned from LIN that she held the rank of senior colonel (daxiao) in the General Logistics Department of the PLA. She occupied a very large office in Beijing located within the Diaoyutai Guest House. TRIE explained that the Diaoyutai Guest House was a PRC government run hotel and that it was very hard to obtain office space there. LIN offered to split her office costs with TRIE and to share some of the office space with him. After TRIE paid her the money, she told him he could not move in because of ongoing renovations. LIN once came to the United States with JOHNNY CHUNG. Her husband was old, sick and was in the hospital. TRIE later heard that LIN RUOQING was arrested by PRC authorities for corruption.

TRIE was shown a document which indicated that after the San You company was incorporated in Little Rock a copy of the incorporation papers was sent to a Houston address. When asked to whom the mailing was sent, TRIE replied that he had no idea. He was asked if he had ever contacted the PRC consulate in Houston for any reason other than visa requests. He explained that he called the consulate to seek its assistance in organizing a political fundraising event, and if they would gather Asian immigrants and community leaders they could organize a party to raise money for CLINTON. The consular official told TRIE that the PRC could not become involved in a U.S. election campaign and warned him that the phone line was tapped.

TRIE was asked if he had nominated LIN RUOQING for membership in the DNC's Business Leadership Forum (BLF). He replied that he had, but that she did not become a BLF member. When asked if he had also sponsored WOO for membership in the BLF, he replied, "I don't recall."

Premier International Investment Inc.

When asked how he met CHEN ZHU (CTC 7115/4554), who was listed as president of Premier International Investment Inc. when it was incorporated in Little Rock in June 1995, he said he met him through DING XIAOCHEN in Los Angeles, California. DING

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XIAOCHEN's brother, DING XIAOGUANG, was a painter. CHEN ZHU, in turn, introduced TRIE to WEI KE MING, Premier's secretary/treasurer. TRIE was reminded that his Rolodex file listed CHEN ZHU's phone number in Beijing and was asked about CHEN ZHU's affiliation there. TRIE said CHEN ZHU lived in Beijing, adding that he considered him a dishonest person and stating, "I don't like the guy. He talk big." He said CHEN ZHU was the godson of a high-ranking PRC official, QIAO SHI. CHEN also claimed a relationship with a high-level PLA officer whose name TRIE could not recall. CHEN had a photograph of himself with these two officials which he hung prominently on his wall at his home in Los Angeles.

TRIE characterized CHEN as a faith healer, power healer, and magician, more specifically, a self-proclaimed Qigong master. TRIE attempted to introduce CHEN ZHU to MICHAEL MILKIN, who had been diagnosed with cancer. TRIE recalled a time when CHEN ZHU performed an impressive card trick with MARK MIDDLETON's business card. On another occasion CHEN poured pills out of a brand new bottle, then showed that the seal had not been broken.

When asked about WEI KE MING, TRIE said he didn't know anything about his background and was unaware that he was president of Cobell International. He said Premier International Investment Inc. did no business.

#### Grand Union Corporation

The Grand Union Corporation was incorporated in Washington, D.C., in February 1996. TRIE said PETER CHEN, who was listed as president of the board and whom TRIE called "the biggest guy in the Trade Center," had been a business partner of the other two Grand Union company officers, MO KIN CHING and JIN PENG. TRIE was asked about the ties between Grand Union Corp. and Sun Union Ltd.. He said both companies belonged to a group of companies in China. TRIE said he didn't think that Lippo owned any part of Sun Union, stating, "Peter Chen left Lippo a long time ago...I don't believe Lippo had anything to do with Sun Union." As far as TRIE knew, Grand Union never did any business.

#### America-Asia Trade Center

TRIE was asked to identify CHICH CHONG CHIEN, who was on the initial board of directors of the America-Asia Trade Center (AATC), incorporated in Washington, D.C., in April 1996. He replied that "SIMON" CHIEN was a Taiwanese businessman who did business in Hong Kong and Shanghai and wanted to expand his company's business in the U.S.

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In June 1996 TRIE communicated with ALBERT YEUNG, head of the Emperor Group in Hong Kong, about becoming a charter member of the AATC. TRIE said YEUNG failed to obtain a visa to enter the U.S. because of his involvement with former Representative STEPHEN SOLARZ, who was accused in 1993 of abusing his authority in attempting to intervene with the State Department to obtain a multi-year visa for YEUNG. TRIE stated that YEUNG lent him \$200,000 which he never repaid.

In July 1996 a payment of more than \$22,000 was wired from the America-Asia Trade Center to the University of Indiana to pay for the tuition of CHEN XIANG HONG. TRIE identified CHEN as the girlfriend of TAN SHOUSHENG, who gave TRIE the money to pay for her school expenses and her Daihatsu credit card charges.

#### Business Affiliations in Asia

##### Xiao Yong An and the Da Hua Company

TRIE said he was introduced to XIAOYONG AN, head of the Da Hua Company in Hong Kong, in Beijing by someone who told him XIAO's son wanted to attend a university in the United States. He said he didn't do much business with XIAO's company and concluded only one deal involving the sale of cotton by the W.D. Mask company. TRIE helped XIAO's son, XIAO WEN, enroll at the University of Arkansas graduate school, and said XIAO WEN is now attending a university in the Atlanta, Georgia, area. TRIE said he attempted, but failed, to obtain a long-term visa to the U.S. for XIAO YONG AN, but succeeded in obtaining a residence permit for XIAO YONG AN's principal assistant, PHOEBE CHEN. He said XIAO YONG AN did not introduce him to anyone else in the People's Republic of China.

##### Lu Fen Yan and the China International Travel Service

TRIE said he first met LU FEN YAN, head of the China International Travel Service (CITS), in Beijing in 1992. He was introduced to LU by her son, who had helped him in a real estate transaction. TRIE said he had limited contact with LU and could recall having only one dinner with her. He said she did not arrange for him to establish business ties with CITS branch offices in Changchun or Hangzhou. He said his association with CITS in Hangzhou did not result directly from his association with LU FEN YAN, but through TAN SHOUSHENG, who obtained a "franchise" from LU in 1994 to set up a CITS office in Hangzhou. TRIE was introduced to TAN SHOUSHENG by LU FEN YAN's son in Beijing. TRIE said he was

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unaware of any intelligence activity on the part of CITS.

Business Connections in Changchun

TRIE said his business ventures in Changchun (Jilin Province) began in June 1990 when he went to Changchun to find a business partner to manufacture a ratchet for his Jesco Company. TRIE located a factory in Northeast China. He was told that he had to go through ZHAO SHI XIAN, the import/export director for Changchun City. TRIE explained that all import/export companies in China were controlled by the government.

TRIE negotiated with ZHAO SHI XIAN, director of the Changchun Overseas Economic Relations and Trade Corporation, who introduced him to the Changchun Machinery, Chemicals, Metals & Minerals Import-Export Co. TRIE said ZHOU ZI MEI and LI SHAO GUO resigned from the Overseas Economic Relations and Trade Corporation to work for the Changchun branch of his Daihatsu company. The only successful business deals his Daihatsu company concluded in Changchun, he said, were the sale of an elevator to a shopping center and a 500-liter fermenting machine to a government-controlled biological research institute in Changchun.

TRIE said he could not explain why some faxes sent from the Daihatsu office in Changchun were sent from the Jilin branch of COFCO (the China Oils and Foodstuffs Corporation), a large state-controlled conglomerate.

When shown a [REDACTED] (Attachment 2) [REDACTED] D

TRIE said his Changchun Yaning Real Estate Developing Company was set up in 1993, when the Changchun city government, which wanted to encourage foreign investment in the city, offered him a lot which it wanted to develop. TRIE said he failed to find investors to build on the lot and that he still hasn't repaid the Changchun city government for it.

TRIE was asked about two Chinese legal documents (Attachment 3). The terms of one of the documents require TRIE and his wife, WANG MEI, to turn over management of his company to the China National Travel and Trade Center, a branch of the China International

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Continuation of FD-302 of Yah Lin "Charlie" Trie, On Jun-Oct 1999, Page 11

Travel Service. TRIE was obliged to put up the equivalent of \$3.5 million (USD) as "security money." In the event the company operated at a loss, TRIE was given the right to demand about \$1.2 million (USD) in compensation. Under the terms of the second document, the Trade Center agreed to lend TRIE's company the equivalent of about \$330,000 (USD) so that it could repay a debt to the Changchun City Xing Hua Housing Development Company. Another condition required TRIE to give the Trade Center an IOU for that amount. TRIE claimed that no money actually changed hands and that he couldn't recall whether or not he actually gave the Trade Center an IOU. TRIE said he was anxious for someone to take his real estate developing company off his hands and was thus "willing to sign anything." TRIE acknowledged that YANG XIAO QING, who headed the Trade Center's take-over negotiations, later worked for his Daihatsu office in Beijing.

TRIE stated that his third company in Changchun, the Changchun Yamei Technological Developing Co., actually did no business at all.

#### Hangzhou

When asked about his business partnerships in Hangzhou (Zhejiang Province), TRIE remarked that his first contact was with TAN SHOUSHENG, to whom he had been introduced in Beijing, where TAN had obtained a license from LU FEN YAN to set up a CITS branch in Hangzhou.

TRIE said his first joint venture with TAN SHOUSHENG in Hangzhou was a company dealing in bottled propane gas. TRIE stated that he couldn't remember the name of the company and didn't know if it was a joint venture or not, but that he only knew that TAN SHOUSHENG was in charge.

TRIE was asked about the Yaning Decoration and Construction Co., which was formed in Hangzhou in February 1993. He remarked that the company was managed by TAN SHOUSHENG and that it didn't do any business. TRIE was reminded that in his Rolodex file in his Little Rock office the only entry for the Yaning Company was the number of its Bank of China account and [REDACTED]. TRIE said he had no explanation for that and didn't know if the account was ever used. TRIE was shown a document, consisting only of the bank account number, that was faxed from "ZITIC." He was asked to identify "ZITIC" and whether or not it could have been the Zhejiang branch of WANG JUN's CITIC. TRIE didn't know what "ZITIC" stood for and didn't remember sending any money.



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TRIE was asked why TAN SHOUSHENG was denied a visa by the U.S. Consulate in Shanghai in September 1994, despite the fact that he claimed to manage ten companies in Hangzhou, including two headed by TRIE, was a CITS official, and had been formally invited by TRIE to visit Little Rock. TRIE replied that he had no idea why TAN was denied the visa, despite the letter his Little Rock attorney had written to the U.S. Consulate in Shanghai on TAN's behalf. TRIE was asked how TAN was able to obtain a visa later and whether or not TRIE had asked someone to intervene on TAN's behalf. [REDACTED] G

TRIE was asked why he allowed TAN SHOUSHENG to run up large charges on his Daihatsu credit card, especially in late 1996 and early 1997, when TRIE's company was encountering serious financial difficulties. TRIE replied that TAN was doing very well in business and paid his own bills.

When asked about the \$50,000 his Little Rock office assistant, DIA MAPILI, wired TAN SHOUSHENG in May 1994, TRIE replied that he didn't know about that wire transfer, although it could have been for TAN to register the decoration and construction company. When asked if TAN made any profitable deals when managing TRIE's Daihatsu office in Hangzhou, TRIE explained that TAN didn't use the Daihatsu company to do business, but to show that he was affiliated with an American company.

#### Business Activity in Beijing

When asked about the Beijing office of his Daihatsu office, TRIE said WOO set it up for him and he shared office space with WOO in the Beijing Hotel. TRIE said LI SHAO GUO, formerly with the Changchun Overseas Economic Relations and Trade Corporation, was the secretary of his Beijing office. When asked why LI sent some faxes under the San You Scientific and Technical Industry Group letterhead, TRIE said LI used the San You stationery while staying at the Diaoyutai Guest House of the San You company for about two months. TRIE said LIN RUOQING, chairperson of the San You company, took 500,000 *renminbi* (about \$59,000 USD) from TRIE to rent office space in the Daiyutai complex, but refused him entrance, saying the space was being renovated. TRIE stated that LIN RUOQING, whom he described as a "conwoman," was jailed after returning from a trip to the U.S. TRIE also acknowledged that LIN was a colonel in the People's Liberation Army [REDACTED] G  
[REDACTED] According to TRIE, LIN received the death penalty in or about September of 1999.

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TRIE stated that another employee of his Beijing office, YANG XIAO QING, was formerly employed by the China International Travel Service's China National Travel and Trade Center. He said WOO paid YANG's salary and that YANG worked for WOO. TRIE said, "Woo and I were the same guy, and used the same office personnel." When asked to explain why YANG XIAO QING listed his occupation as "Manager, Tianlun Hotel" on a visa application in October 1994, TRIE said, "He must have been joking...he was not the manager of that hotel." TRIE was asked about DU WEI who, according to a Daihatsu document dated April 1995, was "Director, Beijing Office." TRIE recognized the name DU WEI. TRIE said his Daihatsu office in Beijing did no business, but in fact was "Mr. Woo's company."

TRIE was asked to comment on an October 1996 *Washington Post* report that TRIE owned a home outside Beijing and a restaurant in the city. TRIE said his wife purchased a house in Beijing for \$30,000, but didn't have title to it, and it is now owned by MARIA HAN XIAO. He said he was not a partner in Mr. WOO's restaurant in Beijing. He and his wife, he said, also purchased a house in Changchun for \$20,000.

Maria Han Xiao and COTCO

TRIE stated that ZHAO SHIXIAN (from Changchun) told him about an import/export company in southern China and gave him the owner's (MARIA HAN XIAO) telephone number. HAN XIAO (CTC 7281/4562), aka MARIA HAN, is god-daughter to ZHAO SHIXIAN (CTC 6392/1102/6343). ZHAO is the director of the Changchun City Office of Foreign Economics and Trade (Changchunshi Wai Jingmao Zhuren). TRIE was first introduced to members of the Changchun City government by his mother's sister's husband (name not given). During one of his early visits to Changchun, Jilin Province, TRIE met with ZHANG JIANMING (no CTCs), Director of the Changchun Bio Products Institute. XU QING (CTC 1776/7230), female, age 56-57, now deceased, was associated with Changchun City and accompanied the first delegation TRIE took to China.

According to TRIE, MARIA HAN also owns a restaurant in the Beijing Capitol Hotel named Li Hua Xuan. HAN told TRIE that she knew Madame Secretary WU YI. HAN does not speak english.

TRIE said that although he refers to MARIA HAN XIAO as his sister, they are not related. He stated that HAN was the director of the Shenzhen branch of COTCO (China Overseas Trade Company). He said she owned a restaurant in the Capitol Hotel in Beijing which was managed by her brother, DU CHANG SHENG. TRIE also affirmed that HAN was

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general manager of the San You Scientific and Technical Industry Group, a conglomerate controlled by the General Logistics Department of the People's Liberation Army with a large office within the Diaoyutai Guest House. Later, when TRIE visited HAN, she was able to get him a car with military license plates from the Logistics Department of the PLA.

It was HAN who introduced TRIE to LIN RUOQING, chairperson of the San You board of directors. When asked why HAN had three Daihatsu corporation credit cards under three different names, MARIA HAN, HAN XIAO, and XIAO HAN, TRIE replied that he didn't know, but guessed that she may have lost the cards and reapplied for them under different names.

TRIE was asked why in June 1994 his Daihatsu letterhead stationery listed only one China office address, that of MARIA HAN XIAO's Overseas Trade Shenzhen Co. in Shenzhen City. He replied that HAN wanted a joint venture with him, but he only used her Shenzhen address on his stationery, without actually doing any business with her.

In summarizing his business relationships in the PRC, TRIE said he had few business expenses and that, "Mr. Woo paid for everything." He said many people in the PRC wanted to have a business relationship with him because they thought he could help them make money in the United States. "I am a middleman, a PR guy," he said, "I had lots of relationships because I was a friend of Bill's." Because of who he was, he was able to operate in the PRC without formal joint-venture arrangements that would have been required for other foreign businessmen.

#### Visa Procurement

TRIE used Daihatsu to help obtain visas for Asians wishing to visit the U.S. TRIE recalls SHEN SHAOGANG, but does not recall faxing him a draft of an invitation, asking him to retype it on Daihatsu letterhead, sign it, and fax it back to him in Hong Kong (Attachment 4). TRIE explained that SHEN SHAOGANG worked for Mr. WOO. TRIE remembered providing letters of invitation to SHEN and XIAO XINHUI, Mr. WOO's business partner.

TRIE provided a letter of invitation for ZHANG JIANGMING to use in obtaining a visa to the United States. Once in the United States, TRIE accompanied ZHANG on his travels. TRIE also assisted MARIA HAN with a letter of invitation so that she could travel to the United States. When asked who else he provided such letters, TRIE said he could only recall three

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others, ZENG HUANQIU (CTC 2582/3562/3808), WU FNU (CTC 0702), and a third person, name not remembered. All were managers at the Capital Hotel in Beijing. Although he provided them letters, as far as he knew none came to the United States.

TRIE acknowledged that he helped many Asians obtain visas, but explained that he did not necessarily know the people to whom he sent invitations. Many of these people were potential business associates of TRIE's, but frequently, Mr. WOO would give TRIE a name and ask him to send an invitation. TRIE explained that he trusted WOO one hundred percent. In order to sponsor visits to the U.S., TRIE provided invitation letters which contained details about the travelers' business purposes in the U.S. TRIE said that the letters, when shown to embassy officials, may have helped people obtain visas, but beyond that he never tried to influence the visa process. TRIE stated that he never got paid for helping obtain visas.

TRIE explained that Asian companies wanted to develop American clients, but they also wanted to open an American branch of their company or establish a joint venture in America in order to facilitate the procurement of visas. TRIE stated that the joint ventures he entered into with various PRC partners were mostly created on their initiative. He added that rarely did any of these ventures actually conduct any business transactions and in fact were set up by his partners primarily so they could get to know people in the U.S. TRIE did not believe that any of the corporate officials used the ventures as a mechanism for obtaining visas, but TRIE acknowledged that many of the corporate officials did acquire visas.

TRIE stated that MAPILI would customarily send the letters of invitation based on requests from WOO. TRIE acknowledged that on several occasions he did not know the people receiving the letters and added that he fully trusted WOO's judgement and instructed MAPILI to send out the letters of invitations upon receipt of WOO's request.

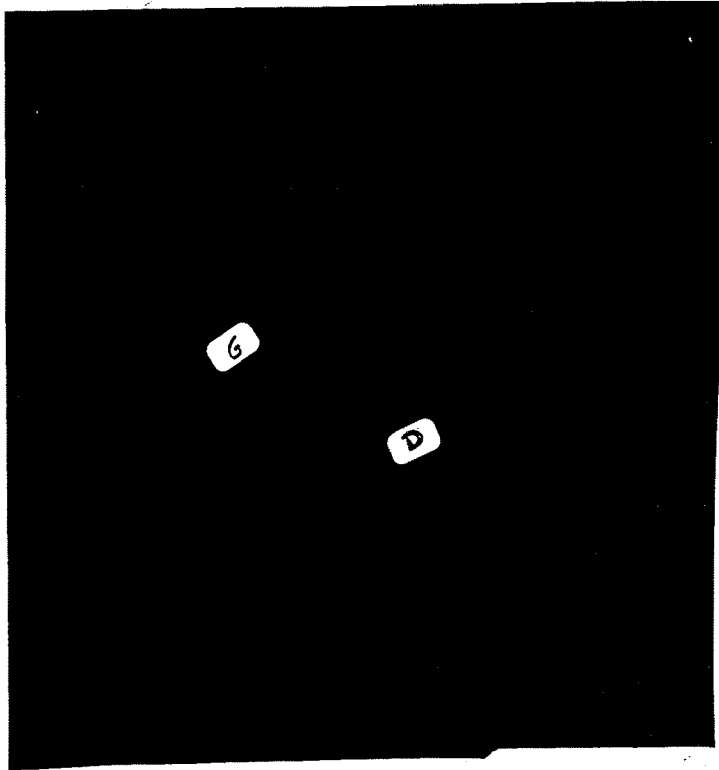
TRIE advised that XU QING wanted her son, DU WEI, to be able to come to the United States and study. To help her, TRIE wrote a letter of invitation claiming that DU WEI worked for his company in Beijing. TRIE stated he knew this was false but wrote the letter anyway.

TRIE stated that JOHNNY CHUNG is known in China for acquiring visas. TRIE believes that CHUNG made a lot of money doing so.

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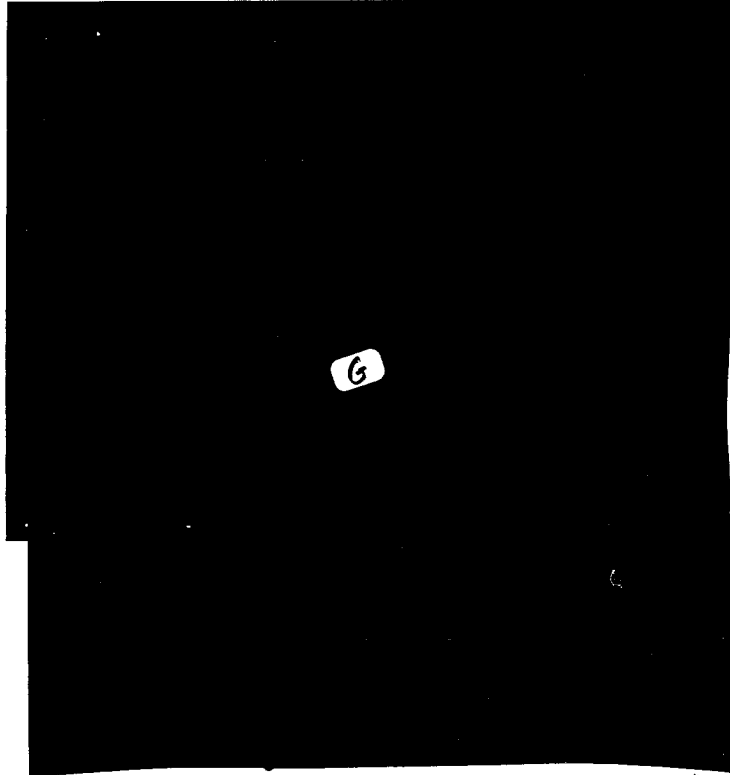


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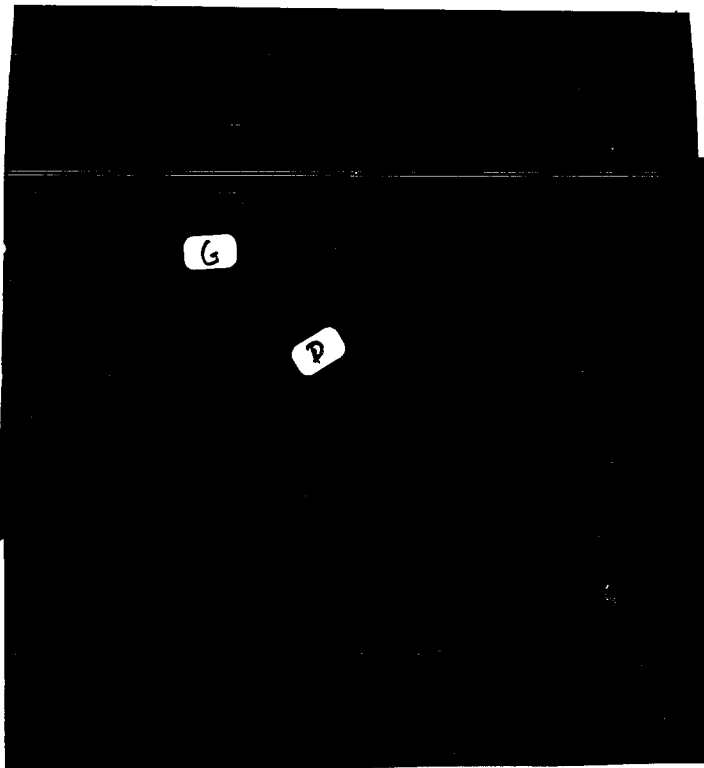
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Continuation of FD-302 of Yah Lin "Charlie" Trie , On Jun-Oct 1999 , Page 17

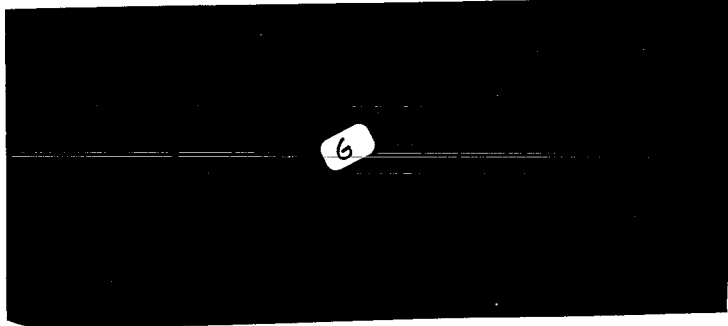


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Continuation of FD-302 of Yah Lin "Charlie" Trie , On Jun-Oct 1999 , Page 18



58A-HQ-1193317

Continuation of FD-302 of Yah Lin "Charlie" Trie, On Jun-Oct 1999, Page 19Ng Lap Seng

According to TRIE, he and Mr. WOO, aka NG LAP SENG, aka WU LISHENG, aka WU LI-SHENG (CTC 0702/4539/0524), formed an oral partnership in early 1994. WOO, who speaks Cantonese, told TRIE that he would pay his expenses and take care of him if he would bring U.S. investors for the Nam Van Lakes real estate project. TRIE briefly related WOO's background, based on WOO's own accounts, starting from the time when, as a young adult, he swam from mainland China to Macau and started working in the textile industry. Eventually, after the textile industry came upon hard times, WOO became involved in real estate development. TRIE described WOO as a self-made rich man who owned approximately 58% of the Nam Van Lakes project, an immense and lavish development in Macau. WOO had owned about 30% and STANLEY HO had owned the other 70%, but HO sold about 20% to WOO. TRIE described HO as a very wealthy casino owner in Macau. TRIE explained that WOO was strictly a businessman, in no way involved in criminal activities.

TRIE allowed that it is possible that Nam Van Lakes was owned by a consortium comprised of several PRC companies. TRIE did not know why Lehman Brothers did not finance the project. He had never heard that WOO refused to provide audited financial statements and he had "no idea" why WOO would have been reluctant to do so.



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WOO was Chairman of San Kin Yip (SKY), and President of the San Chung Hing Group (SCHG). TRIE confirmed that LEONG SU SAM was Chairman of SCHG and President of SKY. TRIE met LEONG a "couple" of times. He described LEONG as a reserved person who does not talk to strangers. TRIE had very little exposure to SCHG. TRIE does not know if SKY was a joint venture arrangement.

TRIE was unaware that WOO had a joint venture with the China Travel Service (CTS). In Beijing, where SKY rented a room for their office, WOO wanted to get involved in real estate, but his only business was the purchase of a restaurant.

In Chengdu, WOO was involved in a joint venture project with local people. TRIE attended a ground breaking ceremony for this project. In Shanghai, TRIE helped WOO sell a building which TRIE believed was wholly owned by WOO. TRIE asked PETER CHEN to help with the sale, but CHEN did not help. SHEN ZHU BANG, who worked for WOO, oversaw the construction of this building. SHEN has a bank office in Hong Kong and, as far as TRIE knows, has no affiliation with the PRC.

TRIE described SHEN SHAO GANG as an employee of Mr. WOO.

TRIE does not know anything regarding Bonny Grace Ltd.

TRIE stated that CAO HUAN LIN is the president of the Capitol Hotel in Beijing. He does not know of CAO's role in the Fortuna Hotel. TRIE estimated that WOO owned 30% of the Fortuna Hotel. He does not know the other owners, and he is not aware of any business connection between the Fortuna Hotel and China Overseas Trade Company (COTCO).

WOO is an honorary member of the People's Consultative Conference from Guangzhou Province. This honorary membership was obtained because of a 20,000,000 Chinese dollar donation made by WOO. TRIE described the membership as "just a title."

TRIE stated that according to WOO, he had contributed \$20 million Chinese (\$2.4 million U.S.) to the city of Guan Cho and \$1 million (\$120,000 U.S.) in support of the Special Olympics in Beijing in 1995. WOO also gave \$500,000 in TRIE's name to the Special Olympics. TRIE believed that WOO also contributed to the Portugese elections.

TRIE suggested to WOO that if he intended to do business with Americans that he might wish to get an apartment or office in the U.S. WOO agreed and soon thereafter TRIE

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leased the Watergate apartment in D.C.

DNC Presidential Gala, D.C. Hilton, June 22, 1994

In May or June of 1994 RICHARD MAYS, whom TRIE knew as a patron of Fu Lin in Arkansas, informed TRIE of a DNC event at the Hilton Hotel in Washington, D.C. He told TRIE that a \$100,000 contribution would get him two seats at the President's table and another whole table for several guests. TRIE mentioned to WOO that he thought they should attend the event, and WOO either wire transferred or brought the money to the U.S. Because they were partners, TRIE felt that the money was his as well as WOO's.

TRIE was asked whether or not the contributions he made on May 12, 1994, for the Presidential Gala were, in any way, an effort to sway the President to renew Most Favored Nation (MFN) status to China. TRIE said, "No," adding that he never thought he could influence policy by making a contribution. TRIE characterized this implication as a lie. He stated that he gave the \$100,000 to sit at the President's table and support him. TRIE has never discussed MFN status with the President, TERRY McAULIFFE, or anyone else at the DNC. TRIE explained that had he wished to influence policy he would have spoken with the President directly.

Thereafter, TRIE would call WOO in Macau and tell him of an upcoming political event and the contribution amount required to attend. WOO would tell him how many guests he planned to bring and then WOO would bring money (usually cash) into the country to pay for the event. Sometimes they would spend the leftover money at casinos. On a couple of occasions WOO wired the money rather than bringing cash.

TRIE stated that MAYS, a DNC Trustee, suggested to TRIE that he could become a Trustee as well. At some point later on TRIE remembered seeing a list of benefits and privileges to which Trustees were entitled. TRIE advised that people just assumed that he was wealthy.

TRIE stated that the day before or early the day of the event he met DAVID MERCER who was an organizer for the Gala. MERCER introduced himself to TRIE. TRIE asked MERCER if he could get better seats for his guests because they were slated for a table in the back of the room. MERCER told TRIE to consult with TERRY McAULIFFE because he had the seating chart. McAULIFFE was in a conference room with the seating chart. TRIE

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Continuation of FD-302 of Yah Lin "Charlie" Trie, On Jun-Oct 1999, Page 22

asked him if his guests could be seated at a better table. McAULIFFE told him that everyone wanted a better table. TRIE gave McAULIFFE \$700 or \$800 cash. TRIE's guests were placed at a better table.

Later that year, at the African American event at the Car Barn, TRIE and MERCER became better acquainted. MERCER eventually became his closest friend at the DNC, and the one DNC person with whom he talked the most.

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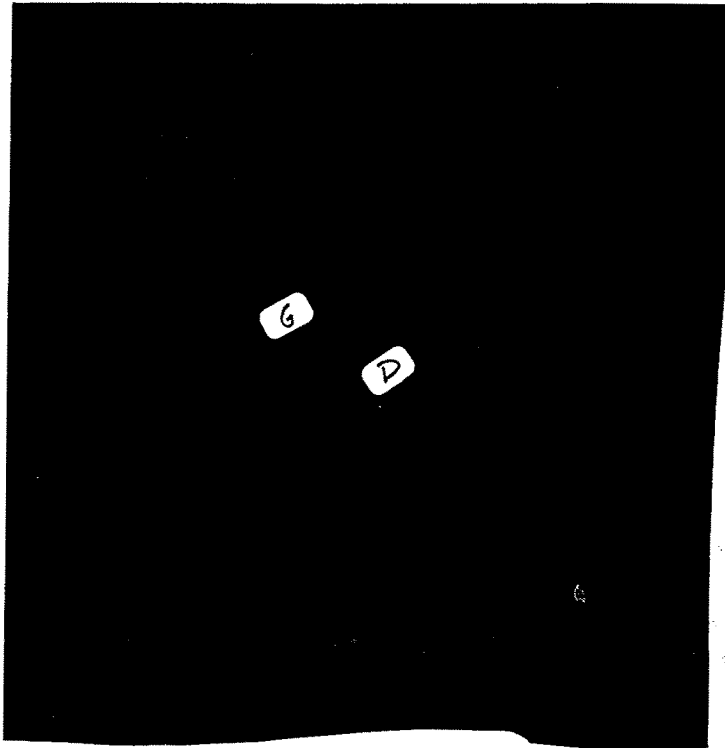
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Having been shown a list of individuals admitted into the DNC Presidential Gala in June of 1994, TRIE identified the following individuals as his guests:

NG LAP SENG - Mr. WOO.

PUN NUN HO - WOO'S wife.

MARIA HAN XIAO - TRIE's and WOO's partner in the Camelot Hotel venture.

WANG MEI TRIE - TRIE'S wife.

J. J. NETO VALENTE - WOO's lawyer.

CGJ NETO VALENTE - WOO'S lawyer's wife.

JUDE KEARNEY - from Department of Commerce.

CHING CHING HUANG and DR. FRANKLIN D. HUANG - TRIE invited HUANG and his wife. He owned TCI Incorporated which manufactured 50" televisions in Boston. HUANG had asked TRIE to find investors for him and to help him sell his product.

LORIN FLEMING - Owner of FLEMING ELECTRIC in Little Rock. Provided the electrical section of the Camelot hotel renovation proposal.

ANITA MIDDLETON - MARK MIDDLETON'S mother.

DAI LIN OUTLAW - TRIE's sister.

In addition, TRIE believes that his niece, ELIN OUTLAW, also attended the event.

It occurred to TRIE that people at the DNC might start to wonder where he was getting his money. Knowing it was not his money, TRIE felt uncomfortable. TRIE did not have a good answer if someone were to ask him, "Who are all these people you're paying for?" In order to disguise the source of the funds, he started giving friends cash in return for their checks to the DNC.

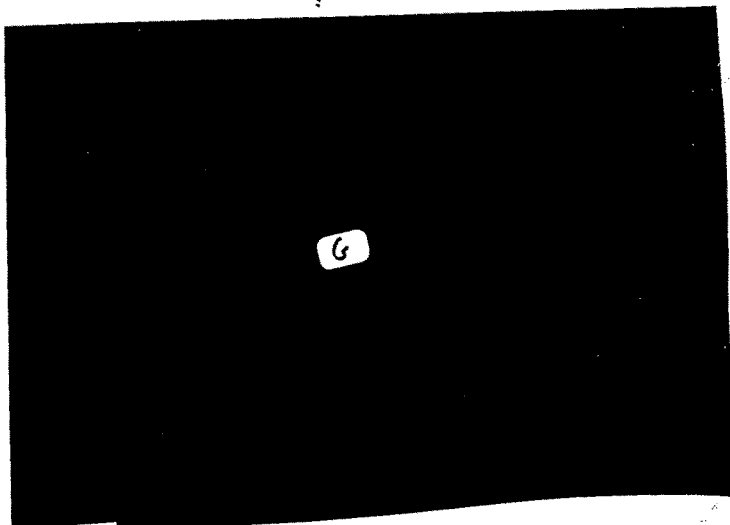
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Sumner Wells, MD, Presidential Birthday Party, August 2, 1994

After the June 1994 Hilton event TRIE was contacted frequently by the DNC with invitations to parties and other activities. McAULIFFE invited him to the August 1994 Presidential Birthday party in Sumner Wells, Maryland.

Mr. WOO took a couple of his friends from Asia. TRIE recalls that JOHNNY CHUNG sat at the President's table. The cost to attend the event was \$10,000 per person, and TRIE believes that he and WOO did not have to pay because they gave a lot of money at the DNC Presidential Gala at the Hilton. TRIE recalled that he had to pay for the two guests of WOO's.



PAGES 26 through 29 OF THIS FD 302 INTERVIEWS

OF YAH LIN "CHARLIE" TRIE HAVE BEEN DELETED FOR THE FOLLOWING

REASON(S) : "D" & "G"

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Continuation of FD-302 of Yah Lin "Charlie" Trie, On Jun-Oct 1999, Page 30White House tour, May 19, 1995

TRIE arranged for the following individuals to take a White House tour:

WANG MEI TRIE - TRIE'S wife.

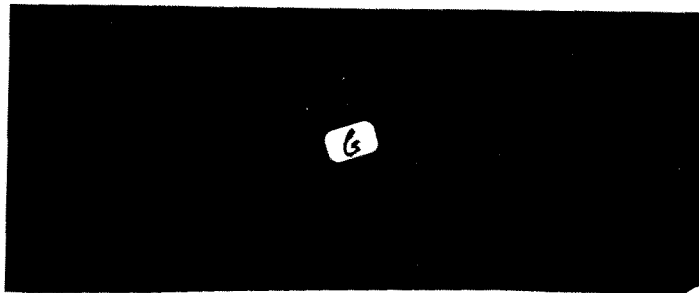
NG LAP SENG - Mr. WOO

NUN-HO PUN - WOO'S wife.

KATHY CHIU - CHIU was the Vice President of a bank in Hong Kong. WOO was trying to impress her by taking her to the White House. TRIE recalled dining with her in Hong Kong, possibly when he was there for a Congressional Asian Pacific American Caucus (CAPACI) meeting.

BIK FUN PRISCILLA WONG - A friend of HSIAO YI's from Indonesia. She is affiliated with a radio manufacturing plant in China and she used to be a makeup artist so she knows many movie stars.

TRIE stated that he did not go on this tour. He learned later that while on the tour they saw HILLARY CLINTON who recognized TRIE's wife and personally showed the group the third floor.

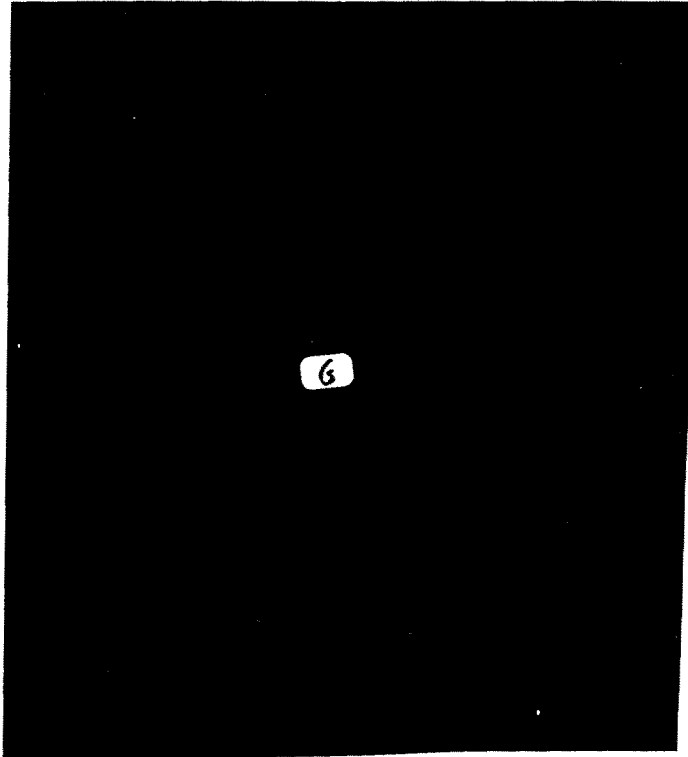




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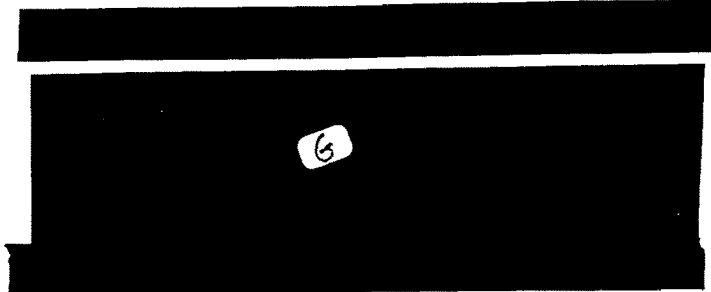
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No one told TRIE what to say or ask while on the Commission. Many people offered their opinions to TRIE, but he never said anything based on what someone told him. TRIE felt that being on the Commission made him look important.

TRIE believes the only time he spoke during the Commission meetings was during the June 12, 1996, meeting. TRIE was called on to speak about Most Favored Nation (MFN) status for China and he didn't feel he could decline. He tried to get the members to consider the other side. TRIE stated that, as tragic as it was, if the Tiananmen Square incident had not happened, "China would be gone." Under the circumstances, TRIE believes it was right to suppress the students because if they had not been suppressed, the incident would have led to more problems. TRIE believes Chinese people love America, and that the United States should work with China.

As businessman in international trade, TRIE is an advocate for permanent MFN status for China. As TRIE explained in the Commission meeting, the U.S. and China judge human rights differently. To TRIE, trade is a separate issue from the human rights issue. Trade will improve China's educational system, which will improve the standard of living, which will, in turn, improve the human rights situation.

TRIE does not think CHU LEI was asked to leave the Commission meetings. He has no recollection of CHU LEI's offending anyone, and he recalls that she only spoke once or twice. She was not invited to meetings held outside the Commission's normal meeting place.

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TRIE believes he asked the Commission to meet with [REDACTED] but he does not think they met with him. TRIE wanted the Commission to meet with him because he is an important man to know in China. G

TRIE did not enjoy being on the Commission on U. S. Pacific Trade and Investment Policy, finding the meetings boring and inconvenient, and feeling that the seat on the commission required more paperwork than TRIE could handle on his own. He advised that he usually didn't speak during the meetings, but one time advised the members that if they wished to do business in Asia they should not do it with Japan. According to TRIE, he hired CHU LEI to assist him with some of his commission duties. CHU LEI did not go through a security clearance. When TRIE joined the commission, he was asked to indicate who his assistant was, and because of her English language skills and good knowledge of the economy, TRIE thought CHU LEI would be helpful to him. TRIE never saw any classified documents while working on the commission. He thought of his position as just a title.

TRIE told a lot of people that he was on the Commission and that it made policies regarding trade. People often asked TRIE what he knew about trade and the U.S. ANTONIO PAN and KESHI ZHAN had access to many of the Commission documents in the Watergate apartment, but TRIE did not personally show anyone these documents. Likewise, PETER CHEN probably looked at some of the documents that TRIE brought home or the Commission faxed to CHU LEI.

TRIE pointed out that the information he received while on the Commission was public information. He did not know if PAN, ZHAN, CHU LEI, CHEN, or anybody else had ever passed along information obtained from the Commission.

TRIE was asked if he ever attended any meetings at which "Secret" or "Confidential" U.S. government information was discussed during his appointment to the Commerce Department. TRIE said he had not attended any meetings where anything was said to be classified. He added that many times he found himself wondering why he was even at the meetings because he did not understand much of what was being talked about.

[REDACTED] G

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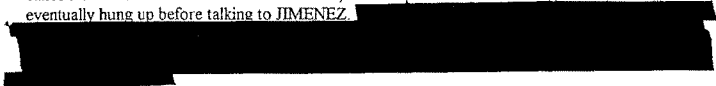
Continuation of FD-302 of Yah Lin "Charlie" Trie , On Jun-Oct 1999 , Page 34

The last meeting TRIE attended was September 4, 1996. He faxed his resignation to NANCY ADAMS in October of 1996.

**DNC Trustee Dinner at White House, September 15, 1995**

TRIE stated that he met CHONG LO at a CAPACI event and he knew her to be involved in real estate in the San Francisco area. He recalled that when he first met her she was wearing a very conspicuous diamond "CLINTON" brooch. In late August or early November of 1995 JOHN HUANG, perhaps knowing that TRIE had an extra ticket for the event which his wife was not planning to use, asked TRIE to take CHONG LO to the dinner. He wanted TRIE to introduce her to President CLINTON because she was a very productive fundraiser among the Asian community on the west coast.

TRIE saw JIMENEZ again at this event. JIMENEZ told TRIE that his son was going to Beijing to buy products and he asked if TRIE would meet him there. JIMENEZ' son was also interested in building a factory in China. JIMENEZ asked TRIE if he was interested in being a purchasing agent for him in China.

JIMENEZ later called TRIE's office in Little Rock and told TRIE that his son was on his way to Beijing to buy products and he wanted TRIE to go meet him there. TRIE called JIMENEZ in Miami on a few occasions, but was put on hold for a long time and eventually hung up before talking to JIMENEZ. G  


TRIE did not believe that JIMENEZ was serious about paying him as a purchasing agent. JIMENEZ had mentioned he had big business in South America. TRIE believes he suggested to JIMENEZ that he contribute \$100,000 to the Presidential Library fund. All of TRIE's telephone and mail contact with JIMENEZ was through TRIE's Little Rock office.

  
 G

PAGES 35 through 43 OF THIS FD 302 [INTERVIEWS  
OF YAH LIN "CHARLIE" TRIE] HAVE BEEN DELETED FOR THE FOLLOWING  
REASON(S) : "D" & "G"

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TRIE stated that he never attended a conference in France where the main topic of discussion was South Africa. The only day he was in Paris was with his lawyer on the way back to the United States in early 1997.

#### IMF Credit Union-World Bank Account

TRIE had no knowledge of bank accounts at the World Bank, International Monetary Fund (IMF) Credit Union, nor did he recognize the names of two of the account holders, SHAO ZHENG KANG and SU YONG LI. WOO never mentioned these people to TRIE. TRIE does know the other two account holders, KESHI ZHAN and MING CHEN. TRIE was not aware of a \$30,000 contribution to the DNC from this account. He stated that KESHI ZHAN was the only one of the four to attend a fundraising event as his guest.

TRIE does not know anything about a \$20,000 wire transfer to one of the credit union accounts from San Kin Yip Holdings in Hong Kong. He could not speculate about the purpose of the transfer.

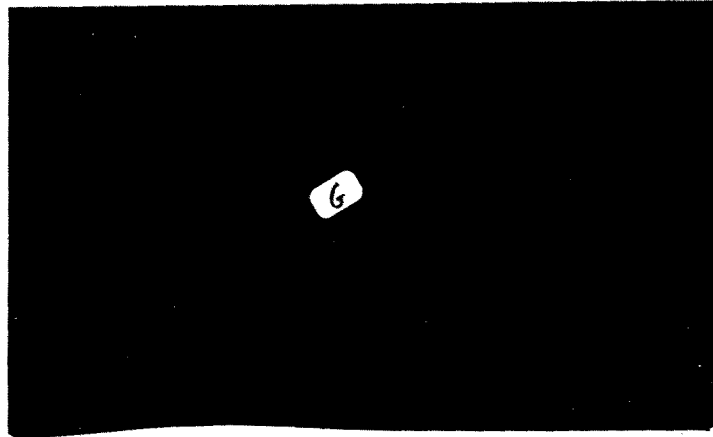
TRIE had no recollection of a \$5,000 wire transfer from ZHAN's credit union account to the First Commercial Bank in Little Rock, but surmised he may have told her he was short. TRIE did not know anything about a \$2000 check written to NG LAP SENG or a \$1200 check to the order of SKY. TRIE said he had no knowledge of any link between his accounts and the PRC government. He stated that ZHAN knew where the money came from and where it went. TRIE acknowledged it was conceivable that money from the PRC could have passed through ZHAN's bank account, but he did not know of that happening.

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Continuation of FD-302 of Yah Lin "Charlie" Trie, On Jun-Oct 1999, Page 45State Arrival Ceremony at White House, February 1, 1996

In late January of 1996 PETER CHEN contacted TRIE and asked if TRIE could arrange a White House visit for him and two business associates of his. It was TRIE's understanding that CHEN, MO KIN CHING, a lawyer, and PENG JIN, a financier, were engaged in buying a building in Hong Kong. TRIE telephoned SUSAN LAVINE and asked if there were any upcoming White House events to which he could bring people. LAVINE told him that the arrival ceremony for the French President was scheduled and that TRIE and his friends could attend. TRIE described the event as formal and impressive, but said that he felt out of place because they were the only "yellow faces" in attendance.

TRIE met SUSAN LAVINE through DAVID MERCER. LAVINE often obtained official event photographs for TRIE. When TRIE's daughter was interning at the White House, LAVINE was helpful to her.



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PAGES 46 through 48 OF THIS FD 302 [INTERVIEWS

OF YAH LIN "CHARLIE" TRIE] HAVE BEEN DELETED FOR THE FOLLOWING

REASON(S) : "G"



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Continuation of FD-302 of Yah Lin "Charlie" Trie . On Jun-Oct 1999 . Page 49Tomy Winata

TRIE described TOMY WINATA as an Indonesian telecommunications magnate whose company has an extremely strong public relations department. TRIE stated that WINATA was also involved in a joint venture with a natural gas company. In support of his cellular telephone business, WINATA purchased two satellites which were launched from Cape Canaveral in Florida. According to TRIE, WINATA once offered him up to \$50 million to take on some public relations duties for him. TRIE explained that he turned the money down because he feared he could not do the job. He respected WINATA a great deal and did not want to let him down or embarrass himself. TRIE met WINATA in 1994 at an Asian Pacific Economic Cooperation (APEC) meeting in Seattle, Washington. JACK FU introduced TRIE to HSIAO YI who knew WINATA. As background, WINATA was aligned with President SUHARTA of Indonesia. Every time WINATA visited the United States, he would give TRIE cash for his expenses because TRIE sometimes met him on the west coast and traveled around with him.

TRIE stated that WINATA wanted TRIE to introduce him and many others to the President. WINATA wanted a one-on-one meeting with President CLINTON. TRIE telephoned [REDACTED] because of his access to MACK McCLARTY, but [REDACTED] told him that such a meeting could not be arranged. TRIE thought that he could have had WINATA seated next to the President at the upcoming Hay Adams fundraiser, but WINATA wanted a more private meeting. When TRIE asked him if he wanted to attend the Hay Adams fundraiser WINATA said, "No, but take care of my people". TRIE asked him if he could "help out", and WINATA told him he would send \$200,000 with his people. In February of 1996, SANTOSA GUNARA, whom TRIE described as TOMY WINATA's right-hand-man, brought \$200,000 in travelers checks from the Bank of Asia into the U.S. to give to TRIE. When GUNARA brought the travelers checks to the U.S. he and TAN TUI JIN, AKA Dr. TAN, another of WINATA's employees, attended the Hay Adams event as a Chinese New Year's (February 20) present from WINATA. The tickets for the Hay Adams event were \$12,500 apiece.

TRIE also spent some of the money on his daughter, his niece, DAVID MERCER, and [REDACTED]. He also gave some of the money to ANTONIO PAN, who was working for him at the time. TRIE kept the travelers check in a safety deposit box at Riggs Bank -Watergate branch. After reviewing copies of several of the travelers checks, TRIE identified the signature as that of SANTOSA GUNARA.

TRIE gave MERCER \$5000 for introducing him to the Windmere people. Windmere paid TRIE a \$50,000 retainer and TRIE, in turn, paid MERCER a 10% commission.

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TRIE told MERCER that if Windmere paid him the other \$50K that he would give him more.



LORIN FLEMING lost a lot of money in business deals with TRIE so TRIE gave him \$10,000 in travelers checks. He said, "Sorry you lost money." TRIE also encouraged FLEMING to help the President. TRIE thinks he gave FLEMING another approximately \$5000 and asked him to find people who would write checks to the PLET in return for the money.

TRIE had given his friend DO DUC several thousand dollars in travelers checks and asked him to find friends who would contribute to the PLET. DO DUC recruited KHANG LEE and other Vietnamese-Chinese people. He paid them each a thousand dollars, and they each wrote a check to the PLET.

Asian Pacific American Leadership Fundraiser, Hay Adams Hotel, February 19, 1996

John Huang

TRIE first met JOHN HUANG sometime around 1994 during an event or at a Congressional Asian Pacific American Caucus (CAPAC) meeting. TRIE had heard of HUANG before meeting him. At the time TRIE met HUANG, HUANG was working at the U.S. Department of Commerce (DOC). TRIE visited with HUANG at HUANG's office at the DOC one or two times after this meeting to try to get to know him. HUANG told TRIE of his philosophy that people in the Asian-American community needed to get involved in politics in order to make an impact.

TRIE did not have a really close relationship with HUANG, as HUANG was a "strict," meaning formal, type of person who was difficult to get close to. TRIE considered HUANG to be a high ranking government official, someone to look up to. The two never socialized, as TRIE considered him to be a high public official and a different type of person from himself. TRIE respected HUANG's position within the government.

When asked about his involvement in the Hay Adams fundraising event, TRIE

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explained that this was an Asian event which was run by HUANG. HUANG was Chairman of the event and TRIE believed that he (TRIE) may have been Vice Chairman. HUANG and TRIE had talked for some time about having a strictly Asian event. In early February, 1996, HUANG told TRIE that if they could commit to raising \$1,000,000, they could get a date for an Asian event. HUANG told TRIE to do what he could to get attendees, and the two discussed the need to bring in ninety to a hundred people at \$12,500 apiece, but HUANG did not discuss with TRIE how to raise the money or whom to ask. TRIE ultimately raised at least \$500,000 for the event. TRIE called many people he knew and explained to them that if they came to the Hay Adams event they would have an opportunity to have their picture taken with the President.

According to TRIE, HUANG never discussed fundraising rules with him. At that time TRIE was a DNC Trustee, and did not have to be told what to do. HUANG never asked TRIE anything about his guests at the Hay Adams event such as who they were or where they came from. HUANG was familiar with WOO, ANTONIO PAN and PETER CHEN prior to the event. When asked if anyone had questioned TRIE about his guests, TRIE replied, "Never." No one at the DNC discussed rules regarding fundraising with TRIE. The DNC may have faxed TRIE a list of rules at one time, however, TRIE indicated that he would probably not have read it. TRIE indicated the DNC appreciated him and never caused him problems because he brought in money. If anyone had scrutinized any of the people on the guest list prepared by TRIE, WOO would not have brought them. HUANG "didn't care" (meaning, never questioned) who the people were that TRIE brought to the function, and never asked him who all of his guests were, or why some of them appeared to be foreigners.

A few days before the event, TRIE provided HUANG with a typed guest list, and he believes that the day before the event he provided checks for his attendees to HUANG. HUANG never asked questions about the people on TRIE's guest list, nor did he seem to notice that the guests' names did not match the names on the checks.

TRIE is not aware of any contributions reimbursed by HUANG. To TRIE's knowledge, no one at the DNC was aware that TRIE was reimbursing contributors.

[REDACTED] 6  
[REDACTED]

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[REDACTED] 6

Having been shown the pictures taken at the Hay Adams party, TRIE identified the following people who were present at the event: WILLIAM BAI; KESHI ZHAN; PETER CHEN; CHU LEI; WOO; SHU LAN LIU and her husband; NINA WANG; and the owner of Bombay Palace whose name TRIE does not know.

TRIE was shown a list of contributors to the Hay Adams event (Attachment 26) and was asked to indicate which of the contributors was brought in by him, which attended the event, and, of those, which were reimbursed. The following individuals were identified by TRIE as having been affiliated with him at the event:

KESHI ZHAN was reimbursed and did attend. ZHAN worked for WOO and TRIE at the Watergate apartment. ZHAN was reimbursed for the check that she wrote. ZHAN's father, a professor, acts as an advisor to WOO. TRIE instructed ZHAN to find some friends who would write checks to the DNC in return for cash.

TRIE believes that ZHAN paid MING CHEN, XIPING WANG, and YUE FANG CHU to write checks to the DNC. None of these people attended the event, but the tickets they purchased were used to get WOO, WOO's wife, PUN NUN-HO, and WOO's accountant, WILLIAM BAI into the event.

MING CHEN did not attend.

XIPING WANG was reimbursed by KESHI ZHAN, but did not attend.

YUE FANG CHU did not attend and was reimbursed by KESHI ZHAN.

JOHN HUANG was not made aware of any of the details of ZHAN's role in conduit contributions.

CHU LEI attended and was reimbursed. According to TRIE, CHU LEI, who worked for him and attended the event, wrote a check and TRIE reimbursed her with cash. LEI had to open a bank account in order to contribute via check. TRIE told her not to deposit the

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money all at once because, in the event anyone checked, the amount would match her contribution.

CHARLIE CHIANG attended and was reimbursed. TRIE stated that, using the cash that WOO gave him, he paid CHARLIE CHIANG who then wrote a check to the DNC. TRIE stated that he has known CHIANG since 1982.

Additionally, CHIANG hosted a fundraiser for Senator PAUL SIMON at his restaurant in D.C. TRIE told CHIANG he could help by giving \$10,000. TRIE found five people who were each willing to write \$2000 checks in return for cash.

According to TRIE, CHIANG was one of the few people aware that TRIE used conduits to make political contributions.

MANLIN FOUNG and JOSEPH LANDON were reimbursed but did not attend. TRIE telephoned his sister, FOUNG, and asked her to send a check. According to TRIE, FOUNG would not have used her own money to contribute to the DNC. TRIE believes that FONG's and her boyfriend's (JOSEPH LANDON'S) checks were used to purchase tickets for two of TOMY WINATA's employees and that WINATA's money was used to pay her back. These two individuals are SANTOSA GUNARA, whom TRIE described as WINATA's right-hand-man, and TAN TJU JIN, also known as Dr. TAN.

JACK HO was reimbursed by ANTONIO PAN, and did not attend.

[REDACTED] 6

TONY HSU - TRIE invited HSU, who attended and paid his own way.

SHU LAN LIU - TRIE advised that LIU attended with her husband (name unknown). Although they are foreign nationals and they would not have been allowed to write their own check for the event, TRIE said that he did not pay for them or reimburse them.

NINA WANG - TRIE neither paid for nor invited WANG to the Hay Adams event. HUANG asked TRIE to drive WANG to her hotel after the event because she was not feeling well. WANG asked TRIE to take her to Chinatown the following day to get some

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medicine. She also asked him to give her a ride to Dulles airport to catch her flight. TRIE remembers giving her this ride because it was snowing and it took two hours to get there.

TRIE was not aware that JIMENEZ was friends with WANG. TRIE was aware that [REDACTED] had set up a meeting between WANG and the First Lady. TRIE had heard a rumor that WANG was trying to help the Chinese government. 6

DAVISSON WU paid \$100,000 and brought approximately 10 people. TRIE believed that WU learned of the event through WOO.

TRIE did not get to know DAVISSON WU until the Hay Adams event, where WU brought eight to ten guests and donated \$100,000. DAVISSON WU knows WOO, but TRIE does not know WU very well and doubts if he would recognize WU's face. TRIE does not know where WU is from or what he does, although he believed WU must have had money in order to contribute \$100,000. TRIE does not remember speaking with WOO about WU. TRIE does not know CHRIS WU, nor does he know anything about Jimswood International. TRIE does not know an AIPING WANG or Weicheng International.

TRIE does not know why WU made three payments of \$25,000, \$25,000 and \$50,000 instead of one \$100,000 payment. TRIE thought that WU had remitted one check for \$100,000. TRIE does not know if JOHN HUANG had anything to do with raising WU's money. TRIE has had no contact with WU since the event.

TRIE did not know why there were four telephone calls made from his Watergate apartment from telephone number 202-965-9899 to Jimswood International at 714-283-8891 on the following dates: 3/13/96, 3/21/96, 7/2/96 and 10/17/96. These calls were not made by TRIE. WU never stayed at TRIE's apartment, but TRIE surmised the calls may have been placed by WOO or someone else staying at or using the apartment.

TRIE does not know of any Chinese language newspapers running any type of advertisements discussing an individual's ability to attend a political function and meet government officials by making contributions. TRIE does not believe that such an advertisement would exist.

YOGESH GANDHI - TRIE knew GANDHI from the Business Leadership Forum. GANDHI had about forty people whom he wanted to bring to the event. TRIE said that GANDHI asked him for a price break for bringing so many people. TRIE checked with HUANG.

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about a price break and about whether or not the DNC rules allowed GANDHI to write one check for all of his guests. TRIE then informed GANDHI that it would cost him \$325,000. The day before the event GANDHI had still not sent his check to TRIE even though some of his guests were already in D.C. TRIE was nervous that GANDHI had not committed and he called him and told him that he would have to submit the check by five o'clock that day or he and his guests could not attend. At approximately five o'clock on the day of the Hay Adams event, GANDHI provided PAN with a check for \$325,000 at GANDHI's hotel, which TRIE believed to be the Willard Hotel. PAN then took this check to HUANG. TRIE believed he personally gave the other checks to HUANG prior to the event. At the time TRIE gave HUANG these checks, they discussed the seating arrangements for the event.

TRIE stated that at another time GANDHI had a gift for the President. On GANDHI's behalf he contacted CRAIG LIVINGSTONE. The gift was a bust of GANDHI.

Some time in the week after the event, HUANG called TRIE and told him that they were short. He said that someone at the DNC had said there appeared to be more people at the event than there were contributions, and that more money needed to be raised. TRIE then wrote a \$12,500 check on the Daihatsu account. [REDACTED]

At the time TRIE thought that the DNC people at the event had counted heads and concluded that based on the number of people at the event they were owed more money, but TRIE now believes that they didn't raise enough to cover the one million dollar check poster that was presented to the DNC at the event. TRIE stated that he and WOO gave a total of approximately \$100,000 to the Hay Adams event.

PETER CHEN - TRIE recalled that PETER CHEN attended with two of his friends, but believes that neither CHEN nor PAN had to pay.

TRIE refers to CHEN as his brother-in-law, but he is actually his mother's god-daughter's husband. In 1982 CHEN and ANTONIO PAN both moved to Little Rock to work for the RIADYS in international trade. CHEN brought PAN to the Fu Lin restaurant and introduced him to TRIE. TRIE and PAN became friends. According to TRIE, the RIADYS lost \$52 million in Little Rock and PAN and CHEN returned to Asia by 1983.

Sunshine Pacific International Limited is a company of CHEN's involved in imports and exports. TRIE included this company on his business card because he had a relationship with CHEN and because he wanted people to think that he was a great businessman.

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TRIE had no involvement with and held no positions in this company. TRIE had no idea of any relationship between the company and the Lippo Group. TRIE believed CHEN quit his position with Lippo sometime in the 1980's. Mail addressed to CHEN came to TRIE's Watergate apartment address from 1994 on because CHEN told people he had an American office.

Sun Union was another of CHEN's companies. At one time, this company produced surgical gloves. CHEN was involved in this company after he left Lippo. In the 1990's, CHEN went to Hong Kong to do business, and lost money. One venture he was involved with while overseas was producing locks in a factory in Taiwan.

ANTONIO PAN - TRIE does not believe PAN helped locate and pay conduits for the Hay Adams fundraiser.

In the early 1980's, when PAN lived in Little Rock, he often had lunch at TRIE's house because he liked TRIE's mother's cooking. TRIE said that he lost touch with PAN from 1983 until about 1990. He believed that during that time CHEN, PAN, and WANG JI PENG worked together on a real estate project and CHEN worked on a Lippo project in southern China as well as running Sun Union. PAN worked off and on for CHEN at Lippo and left Lippo's employ when CHEN did.

In 1990, when TRIE started traveling to Asia, PAN frequently met him in the Hong Kong airport. In 1995 TRIE and PAN discussed the possibility of PAN's working for TRIE. PAN was interested, but TRIE could not commit to paying his salary. At TRIE's request WOO agreed to share PAN's salary and provide him an office. To TRIE's knowledge PAN did not have any more dealings with Lippo after he began working for him. TRIE did not know what dealings PAN may have had with JOHN HUANG.

PAN was put in charge of developing the America-Asia Trade Center (AATC). They were going to lease a building in Beijing from CHUN HUA YEH, equip it with office furniture, staff it with office support people, and provide assistance for Asian companies wishing to do business in the U.S. and American companies wishing to do business in Asia. Likewise, the AATC sought to buy a building on 16th Street, NW, in Washington, D.C., to help Asian companies do business in the U.S.

Mr. WOO - When asked about the source and purpose of a \$150,000 deposit to San Kin Yip (SKY) on 2/14/96, TRIE responded that this money was from WOO to be used as "reimbursement money." TRIE explained that WOO usually wired funds to pay for office



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expenses and brought cash into the country to use for buying entry to DNC events.

PUN NUN-HO - WOO's wife.

WILLIAM BAI lives in Hong Kong. TRIE explained that BAI, AKA WILLIAM PEH KONG WAN, was WOO's financial advisor. Prior to becoming involved with WOO, BAI had advised TOMY WINATA regarding stocks and other financial matters. TRIE credits BAI with helping make WINATA a billionaire.

BAI and a British lawyer, whose name TRIE couldn't recall, started Consolidated Trust. TRIE held a position and was given Consolidated Trust business cards. BAI may have helped TRIE purchase stock in a television manufacturing company, Ganghua.

SANTOSA GUNARA was TOMY WINATA's general manager.

TAN TUI JIN, AKA Dr. TAN, was TOMY WINATA's employee.

TRIE first met TED SIEONG and JESSICA ELNITIARTA at the Hay Adams event, and does not know of any conduit activity surrounding their attendance. TRIE has not had any contact with them since the event.

TRIE explained that Asian people do not think it is wrong for people to give money to candidates through another. When TRIE asked his friends to write checks to the DNC in return for the cash he gave them, none of them questioned TRIE regarding the legality of their actions or their potential for getting in trouble as a result of writing the checks. Because TRIE had no income to speak of, he didn't want to write the checks himself. It wouldn't have "looked good" for him to repeatedly contribute large amounts. He reasoned that, "If ten oriental people wrote checks and ten oriental people attended the event no one would question it."

TRIE knew of no relationship between WOO and the RIADYS or Lippo Group. TRIE shook his head to indicate no when asked if any of the people he solicited were reimbursed with money from the RIADYS or Lippo.

HUANG met WOO at a public event. TRIE does not remember HUANG ever meeting WOO at his Watergate apartment.

The last contact TRIE has had with HUANG was a telephone call TRIE placed to

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HUANG after TRIE's wife died to tell him of her death.

TRIE does not know why HUANG left the Department of Commerce when he did. HUANG told TRIE he wanted to help the election efforts. HUANG was trying to put together the Asian vote and told people that it was important to get involved in the political arena. TRIE believed that unlike some fundraisers, HUANG's getting into fundraising "wasn't for himself" or for personal gain.

TRIE was not aware of HUANG's passing any classified information from the DOC or government to anyone, nor was he aware of HUANG being controlled or directed by anyone such as JAMES RIADY or Chinese officials.

TRIE identified the following people who may have attended the Hay Adams event:

YIN JUN is a business associate of DAVISSON WU.

HALIM ELSDA works for WOO.

LI SUM is a business associate of WOO.

YEUNG SUE-LAI is a business associate of WOO.

SIO TAK-HONG is a business associate of WOO.

**White House Tour, February 20, 1996**

On February 20, TRIE took the following people on a White House tour: NG LAP SENG, PUN NUN-HO, PEH KONG WAN, HALIM ELSDA, YIN JUN, YEUNG SUE-LAI, LI SUM, SIO TAK-HONG, ANTONIO PAN, DAVISSON WU, SANTOSO GUNARA, TAN TJU JIN, MO KIN-CHIN, CHEN HSIE-PETER, CHU LEI, and KESHI ZHAN. See the Hay Adams event above for further identification of those listed.

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Continuation of FD-302 of Yah Lin "Charlie" Trie, On Jun-Oct 1999, Page 59President's Legal Expense Trust (PLET), Spring 1996

TRIE stated that during the time period in which CHU LEI was working for him, they ate together on a number of occasions. TRIE learned that she was a vegetarian, and when he asked her why, she explained that she was a follower of SUMA CHING HAI, a Buddhist sect.

In early 1996, during a stay in Taiwan, TRIE met with some friends of CHU LEI who were also followers of SUMA CHING HAI. They invited him to go with them to the northern part of the country to attend a Buddhist gathering. TRIE invited a lady friend of his, LIN QI LAN, to go with him. SUMA CHING HAI and some 8000 of her followers were gathered in the mountains in northern Taiwan.

When they had arrived there, TRIE was informed that SUMA CHING HAI wished to meet with him. TRIE advised that HAI is a Vietnamese woman, the leader of a Buddhist sect. HAI said to TRIE, "You are a friend of CLINTON. I like him. He's a good man." She explained that CLINTON had assisted the Vietnamese people, elaborating that Fort Chaffee, Arkansas, was the largest Vietnamese refugee camp. HAI asked TRIE how she could help CLINTON. Recalling that after leaving the White House [REDACTED] asked TRIE to help him raise money for President CLINTON's Presidential Library and Legal Defense Fund, TRIE told HAI that President CLINTON was in legal trouble and that she could help by giving \$50,000. TRIE informed HAI about CLINTON's Legal Defense Fund (actual name is the Presidential Legal Expense Trust) (PLET). TRIE suggested \$50,000 because he thought he could get fifty friends who would act as conduits, each giving \$1000 to the PLET. 6

After lunch TRIE rode with HAI in a golf cart to where HAI preached to throngs of her students. TRIE then departed for Hong Kong, HAI having informed her that she would meet him the following week. Before TRIE left, one of the students handed her a canvas bag with wooden handles. On his way to the airport with LIN QI LAN, TRIE discovered that the bag contained \$500,000 cash (U.S.), a SUMA CHING HAI videotape, and a SUMA CHING HAI magazine. TRIE was concerned about flying so much cash from Taiwan to Hong Kong, but finally decided to place his jacket in the bag to conceal its contents. TRIE assumed that HAI or one of her followers had mistakenly given her \$500,000 instead of \$50,000. TRIE flew to Hong Kong with the bag of money.

When HAI arrived in Hong Kong, TRIE met her at the airport, and she said, "Come with me." They got into a car with a student of HAI's and the driver. TRIE informed HAI that she had given too much money and he gave back the \$½ million. TRIE did not think

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he could find 500 friends who would act as conduits to the PLET and he didn't want to risk flying into the U.S. with that much cash. TRIE informed HAI that if she wanted to help CLINTON, she could come to the United States. HAI indicated that she could raise a couple million dollars in the U.S. and told TRIE that she would contact her followers in the U.S.

TRIE received a phone call and he was told that SUMA CHING HAI was coming to New York. HAI arrived in the U. S., and TRIE met her at Kennedy Airport. TRIE recalled many Vietnamese crowding the airport to greet SUMA CHING HAI. Again, HAI beckoned TRIE to follow her. They went to a hotel on 50th street in New York City where HAI's organization had rented a ball room. HAI preached to a room full of followers. She then asked TRIE, "What do you want to do?" TRIE said they should collect \$1,000 donations from each person. HAI announced to the crowd to have all the American citizens gather in one room where HAI told them they should help CLINTON. She told them they could choose to give or not. According to TRIE, they all chose to give. Because a lot of the individuals did not have money/checkbooks on them, HAI told them the her organization would pay for the donations to assist CLINTON, and they could pay the organization back. Some of the individuals wrote personal checks, and TRIE and some others helped fill out money orders for those who hadn't brought their checkbooks. TRIE was given all the checks and money orders. HAI then left for California, informing TRIE that she would have more money for him. TRIE felt the money raised at HAI's New York event was legitimate because the money he received came from U. S. citizens.

After the New York gathering, TRIE went to the PLET office in Washington, D.C., to deliver the checks to CARDOZO. CARDOZO and his secretary, SALLY (LNU), told TRIE that they would tell the President about TRIE's efforts with respect to the PLET. TRIE told them, "Don't, I'm just the mailman." CARDOZO informed TRIE that the PLET would need to verify the checks. According to TRIE, CARDOZO noticed that the writing was the same on many of the money orders. When he returned to the Watergate apartment TRIE received a phone call from SUMA CHING HAI. She asked him if he had delivered all of the checks. TRIE then flew to San Francisco where he met a Vietnamese male (PHO) who was a student of SUMA CHING HAI. The student gave TRIE more checks for the PLET. TRIE delivered the second batch of checks to CARDOZO, but CARDOZO did not accept these checks from TRIE. TRIE believes he gave the checks back to someone in HAI's organization, but can't remember when he gave them back or to whom he gave them. The only people TRIE discussed the PLET contributions with were CARDOZO, CARDOZO's secretary, and [REDACTED] TRIE never discussed the contribution for the PLET with HAROLD ICKES. 6

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[REDACTED] G

[REDACTED] D

[REDACTED] Attachment 27), TRIE explained that he was watching satellite television in his Watergate apartment with CHU LEI when he learned that the U.S. was considering sending a ship into the straits as a warning to China. He explained that the USS Independence was nearby and that the U.S. was planning to send the Nimitz into the straits. TRIE stated that he felt that such a move by the U.S. was neither good for Taiwan, for China, nor for CLINTON (America). TRIE advised [REDACTED] D

[REDACTED] TRIE then called NANCY HEINREICH and asked to speak to the President. HEINREICH informed him that the President was in Louisiana. She may have told him that she would pass the message on to the National Security Council. About ten minutes later a female called TRIE and he expressed his concerns to her about the issue in the Taiwan Straits. TRIE could hear her typing as he spoke. According to TRIE [REDACTED] G, D

In a further effort to get his message across, TRIE got his friend CHARLIE CHIANG to put him in touch with Senator TOM DASCHLE.

CHU LEI used to work for PETER CHEN, but then started working for TRIE. Before coming to the U.S. to work for TRIE, she ran for the legislature in Taiwan, but was not elected. CHU LEI had obtained two Masters degrees in the United States and was helpful in writing proposals for TRIE. CHU LEI's sister was CHEN's classmate. CHU LEI received mail at the Watergate apartment. TRIE has never heard of CHU LEI going by the name JUDY LEI. LEI may have family in Houston, and possibly has a sister in New York. TRIE believes this because some calls were made from his office to a number in New York.

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Continuation of FD-302 of Yah Lin "Charlie" Trie, On Jun-Oct 1999, Page 62**Hsi Lai Temple fundraiser, Hacienda Heights, California, April 29, 1996**

In 1995 JOHN HUANG introduced TRIE to MARIA HSIA at an Asian Political event. According to TRIE, he may have run into her once or twice, but beyond small talk, the two did not speak.

In late 1995, TRIE and ANTONIO PAN were on a layover in Los Angeles when PAN, who is a Buddhist, invited TRIE to visit the HSI LAI TEMPLE (HLT) with him. Some nuns whom PAN knew from the temple picked up TRIE and PAN at Los Angeles International Airport and drove them to the HLT in Hacienda Heights, California, where they stayed the night in one of the guest houses on the Temple grounds. TRIE met Master SHING YUN at the Temple that night. TRIE, who was suffering from jet lag, does not remember much from the meeting, but he recalled that the Master spoke to him about religion. TRIE stated that he nodded off during this speech. TRIE had heard the Master described as very political, and the HLT, both in Taiwan and the U. S., as an extremely powerful business.

The following morning three to five female students, or nuns, at the temple approached TRIE. One of them asked him if he could get President CLINTON to come to Los Angeles for an event. TRIE told them that if the Temple could raise enough money, he might be able to get President CLINTON to visit the Temple. They told TRIE that Vice-President GORE had made a visit to the Buddhist Temple in Taiwan when he was Senator, and, at that time, promised to visit the HLT in California. TRIE told them that he would try to arrange this. TRIE met GORE on four or five different occasions at fundraising events. The two never discussed fundraising.

TRIE was introduced to DANIEL WU, a car dealer in Los Angeles, while at the Hsi Lai Temple with PAN.

TRIE telephoned JOHN HUANG and asked if either CLINTON or GORE could visit the HLT. TRIE told HUANG that the individuals associated with the Buddhist Religion could help the Democratic National Party with voting and raising money. HUANG told TRIE that he would see what he could do. It was understood among TRIE, HUANG, and Asians in general that there was a lot of money at the HLT.

A few weeks later HUANG called TRIE back and told him that HSIA was a member of the Temple, and asked TRIE if he would mind if HSIA received credit for the event at the HLT. TRIE told HUANG that it would be okay with him. TRIE never talked to HSIA.

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about the event held at the HLT. Looking back, TRIE felt lucky that he was not involved with the HLT event because of all the controversy that has surrounded the event. TRIE does not know anything about how the political contributions were raised at the HLT event and he had no dealings with HSIA in connection with political fundraising.

TRIE never asked President CLINTON, nor was he involved with getting CLINTON to write a congratulatory letter to the Buddhist Light International Assembly (BLIA). TRIE's conversations with CLINTON were generally about old times back in Little Rock. The President never questioned TRIE about the backgrounds of TRIE's guests at fundraising events.

**White House Tour, June, 6, 1996**

TRIE arranged for TOMY WINATA's friends and family to have a tour of the White House. Those present for the tour included ANTONIO PAN, ERNIE DEWI, ANDI BHARATA WINATA, ADITHYA PRAKARSA WINATA, ITA SETYWATI, WIDIASTUTI BUDI RAHAYU, MINA HARAPAN, PANJI YUDHA WINATA, SUGI HARTI, and LULU LUGIYATI EDI SUDRADJAT.

**President's Birthday Celebration in New York City, August 18, 1996**

TRIE stated that he received a fax inviting him to the New York event. TRIE went to New York for a pre-event meeting which was attended by about thirty people including HAROLD ICKES and RICHARD SULLIVAN. He was told the date of the event, the location, and the price to attend. TRIE asked SULLIVAN if there would be a photo opportunity and SULLIVAN told him it would cost \$10,000 per person.

In early August, TRIE had KESHI ZHAN wire \$80,000 to TONY HSU in Los Angeles. HSU's friend, a Canadian citizen named CHUN HUA YEH, owned a bank. TRIE told PAN that WOO had several guests coming to the U.S. and needed to get them into a DNC event. He instructed PAN to find friends (specifically, American citizens) who would write checks to the DNC in return for cash. PAN told TRIE he knew people in Los Angeles and Ohio. PAN called TRIE from Los Angeles and informed him that he received the cash from HSU and that he would get checks from people. Although TRIE instructed PAN to contact friends and reimburse them for checks that they would write to the DNC, TRIE was not aware of the details of each of these transactions and in some cases did not recognize the names of the conduits. PAN gave the

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checks to TRIE in New York. TRIE stated that PAN had attended a military school, and thus, he followed orders and never tried to be clever. To TRIE'S knowledge, ANTONIO PAN never dealt with JOHN HUANG regarding fundraising, and the two have very different personalities.

TRIE recalled that he and WOO took eight or ten guests to the event. PAN and TRIE reimbursed a total of approximately \$80,000 for eight people to attend the President's birthday party in New York.

HONG JEN CHIAO - HONG, a former classmate of TRIE's, attended the event and brought her mother along to the Radio City Music Hall event. TRIE reimbursed HONG for her contribution.

MICHELE LIMA - LIMA did not attend. TRIE gave her husband, JAMES LU, cash and LIMA wrote a check. LU is a friend of HONG JEN CHIAO.

CHOU WEI FEN - CHOU's mother, TENG YONG LI, was a former classmate of TRIE's. On one of TRIE's visits to Los Angeles TENG picked him up at the airport. He enlisted her support in helping the President get re-elected. He told her, "I'll give you cash if you write a check." TENG got her daughter to write the check. PAN actually obtained the check and handled the reimbursement.

LI QING - LI did not attend. She is a waitress at City Lights restaurant on Connecticut Avenue in D.C. At the Watergate apartment, after an evening out with friends singing karioke, TRIE asked her, "Will you please give me a check?" He told her, "I'll give you cash." TRIE stated that he may have instructed her not to deposit it all at once.

HENRY HUANG - HUANG did not attend the event. He is a travel agency owner in Maryland. HENRY HUANG was at the Watergate apartment delivering airline tickets to TRIE when TRIE told him, "I want to raise money for the President. Give me a check and I'll give you cash." A few days later HENRY HUANG gave him a check. He asked TRIE if he could get in any trouble for doing this and he asked what he should say if asked why he'd written the check. TRIE said, "Just say you want to help the President get re-elect [sic]." After the investigation began HENRY HUANG called TRIE and TRIE gave him the same instructions.

MANLIN FOUNG - FOUNG is TRIE's sister. TRIE could not recall the circumstances surrounding FOUNG's contribution and reimbursement.





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TRIE was shown a note in Chinese writing on Hong Kong International Hotel notepaper (Attachment 29). He recognized the notes as his own, explaining that in 1996, during the Bingaman Commission delegation trip to Asia, he drafted the notes as talking points for some of the discussions taking place about U.S. trade with China. TRIE translated the notes aloud and his translation was virtually identical to the independent translation (Also attached). TRIE has heard of Hughes, but could not recall why he made reference to it in these notes. He indicated that bribery is customary in Asia, so one of the impediments to American companies doing business in Asia is, "You cannot bribery in this country." As a result, he said, other countries had an economic advantage over the U.S. TRIE's notes make reference to Boeing because the president of Boeing had addressed the APEC or some other group of which TRIE was a member.

Holiday Dinner at White House, December 13, 1996

TRIE described SIMON CHIEN as a wealthy Taiwanese businessman who had investments in the Philippines and Hong Kong. CHIEN is President of ZhiBen International, Chairman of TransCapital International Ltd., and Managing Director of TransCapital Ltd. and TransCapital International Ltd. CHIEN'S family owns a hotel which features hot springs or spas in the Tai Don region of Taiwan. TRIE believed that SIMON CHIEN and his mother (name unrecalled) attended the August 18, 1996, President's Birthday Party in New York. Either during that trip or during a subsequent trip CHIEN took to the U.S., TRIE called [REDACTED] and asked him to clear them into the Old Executive Office Building gift shop, but by the time they got in the shop had closed. 6

In late 1996, after the campaign finance news had hit the press, SIMON CHIEN came to the U.S. to negotiate a contract with the America Asia Trade Center. TRIE explained that the America Asia Trade Center (AATC), was a company he formed to provide office space and support for foreign business people visiting the United States. TRIE did not know of a \$1775 payment from AATC to HUANG on 6/26/96. TRIE surmised that this could possibly be

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some type of airline ticket reimbursement to HUANG, but he was sure it did not have to do with any political contribution. HUANG was not paid as an employee or any type of consultant for TRIE.

TRIE believes that CHIEN actually did sign a contract with AATC before returning to China. TRIE had two seats to the holiday dinner at the White House so he took CHIEN. TRIE explained that he did not want people thinking that he was bringing another foreigner into the White House so he obtained REYNALDO MAPILI'S Arkansas drivers license so CHIEN could pass as a American citizen.

TRIE recalled that pictures were taken in the receiving line as people shook hands with the President. TRIE stated that as he shook President CLINTON'S hand he said, "Sorry for all the trouble," meaning the trouble surrounding the PLET donations and the conduit activity. President CLINTON responded, "I'm used to it."

#### Contacts with PRC Diplomats, Intelligence Officers, and Foreign Intelligence Agencies

TRIE was asked directly in Chinese whether or not he had any contact with persons he knew to be, suspected to be, or was later told were affiliated with any Chinese intelligence service, the People's Liberation Army (PLA), the Second or Third Departments of the PLA (military intelligence), Chinese law enforcement officials or intelligence officers from any foreign country to include Taiwan, France, Japan or others. TRIE stated that to the best of his knowledge he had not. He did remember meeting with persons affiliated with the PLA, but only because they were involved in commercial ventures with him.

TRIE recalled meeting with officials from the PRC Ministry of Foreign Trade and Economic Cooperation (now know as the Ministry of Foreign Economic Relations and Trade), although he did not remember their names. They were interested in U.S. - China trade policy. He did remember having once met with CUI YULIANG (CTC 1508/ ? / ? ) of the State Economic Planning Commission (Although Romanized differently, CHARLIE TRIE and CUI YULIANG both have the same family name). TRIE first met CUI during a visit to Changchun, Jilin Province. CUI was looking for investors in the United States willing to invest in a fund to be used to reform Chinese state-owned enterprises. CUI came to Little Rock, Arkansas, hoping to find backers for this project. CUI has since retired.

TRIE remembered meeting a woman from the PLA General Staff who was a daughter of LI PENG, former Chinese Communist Party Secretary, but he could not recall her

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name. TRIE met her through SU MING (CTC 5685/2494), a Chinese scientist living in New York involved in political fund-raising. In 1996, TRIE recalled visiting the woman from the General Staff at her residence in Beijing. Also present was PETER CHEN. CHEN was in Beijing to work with SU MING on a joint-venture.

TRIE was asked if any of the Chinese officials he had contact with ever expressed an unusual amount of interest in U.S. officials known to TRIE. Which PRC officials had been the most interested in his knowledge of U.S. government officials. He replied that many people were curious, but he could recall anyone who expressed an unusually keen interest in his knowledge.

TRIE stated he was having difficulty remembering names of PRC government officials he met during his trips to China, but if he were given access to the many name cards he saved, he might be able to remember details of certain persons and specific meetings. TRIE was willing to review his business cards with SA's at a later date.

TRIE was asked if Mr. WOO knew anyone in the PRC military or a PRC intelligence service; the Ministry of State Security (MSS). He replied that he thought so. Once a friend of WOO's accompanied TRIE from Nanhai, Guangdong, to Beijing, but TRIE could not describe this person further. TRIE could not think of anyone that he suspected might be from the MSS or another PRC security service. TRIE was aware that WOO had hired PLA dance troupes from the Logistics Department of the PLA to perform in Macau.

TRIE stated that he never heard anyone mention WOO as being associated with either the PRC government or the "underworld". TRIE stated that WOO invested heavily in "getting to know people" in the U.S. and PRC. TRIE was asked if in doing so, WOO would have met with business people who are associated with the PRC military. TRIE stated that it was probably so, but he did not know any of those people. TRIE stated that many military people conduct business. TRIE acknowledged accompanying WOO to many business dinners in which he may have had dinners with government people.

When asked about persons he might have known who were suspected of being involved in illegal campaign contributions, TRIE mentioned that he had twice met LIU CHAOYING, the daughter of a PRC general. TRIE recalled meeting LIU for the first time at a dinner arranged by TOMY WINATA in Hong Kong some time in May or April of 1997. At the dinner, LIU told TRIE, "I'm like you. I'm in trouble. I should have gone to meet CLINTON with you instead of JOHNNY CHUNG." LIU told TRIE that she was involved with WINATA

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in a fishing venture. She was to arrange for ten million Renminbi (PRC currency) in financing.

A few months after his first meeting with LIU, TRIE met her again for dinner in Jakarta, Indonesia. LIU told TRIE that an Indonesian friend of TOMY WINATA's had fishing rights to certain fishing grounds. LIU's role was to finance the purchase of a ship. Later, TRIE learned that the deal never went through. At the same dinner, LIU told TRIE that she had traveled to the United States, had her picture taken (with the President) and donated money, but not the amount claimed by the press, and because of this she was now under investigation. She did not explain this further.

TRIE stated that he was familiar with the name WANG TIANMING, Counselor of the Economic & Commercial Section of the PRC Embassy in Washington, D.C. TRIE first met WANG in 1991 or 1992 during a trip to Changchun City and Beijing. Later, WANG telephoned TRIE to tell him he had been assigned to the Commercial Section of the PRC Embassy, Washington, D.C., as a diplomat. WANG explained to TRIE that his job was to bring U.S. businesses to China. TRIE recalled that WANG had previously worked for the Changchun City Foreign Trade Bureau. Later, WANG went to work for the Ministry of Foreign Economic Relations and Trade in Beijing. TRIE recalled WANG visiting the Watergate apartment once or twice to discuss ways of bringing U.S. businesses to the PRC.

TRIE stated that WANG's secretary, LI SHAO GUO, was friends with WANG and helped introduce TRIE to WANG. LI had previously worked for WANG TIANMING within the Ministry of Foreign Economic Relations and Trade. TRIE last saw WANG at a PRC embassy function in either 1995 or 1996. TRIE added that he had met with PRC diplomatic officials at PRC consulates in Los Angeles, New York, Houston and at the PRC Embassy in Washington, D.C.

TRIE indicated that he did not know the status of REN KEYONG of the Innovation Center for Life Science USA, State Science & Technology of China.

When asked about CAI JINBAO, PRC Consul General in Houston, TRIE remarked that the name was very familiar because it was so unusual. TRIE also remembered that he had his business card at one time.

TRIE claimed that he did not know the third secretary with the Commercial Section of the PRC Embassy, SHEN BAO LING; Senior Economist at the PRC Consulate in Houston, LUO JIZHONG; PRC Deputy Consul General in Houston, LIAN ZHANGBAO; Bank

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of China officer, WEI YE; or Surpass Commerce Corporation officer, DING ZONGHAO. TRIE stated that he did not know CHIAO JEN WANG.

XU ZHENCHUN, President of Chinese Association for Science and Technology (CAST), at one time asked TRIE to provide a United States Government official to speak at a business seminar. TRIE asked MIDDLETON and KEARNEY to make the speech, KEARNEY agreed and delivered the speech. TRIE mentioned that he knew XU very well and probably asked him for donations on at least one occasion.

TRIE was asked to name any and all PRC officials with whom he dealt. He volunteered the names LI DAO YU, ZHOU WENGHONG, and CUI YU LIANG. TRIE stated that he met the first two in the United States and the other in the PRC. [REDACTED] G

ZHOU WENGHONG, Los Angeles General Counsel, met with TRIE on five or six occasions. The first time they met was in Los Angeles, at a dinner arranged by DING XIAO CHEN, though he does not remember where they ate dinner. ZHOU then moved to Washington, D.C., where he and his spouse hosted TRIE, CHARLIE CHIANG and Mr. WOO for dinner. TRIE recalled that they discussed business opportunities in the PRC. TRIE added that he and WOO went to the PRC Embassy on one occasion to meet with ZHOU but couldn't remember what they discussed.

CUI YU LIANG, PRC Treasury official, and TRIE are friends and have met between ten to twenty times in the PRC. TRIE stated that CUI was attempting to generate funds to help Chinese industry by selling PRC bonds. TRIE wanted CUI to introduce him to business people in the Changchun province. TRIE mentioned that he referred to CUI as "big brother." TRIE acknowledged discussing the Bingaman Commission trade and investment policy issues in relation to the PRC with CUI.

TRIE was asked whether any of the three officials (LI, ZHOU and CUI) had ever asked him for anything. TRIE claimed they never asked him for anything, including DNC information. TRIE stated that he never asked them to help the DNC or the President's Legal Expense Trust (PLET).

When asked if he was ever in contact with anyone he knew or suspected of being connected with a foreign intelligence agency TRIE emphatically said, "No." TRIE further stated

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that it was possible for him to have been approached by a foreign intelligence agency without his knowledge. TRIE speculated that WOO might know intelligence officers. TRIE acknowledged that when he was in China many people asked him questions regarding President CLINTON, political friends, and the United States in general. TRIE claimed that he would be of no use to a foreign intelligence service because he didn't know anything.

TRIE further acknowledged that he discussed fundraising in the PRC because everyone knew what he did in the United States. He claimed that he never asked anyone in the PRC to contribute money to the United States political arena, except for people who conducted business on a regular basis in the United States. TRIE encouraged these people to do business with American individuals and companies who were democrats or supported the Democratic party. TRIE was asked about his request to the PRC Consulate in Houston in 1992 for fundraising help and whether or not he had subsequently contacted PRC officials for assistance in setting up fundraisers. TRIE stated that he had learned his lesson back in 1992 and did not attempt to request assistance from PRC officials after the 1992 incident. TRIE reiterated that subsequent to the 1992 incident he did not ask for fundraising assistance from any PRC official in the U.S. or China. TRIE understood that fundraising assistance did not necessarily mean requests for monetary assistance.

TRIE was asked about a 1997 stay in the Tianlun Dynasty Hotel in Beijing with PENG YU YEH and LIANG ZHI ZUO. TRIE claimed that PENG lent him \$25,000 and was a friend of his who worked construction in Taiwan. TRIE was not familiar with LIANG, but believed that she may have been PENG's girlfriend.

TRIE claimed that he did not meet with WOO during his 1997 trip to Vancouver, Canada. The purpose of that trip was to pick up his daughter and take her to China. TRIE acknowledged meeting with his attorneys during his stay in Canada. TRIE said that after the campaign finance scandal broke he left the United States and met with WOO many times. TRIE indicated that WOO told him if he wished to stay in Macau, he would "take care of him." TOMY WINATA also offered to help him, and suggested that TRIE write a book.

TRIE was asked about a June 19, 1997, facsimile that DIA MAPILI sent to "Mr. Lu" in New York City requesting money to help pay Daihatsu's bills (Attachment 30). TRIE stated that JAMES LU was married to MICHELLE LIMA. According to TRIE, LU refused to lend him money.

TRIE stated that he never discussed his situation with PRC officials when he

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arrived in the PRC after the scandal broke. He stated that he was not told which topics to discuss if he were interviewed by the FBI or other U.S. Government entities, nor was he offered money to limit his cooperation with authorities in the U.S. TRIE recalled discussing the scandal with his spouse, WOO, ANTONIO PAN, PETER CHEN, and other family members and friends.

#### Wang Qing

During his extensive travels TRIE met China Air flight attendant WANG QING and gave her his business card. On one occasion she called him from Alaska and told him that she and three friends were on their way to New York. TRIE flew up from D.C., met them, and brought them back to D.C. where he entertained them.

TRIE stated that in 1997 when he was living in China, he could not obtain vitamins overseas. He instructed DIA MAPILI to purchase vitamins and send them to Seattle where QING would pick them up and deliver them to TRIE in China. Later, TRIE learned during a telephone call from QING that when she walked out of the office after picking up the package, three FBI agents were waiting at her room and they took her to Washington, D.C. the next day to testify. That is the extent of TRIE's knowledge of the incident.

TRIE stated that QING did not telephone him from the hotel in Seattle.

#### Obstruction of Justice

In September of 1996, through press reports and word of mouth, TRIE learned of the investigation concerning JOHN HUANG and campaign finance. When attempts were being made to locate and serve HUANG with subpoenas TRIE offered to let HUANG stay at his Watergate apartment. While HUANG was at the apartment, TRIE went out and brought back food for HUANG. At that time TRIE joked with HUANG about the press reports on campaign finance. TRIE told him, "You're a big man." HUANG joked back, "You're next." HUANG told TRIE he would "take the fifth" if commanded to testify.

Soon thereafter, the investigation expanded to include the Presidential Legal Expense Trust (PLET) and later, TRIE's activities concerning conduit payments to the DNC. TRIE recalls being concerned not so much about the SUMA CHING HAI contributions to the PLET, but about his personal conduit contributions.



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MARK MIDDLETON advised him to get an attorney and recommended REID WEINGARTEN at Steptoe & Johnson.

Shortly after the Holiday Dinner at the White House on 12/13/96, TRIE left for Asia. In early 1997 he received a message from MARIA MAPILI on his Watergate apartment telephone answering service asking TRIE to call her. When he called her back she told him someone wanted some documents and she told him about a subpoena. He said MAPILI was nervous and upset. She may have read parts of the subpoena to him. TRIE was upset and said words to the effect of, "Damn it, why they pick on me," or, "Fuck it, I don't care." He may have told MAPILI that the documents were nobody's business. When MARIA MAPILI informed him that the subpoena called for information on the PLET he told her to get rid of PLET checks. At the time, TRIE was upset that his business was gone and he felt he could not return to the U.S. Moreover, he was worried that the investigation into the PLET would uncover the conduits MARIA and REYNALDO MAPILI had helped him use, and MARIA and REYNALDO would get in trouble. He instructed MARIA to get rid of the copies of checks that her friends and REYNALDO's brothers had written to the PLET.

TRIE does not believe he ever saw the subpoena, but thinks MARIA may have faxed him newspaper articles and some documentation relating to the subpoena. He is unable to differentiate between the Senate subpoena, the grand jury subpoena for Daihatsu, and the grand jury subpoena for MARIA MAPILI.

TRIE advised that the number he calls to retrieve his messages from the Watergate apartment telephone is 202-338-3404.

#### Miscellaneous

TRIE recalled an event that took place in Los Angeles, but he was unsure of the name or date of the event. He believes that it was the Century City Plaza fundraising event. He stated that JOHN HUANG set it up as an Asian event, and told TRIE to come. TRIE remembers that JAMES RIADY and TED SIEONG sat at the head table with President CLINTON. According to TRIE the following friends of his wrote checks in return for cash from TRIE: YONG LI TENG, JIAN LIN DO, LI PING LI, XIAO YING YU, and the owner of Mei Mei's barber shop whose name TRIE cannot recall. TRIE advised that these names were the maiden names of his friends. He did not know their married names.

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TRIE advised that he may have used conduits to contribute to the following politicians: TOM DASCHLE, PAUL SIMON, JEFF COOPERSMITH (Oregon), JIM GUY TUCKER (possibly \$1000 via MARIA MAPILJ), [REDACTED] (see page 51). 6

TRIE gave gifts on several occasions. He gave a tie to the President, a tie to MACK McCLARTY, a pearl necklace to HILLARY CLINTON, through SUSAN LAVINE. He recalls giving a pearl necklace to NANCY HEINRIECH, but believes that she gave it back.



TRIE believes that he met PAULINE KANCHANALAK at a CAPACI event. He recalls that at one event she sat next to the President and TRIE knew who she was because she was wearing a name tag.

TRIE has never heard of GEORGIE KRONENBERG.

TRIE thinks that ERSKINE BOWLES worked at the White House, although he does not know him at all. TRIE believes that he may have attended a dinner with BOWLES and several others prior to the Car Barn event.

TRIE is unfamiliar with the name of ZHER CHEN who has recently been accused of bank fraud in China.

TRIE stated that he is not and never was a member of a triad. TRIE has no tattoos.

TRIE stated that he has never attended a classified briefing of any sort and has never received a classified clearance.

Attachments

1. Fax from Dia to Keshi re wiring \$10K, and Promissory Note **D**
2. Fax [REDACTED] **D**
3. Chinese legal docs
4. Fax from Shen Shao Gang, faxes from Li Shao Guo to Dia
5. Fax [REDACTED] **D, G**
6. Fax [REDACTED]
7. Fax [REDACTED]
8. Telephone message slip
9. Fax [REDACTED] **G**
10. Letter [REDACTED]
11. Fax [REDACTED]
12. Memorandum [REDACTED] **D, G**
13. [REDACTED] check
14. Check register
15. Photographs [REDACTED] **G**
16. Memorandum [REDACTED] **D, G**
17. Letters [REDACTED]
18. Handwritten note with [REDACTED] account number **P**
19. Fax [REDACTED] attached financial reports
20. [REDACTED]
21. Fax [REDACTED] **D, G**
22. Letter [REDACTED]
23. Law firm invoice
24. Letter [REDACTED] **G**
25. Letters [REDACTED]
26. List of contributors from Hay Adams fundraiser
27. Letter [REDACTED] **D**
28. Fax [REDACTED]
29. Handwritten notes on Hong Kong International Hotel notepad
30. Fax from Dia to Mr. Lu requesting money
31. [REDACTED] **D**

1160

JAN-25-95 WED 13:15 DAIHATSU.INTERN.

501 376 8989 ...

P.01

Daihatsu International Trading, Inc.

**facsimile**  
TRANSMITTAL

Atten: Ms. Keshi Zhan  
From: Dia Mapili  
Fax no.: 965 9809  
Date: Jan 25, 1995  
No of pages: 2 incl cover

= = = = =

Dear Keshi,

I talked to Mr. Charlie Trie today at 12:45 p.m. and he is requesting you to please wire some money amounting to \$10,000 to San Kin Yip Account in Little Rock.

San Kin Yip Account Number 0 799661  
First Commercial Bank  
Capitol & Pulaski Branch  
1217 W. Capitol, Little Rock, AR 72201

Enclosed, please find his promissory note.

Thank you and regards,



SWCT-0986-11-2409

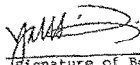
JAN-25-95 WED 13:15 DAIHATSU-INTERN 301 376 8989 P.02

PROMISSORY NOTE

\$10,000.00

Date: January 25, 1995

For value received, the undersigned promises to pay to the order of Mr. Ng Lap Seng the sum of Ten Thousand dollars (\$10,000), together with NO interest percent per annum

  
Signature of Borrower

Promise to pay on February 7, 1995

SWCT-0986-11-24'0

FBI-TRIE077

1162

ATTACHMENT TAB #2, BATES STAMP # FBI-TRIE 078,

IS A FAX AND IS BEING DELETED, IN ITS ENTIRETY, FOR THE

FOLLOWING REASON: "D"

委托授权协议书

甲方:长春亚宁国际房地产开发公司  
法定代表人:崔亚琳  
乙方:中国国旅旅游贸易中心  
法定代表人:蓝海

甲方将长春亚宁国际房地产开发公司的管理经营权委托乙方全权代理,代理期限为10年,具体事项如下:

- 一.乙方有权对原有公司机构进行调整,有权任免全部管理经营人员;
  - 二.乙方在甲乙双方共同清理公司债权、债务并依法认定后接管全部账目,并独立行使全部财务权;
  - 三.甲方有要求乙方报告代理进展情况的权利;
  - 四.代理期限内,乙方有要求甲方提供乙方保存公司全部法律文件的权利;
  - 五.本代理授权是唯一的、全权代理,自此协议生效之日起,未经乙方同意的甲方任何对其它部门或个人的授权均为无效;未经乙方同意,甲方无权以长春亚宁国际房地产开发公司的名义进行任何法律和经济活动;
  - 六.代理期限内,甲方对乙方的代理活动有积极配合的义务,不能以任何方式干扰乙方的管理经营工作;
  - 七.由委托产生的法律责任由甲方承担,由管理经营产生的法律责任由乙方承担;
  - 八.本协议的修改和终止须经双方商定,任何一方单独修改和终止均为无效;
  - 九.本协议一式四份,双方各执两份;
  - 十.本协议只有中文文本,自双方签字之日起生效。
- (附:委托授权协议书附则)

甲方:

法定

(签字)



一九九三年六月十一日

FBI-TRIE079

5W20001060834

委托授权协议书附则

1. 代理期限满10年以后,如需要延长须经双方商定.
2. 人事任免权包括对管理人员、财会人员、技术人员的任免.
3. 本协议生效之前,公司所拥有的债权、债务由甲乙双方共同清理、任定,分别处理.
4. 法律文件原件包括公司所有的法律证书及全部以公司名义签订的经济合同.
5. 甲方出具3000万元人民币作风险保证金,如甲方违约或无故收回代理权,由乙方从保证金中相应扣除.
6. 乙方受托开发、经营亚宁大厦及附属住宅工程,双方商定甲方所得利润按4:6分成,乙方如经营出现亏损,甲方有权要求乙方补偿1000万元人民币.

甲方: (公章)



法定代表人: (签字)

*[Handwritten signature]*



法定代表人: (签字)

*[Handwritten signature]*

一九九三年六月十二日

SWCT-0001-08-0835

FBI-TRIE080



长春亚宁国际房地产开发公司与中国国旅旅游  
贸易中心执行“委托授权协议书”洽谈备忘录

洽谈日期：1993年6月24日

洽谈地点：长春亚宁国际房地产开发公司（长春市同志街39号）

参加人员：长春亚宁国际房地产开发公司：董事长：崔亚琳

副董事长：王玫

中国国旅旅游贸易中心：杨小清 范淳 李立 唐曼

长春亚宁房地产开发公司（以下称甲方）与中国国旅旅游贸易中心（以下称乙方）就1993年6月12日签定的“委托授权协议书”确认如下：

- 一、甲、乙双方无任何附加条件执行所签定《委托授权协议书》。
- 二、自1993年6月25日起，“委托授权协议书”开始执行。甲方根据协议，立即将其保存的全部公司法律文件、资料、印章及财务账目交乙方存查，待乙方审验后，双方正式办理交接手续。甲方对提交的上述文件、资料等内容的准确性、完整性、规范性负全部责任。
- 三、鉴于目前具体情况，并根据甲方要求，乙方承诺借给甲方人民币2,818,473.36元，用于结清甲方所欠长春市兴华房屋开发公司的有关拆迁费用，并由甲方董事长兼总经理崔亚琳先生出具借条作为借款依据。
- 四、甲方保证在93年7月3日前办理齐备17#、31#地划拨手续。
- 五、本办法一式四份，甲、乙双方各执二份。

甲方：长春亚宁国际房地产开发公司  
代表人：



乙方：中国国旅旅游贸易中心  
代表人：



SWCT-0001-11-2362

1993年6月25日

FBI-TRIE081

15 JUN '84 10:37  
 We have finished this invitation, now we are sincerely  
 hope that your president sign his name in this invitation,  
 and then copy it to the standard paper of your  
 company. Would you please fax back this invitation  
 to us as soon as possible. Thank you for your help!  
 Our fax No. 888644.  
 area code: 0757

SWCT-0001-07-1157

Mr. Shen Shao Gang  
19/6

Mr. Shen Shao Gang  
19/6

FBI-TRIE082



DAIHATSU 美国亚宁

INTERNATIONAL TRADING INC

美国亚宁国际贸易股份有限公司 长春办事处

Dia:

Please Fax to Hongkong Prosperous  
Enrich Ltd. Fax No. (00852) 82787999.  
a invitation as soon as possible.

Name:

✓ CHEONG BOR General Manager,  
Hongkong CI No. K334174271

✓ CHEONG CHAI IENG Interpreter  
Portugal Passport No. D379599.

Li Shao Guo.

011 86 15120309

~~Amn SLK~~

SWCT-0001-07-1158

FORM T-1



1169

ATTACHMENT TAB #5, BATES STAMP # FBI-TRIE 085-086,  
IS A FAX SHEET and ATTACHED LETTER AND IS BEING DELETED, IN  
ITS ENTIRETY, FOR THE FOLLOWING REASONS: "D" & "G".

1170

ATTACHMENT TAB #6, BATES STAMP # FBI-TRIE 087-093,

IS A FAX SHEET and ATTACHED DRAFT ITINERARY AND IS BEING

DELETED, IN ITS ENTIRETY, FOR THE FOLLOWING REASONS:

"D" & "G"

1171

ATTACHMENT TAB #7, BATES STAMP # FBI-TRIE 094,

IS A FAX SHEET AND IS BEING DELETED, IN ITS ENTIRETY, FOR THE

FOLLOWING REASONS: "D" & "G".

1172

ATTACHMENT TAB #8, BATES STAMP # FBI-TRIE 095,

IS A TELEPHONE MESSAGE SHEET AND IS BEING DELETED, IN ITS

ENTIRETY, FOR THE FOLLOWING REASONS: "D" & "G".



1173

ATTACHMENTS TAB #9, BATES STAMP # FBI-TRIE 096-097,

ARE A FACSIMILE TRANSMITTAL & A LETTER AND THEY ARE BEING

DELETED, IN THEIR ENTIRETY, FOR THE FOLLOWING REASON: "G".

1174

ATTACHMENT TAB #10, BATES STAMP # FBI-TRIE 098,

IS A LETTER AND IS BEING DELETED, IN ITS ENTIRETY, FOR THE

FOLLOWING REASONS: "D" & "G".

1175

ATTACHMENT TAB #11, BATES STAMP # FBI-TRIE 099,

IS A FACSIMILE TRANSMITTAL AND IS BEING DELETED, IN ITS

ENTIRETY, FOR THE FOLLOWING REASONS: "D" & "G".

1176

ATTACHMENT TAB #12, BATES STAMP # FBI-TRIE 100-101,

IS A MEMORANDUM AND IS BEING DELETED, IN ITS ENTIRETY, FOR THE

FOLLOWING REASONS: "D" & "G".

1177

ATTACHMENT TAB #13, BATES STAMP # FBI-TRIE 102,

IS A CANCELLED CHECK AND IS BEING DELETED, IN ITS ENTIRETY, FOR

THE FOLLOWING REASONS: "D" & "G".

1178

ATTACHMENT TAB #14, BATES STAMP # FBI-TRIE 103,

IS A ONE PAGE from CHECK REGISTER AND IS BEING DELETED, IN

ITS ENTIRETY, FOR THE FOLLOWING REASON: "G".

1179

ATTACHMENTS TAB #15, BATES STAMP # FBI-TRIE 104-112,

ARE PHOTOS AND ARE BEING DELETED, IN THEIR ENTIRETY, FOR

THE FOLLOWING REASON: "G".

1180

ATTACHMENT TAB #16, BATES STAMP # FBI-TRIE 113-114,

IS A MEMORANDUM AND IS BEING DELETED, IN ITS ENTIRETY, FOR

THE FOLLOWING REASONS: "D" & "G".



1181

ATTACHMENTS TAB #17, BATES STAMP # FBI-TRIE 115-116,  
ARE TWO (2) LETTERS AND ARE BEING DELETED, IN THEIR ENTIRETY,  
FOR THE FOLLOWING REASONS: "D" & "G".

1182

ATTACHMENT TAB #18, BATES STAMP # FBI-TRIE 117,

IS A HANDWRITTEN NOTE AND IS BEING DELETED, IN ITS ENTIRETY,

FOR THE FOLLOWING REASONS: "D", "G" & "P".

1183

ATTACHMENT TAB #19, BATES STAMP # FBI-TRIE 118-126,  
IS A FAX SHEET with FINANCIAL RECORDS AND IS BEING DELETED, IN  
ITS ENTIRETY, FOR THE FOLLOWING REASONS: "D", "G" & "P".

1184

ATTACHMENT TAB #20, BATES STAMP # FBI-TRIE 127,

IS A LETTER AND IS BEING DELETED, IN ITS ENTIRETY, FOR THE

FOLLOWING REASON: "G".

1185

ATTACHMENT TAB #21, BATES STAMP # FBI-TRIE 128,

IS A FACSIMILE AND IS BEING DELETED, IN ITS ENTIRETY, FOR THE

FOLLOWING REASON: "D" & "G".

1186

ATTACHMENT TAB #22, BATES STAMP # FBI-TRIE 129,

IS A LETTER AND IS BEING DELETED, IN ITS ENTIRETY, FOR THE

FOLLOWING REASON: "G".

1187

ATTACHMENT TAB #23, BATES STAMP # FBI-TRIE 130-133,  
IS A INVOICE from a LAW FIRM AND IS BEING DELETED, IN ITS  
ENTIRETY, FOR THE FOLLOWING REASON: "G".

1188

ATTACHMENT TAB #24, BATES STAMP # FBI-TRIE 134,

IS A LETTER AND IS BEING DELETED, IN ITS ENTIRETY, FOR THE

FOLLOWING REASON: "G".



1189

ATTACHMENTS TAB #25, BATES STAMP # FBI-TRIE 135-136,  
ARE TWO (2) LETTERS AND THEY ARE BEING DELETED, IN  
THEIR ENTIRETY, FOR THE FOLLOWING REASON: "G"

|                         |                                                                   |                                                                   |         |
|-------------------------|-------------------------------------------------------------------|-------------------------------------------------------------------|---------|
| ADAMING CORPORATION     | Henry Li<br>418 North Avenue 19<br>Los Angeles, CA 90011          | Work (713) 221-8001<br>13300.00 R01 3/23/76                       | 0/00/00 |
| AST Sportswear, Inc.    | Mr. David G. Chang<br>111 West Main Street<br>1st Floor, NY 10001 | Work (212) 278-0340<br>FAX (212) 278-0278<br>13300.00 R01 3/23/76 |         |
| Mr. James R. Batcher    | 151 Raymond Drive<br>Middletown, CT 06452-1324                    | Work (203) 754-8300<br>10000.00 F01 3/23/76                       |         |
| Mr. Leo Chan            | 2 Lake Marjory Ct<br>Sacramento, CA 95811-4381                    | Home (709) 343-8342<br>13300.00 F01 3/23/76                       |         |
| Mr. Eric T. Chang       | 2110 Laurel Lane<br>Mundelein, IL 60051                           | Work (708) 324-0060<br>13300.00 F01 3/23/76                       |         |
| Mr. David Gin Hang Chen | 4208 Balloch Drive<br>Birmingham, AL 35213                        | Home (205) 871-8620<br>13300.00 F01 3/23/76                       |         |
| Mr. Qiu P.J. Chen       | 1115 East Comstock Street, #112<br>Pasadena, CA 91108             | Home (818) 377-2022<br>35200.02 F01 3/22/76                       |         |
| Mr. Charles T. Chiang   | 6850 South 21st Street<br>Mallison, VA 22104                      | 13300.00 F01 3/23/76                                              |         |
| Laf Chu                 | 5913 Indian Hills Drive<br>Gallatin, TN 37064                     | Work (601) 941-8839<br>13300.00 F01 3/23/76                       |         |
| Ms. Yui F. Chu          | 10 Exchange Walk Court<br>Calverton, MD 20619                     | Home (301) 948-3403<br>7400.00 F01 3/23/76                        |         |

Confidential Information

V09C-0938-02-3178  
DNC 1152241

FISBC 1/05/97 Finance System Page 2  
 Source Detail Report  
 \*\*\*\*\*  
 Mr. Van F. Chu Home (901) 948-1403  
 10 Carolina Walk Court  
 Galveston, TX 77550  
 13300.00 FOL 7/23/96  
 Home (314) 733-1035  
 Mr. Tony Ma  
 City Corporation  
 10000 Wilshire Blvd  
 Los Angeles, CA 90024-2222  
 13300.00 MOI 7/23/96  
 CRT Incorporated  
 Dr. Timothy Tu  
 830 Maple Avenue  
 Torrance, CA 90503  
 Work (310) 438-8889  
 Home (310) 438-3779  
 13000.00 MOI 7/23/96  
 Dalman International  
 Trading Corporation  
 Mr. Charles E. L. Frie  
 1107 South Cleveland  
 Little Rock, AR 72204  
 Work (501) 945-8889  
 13300.00 MOI 3/09/96  
 E. Reed International, Inc.  
 Mr. King Inang  
 11100 North Mountain Spring  
 Parkway  
 Springville, UT 84663  
 Home (314) 878-8888  
 Work (310) 219-2088  
 30000.00 FOL 7/23/96  
 Jessica G. Sinitieria  
 1101 East Miramar Place  
 Fullerton, CA 92731-1951  
 Home (714) 878-8889  
 Work (310) 219-2088  
 30000.00 MOI 7/23/96  
 Jessica G. Sinitieria  
 1101 East Miramar Place  
 Fullerton, CA 92731-1951  
 Home (714) 878-8889  
 Work (310) 219-2088  
 30000.00 MOI 7/23/96  
 Mullin Fong  
 1885 Balwood Court  
 Fairfield, CA 94503  
 13300.00 MOI 7/23/96  
 Ernest G. Green  
 1827 E Street SW  
 Suite 1100  
 Washington, DC 20006  
 Home (202) 791-3046  
 8000.00 FOL 7/14/96  
 Mr. Pi Hui Hui  
 P.O. Box 318  
 Redondo Beach, CA 90404  
 Home (310) 493-7029  
 2500.00 FOL 7/22/96  
 Mr. Gary Jan Chin Huan  
 3187 South Glenview Drive  
 Redondo Beach, CA 90404  
 Home (818) 584-1847  
 1000.00 FOL 7/23/96

Confidential Information  
 VDC-09-06-02-3179  
 DNC 3152112



7/18/00 5/03/97 Financial System Page 4  
 Source Details Report  
 ARIAM DIMPER 2/13/96 (RUMAC)  
 -----  
 Mr. Blau Chu Lia Home (809) 194-5872  
 3140 Blawman Avenue  
 Rowland Heights, CA 91748-4809  
 1000.00 PO1 2/22/94  
  
 Shu-Lin Liu 410 S. San Gabriel Blvd  
 San Gabriel, CA 91776 13100.00 PO1 2/22/94  
  
 Chun-Nun Lo 1508 Melrose Lane  
 Arcadia, CA 91007 work (818) 831-9418  
 13100.00 PO1 2/22/94  
 Home (909) 944-8495  
  
 Pacific Asian Group Mr. Ben Tang  
 1175 West Coast  
 Upland, CA 91784 10000.00 HQ1 2/22/94  
  
 Pacific Management Company, Inc. Mr. Madeline Chang  
 899 El Centro Street  
 South Pasadena, CA 91030 work (818) 798-8888  
 FAX (818) 403-8800  
 13100.00 PO1 2/22/94  
  
 Platinum Realty, Inc. Mr. Mung Min Tu  
 1380 Capitlan Street  
 Rowland Heights, CA 91748-1375 work (818) 832-0054  
 FAX (818) 832-0057  
 23100.00 HQ1 2/22/94  
  
 Platinum Realty, Inc. Mr. Mung Min Tu  
 1380 Capitlan Street  
 Rowland Heights, CA 91748-1375 work (818) 832-0054  
 FAX (818) 832-0057  
 10000.00 PO1 8/01/94  
  
 Promat Plastic Machinery, Inc. Mr. Alan Wang  
 211 Via Honda, Suite 202  
 Compton, CA 90223 work (310) 919-4320  
 1000.00 HQ1 2/22/94  
  
 Tun-Liang Ren 410 S. Gabriel Blvd., Suite 10  
 San Gabriel, CA 91776 13100.00 PO1 2/22/94  
  
 Mr. Denise Rich 785 Fifth Avenue  
 New York, NY 10022 work (212) 646-6418  
 FAX (212) 646-2918  
 1000.00 PO1 2/22/94  
  
 Jon Sheng 1810 Melrose Circle  
 Hayward, CA 94510 1000.00 PO1 2/22/94

Confidential Information

VDNC-0936-023181 [Barcode] DNC 315244

FBIHQ 3/02/91 Evidence System Page 1

Source Detail Report

VDNC-0836-02-3182

VDNC-0836-02-3182

Mr. Cheng Hsin

1414 South Stewart Drive  
Redlands, CA 91763-644

Home (415) 941-1697  
3000.00 F01 2/22/94

Mr. Kwang Hsin

3114 South Glenmark Drive  
Redlands, CA 91763-644

Home (415) 941-1697  
3000.00 F01 2/22/94

Mr. Richard J. Chen

American International College  
3114 South Glenmark Drive  
Redlands, CA 91763-644

20000.00 F01 3/28/94

Miss Jia Su

2284 Maywood Way  
Redlands, CA 91763

2100.00 F01 2/22/94

Sunflower Holding Co.

Mr. Tsunhua Mahague  
2103 E. Washington Blvd.  
Los Angeles, CA 90021

Home (310) 748-2415  
10000.00 M9 2/22/94

John Omi Tahir

215 Vista Glen Place  
Meridian, CA 91353-3888

Home (510) 540-8888  
10000.00 F01 2/22/94

John Omi Tahir

215 Vista Glen Place  
Meridian, CA 91353-3888

Home (510) 540-8888  
10000.00 F01 2/22/94

John Omi Tahir

215 Vista Glen Place  
Meridian, CA 91353-3888

Home (510) 540-8888  
10000.00 F01 2/22/94

Salman Machinery Trade Center

Mr. Alan Huang  
311 Via Mondo  
Compton, CA 90221

Home (916) 424-4638  
3000.00 M01 2/22/94

Mr. Healy L. Tom

6 Hollister Court  
Sacramento, CA 95831-1411

Home (916) 424-4638  
3000.00 F01 2/22/94

Victor CMC Systems, Inc.

Mr. Alan Huang  
311 Via Mondo  
Compton, CA 90221

Home (916) 424-4638  
3000.00 M01 2/22/94

Confidential Information





1196

ATTACHMENTS TAB #27, BATES STAMP # FBI-TRIE 143-147,  
ARE TWO (2) LETTERS & TWO (2) MEMORANDUMS, AND THEY ARE BEING  
DELETED, IN THEIR ENTIRETY, FOR THE FOLLOWING REASON: "D".



1197

ATTACHMENT TAB #28, BATES STAMP # FBI-TRIE 148,  
IS A FACSIMILE TRANSMITTAL AND IS BEING DELETED, IN ITS  
ENTIRETY, FOR THE FOLLOWING REASON: "D".



11/24/87

Report control issues (U.S. Gov)

Hughes

贸易问题 政府官员 中国人痛美国关税不平  
商位问题

日本跟美国合作以年，中国是美国，但不希望现在中国是像美国。  
人权是人进要以后'今年'开始

高洪源辞职，金融第一，因可推不能成，加上中国不报  
美国不state 跳在圈圈

中国人要面子，中国人不依啥别人

在北美国家政治新闻 橙色 2000年大选举  
(与得到一些关键一些)

美国人在某些地方一向比大陆硬 人路有路路记录

AUTO. 美国(国政)

这不是战争世界 而是经济战

波昂的问题 不要说中国气话是气话 不是高在  
不是高在 不是高在 不是高在

说老外不能去美国做境 而是到中国

外贸与系统明程序 集信力量

是信力量

SWCT-0986-04-0940

TRANSLATION FROM CHINESE

- Line 4: Bribery problem; Government officer; Chinese see Americans: Too nice, too stupid.
- Line 5: Relationship problem.
- Line 6: Japan(ese) hate(s) America; Chinese hate Japan; Chinese love America; It is hard to enter Japanese market; China needs America.
- Line 7: Human rights exist automatically after a people progress.
- Line 8: High-level contacts; pecuniary (issues) first, because the domain can be enlarged; (\*) Chinese will not (\*)  
(Note from translator: (\*) unintelligible)
- Line 9: Americans do not "unite"; jump out of the circle.
- Line 10: Chinese want face (pride); Chinese do not invade other people('s country).
- Line 11: In Beijing, ... should see political and judiciary agencies; food will be imported in large quantity in Year 2,000.
- Line 12: You gain some and lose some.
- Line 13: In some ways (or issues), Americans are too stubborn from the beginning; People make trouble when they do not have money.
- Line 14: "Auto"; (Tele- crossed out)-communication.
- Line 15: This should not be the world for war; it is economic war.
- Line 16: Wave (\*) problem; whether to get into the Chinese market is Americans' choice, not force.
- Line 17: Many foreigners do not want to go to American or Britain to do business, but want to go to China (to do it); ----- In the United States, they lose money.
- Line 18: Where does the foreign trade deficit come from? Overseas Chinese power.
- Line 19: Brain wash.

1200

DAIHATSU INTERNATIONAL TRADING

1407 S. Cleveland Drive  
Little Rock, Ar. 72204  
Tel 664-8809 Fax 664 0988

To: Mr. Lu  
From: Dia  
Date: June 19, 1997  
Fax No: 718-281 1312

Dear Mr Lu,

I just spoke with Mr. Yah Lin Trie, and he was requesting you to please send some money to our account indicated below. Any amount will help to settle our present bills.

Daihatsu International -Account No: 078301-3  
Bank: First Commercial Bank  
1217 W. Capitol  
Little Rock, Arkansas 72201  
First Commercial Bank -ABA no.: 082000109

I will appreciate your help, Sir!

Sincerely



SWCT-0001-10-0232

FBI-TRIE151

1201

ATTACHMENT TAB #31, BATES STAMP # FBI-TRIE 152-153,

IS A "D" AND IS BEING DELETED, IN ITS ENTIRETY, FOR THE

FOLLOWING REASON: "D".

1202

**GERALD SOLOMON FBI INTERVIEW SUMMARY**

**AUGUST 28, 1997**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 8/28/97

On August 28, 1997, House Rules Committee Chairman GERALD SOLOMON (R-NY), telephonically contacted Special Agent Lawrence E. Strayer, to answer questions regarding a statement attributed to him which was reported in an Associated Press article dated 6/12/97.

Congressman Solomon began the interview by stating that at no time has he ever been the recipient of classified information from the Department of Commerce (DOC). He tries to avoid receiving any type of classified information so that he is not hindered when speaking by a fear of revealing information that is classified. He added that all classified documents received by the House are directed to the House Committee on Intelligence. If there were something that he believed that he needed to review, he would go to that committee and review the information there.

He then reiterated that he has never received classified information.

At this point, Congressman Solomon advised that he did not have a copy of the article in question. Therefore, the relevant portion of the article was read to him, as follows:

"I have received reports from government sources that say there are electronic intercepts electronic intercepts which provide evidence confirming what I suspected all along, that John HUANG committed economic espionage and breached our national security by passing classified information to his former employer, the Lippo Group."

Congressman Solomon recalled that a Senate Staffer (NFI), at either a Senate or a House reception told him that he (the Staffer) had received confirmation that "a Department of Commerce employee had passed classified information to a foreign government." It was Congressman Solomon understanding that the Staffer meant John HUANG and that the information went to China, however the Staffer did not say that.

Congressman Solomon could not recall the Staffer's name, but he might recognize him if he saw him again.

Investigation on 8/28/97 at Washington D.C. (telephonically)  
 File # [REDACTED] **F** Date dictated 8/28/97  
 by Lawrence E. Strayer **FBI-HUANG-S -0029**



f

Continuation of FD-302 of Gerald Solomon, On 8/28/97, Page 2

Congressman Solomon further advised that he does not believe that he would have made the statement as attributed to him because under the circumstance he would not have used John HUANG's name to avoid any possible law suit.

The interview was concluded by Congressman Solomon acknowledging that if he were in receipt of "electronic intercepts", it would be a violation of National Security laws to release that information to the press.



1205

**GERALD SOLOMON FBI INTERVIEW SUMMARY**

**FEBRUARY 11, 1998**

## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 02/25/98

Congressman GERALD SOLOMON (R-NY), House Rules Committee Chairman, was interviewed at his office in the Rayburn Building, Washington, D.C. Congressman SOLOMON was advised that this interview was a follow up interview attempting to identify the Hill staffer who furnished him information regarding a DEPARTMENT OF COMMERCE (DOC) employee who had passed classified information to a foreign government in June, 1997.

Congressman SOLOMON advised he does not know this individuals name and has not seen him again. He advised that the statement made by this Senate staffer was something to the effect that "Congressman you might like to know that you were right, there was someone at Commerce giving out information." Congressman SOLOMON described this staffer as a male in his 30's or early 40's, approximately 5 feet, 10 inches tall with brownish hair. This occurred in the hallway of the Rayburn Building while Congressman SOLOMON was either going to or returning from a reception (NFI).

Congressman SOLOMON was asked if he told other Congressional members about this statement to which he replied that he probably did but could not recall who. The interviewers suggested that they speak with individuals on the Congressman's staff but he indicated that this would not be necessary since they did not know anything about the incident. Congressman SOLOMON also advised that he did not turn this information over to his investigator.

He furnished the interviewing Agents copies of correspondence between himself and the ATTORNEY GENERAL'S OFFICE, the White House and the Director of the FEDERAL BUREAU OF INVESTIGATION (FBI). Also included in this packet furnished by Congressman SOLOMON are copies of press clippings and press statements emanating from his office regarding JOHN HUANG.

Congressman SOLOMON advised that there was an NBC news alert regarding HUANG passing secrets to the LIPPO GROUP and the source of this article was a Congressional staffer familiar with intelligence matters. Congressman SOLOMON advised he would retrieve this article and fax a copy to the interviewing Agents which he did several hours later (copy attached).

Investigation on 02/11/98 at Washington, D.C. *F*  
 File # [REDACTED] Date dictated 02/24/98  
 by SA RICHARD J. SCHLECK/mjh  
SA RALPH A. WESCHLER *R* FBI-HUANG-S-0031



# Huang may have passed trade secrets

Former Commerce official is focus of eavesdropping

Democratic fund-raiser John Huang may have given trade secrets to his former company, the Lippo Group, after he left the Commerce Department to work for the party.



WASHINGTON — U.S. intelligence agencies told the Senate Intelligence Committee last month that they have found there is evidence that former Assistant Commerce Secretary John Huang "collected" and "passed" U.S. trade secrets on to his former bosses at the

multibillion-dollar Lippo Group of Indonesia, NBC News has learned.

According to a congressional staffer familiar with intelligence matters, the evidence was picked up at a U.S. electronic eavesdropping site targeted on trans-Pacific communications. The United States maintains an extensive network of eavesdropping sites around the Pacific Rim, from Yakima, Wash., to Pine Gap, Australia.

Huang raised millions of dollars for the Democratic National Committee from the Asian-American community after he left the Commerce Department in December 1995 to work as a Democratic fund-raiser. He is the focus of both congressional and Justice Department investigations.

By all accounts, Huang was an instant success, bringing in more cash from Asian-Americans than had been given to any previous president. But on Oct. 18, 1996, Huang was suspended from his job at the DNC after news surfaced that he had solicited a \$250,000 South Korean donation in violation of U.S. laws against foreign political contributions. More questions were raised by Huang's dozens of visits to the White House in 1996. It could create a bad impression to have a fund-raiser spending so much time in the White House.

The congressional source said the focus of U.S. intelligence efforts now is what Huang did in the last few months of 1995 just before leaving for the DNC. Congressional critics, in particular Rep. Gerry Solomon, R-N.Y., have noted various meetings and phone calls in which Huang dealt with Lippo officials just before or just after a Commerce Department briefing.

One typical incident: According to phone records and logs, Huang called Lippo's Los Angeles office on Sept. 19, 1995, at 2:45 p.m., just 15 minutes before a classified briefing. After the briefing, at 5:34 p.m., he called Lippo back.



By Robert Vynnyk  
NBC News  
Producer

Interactive  
The Money Trail:  
MSNBC CBS  
Coverage of the Campaign  
and the Controversy

Huang was granted access to a wide variety of intelligence documents and participated in a wide variety of briefings in which trade secrets were discussed. According to the Commerce Department, Huang sat in on 146 such briefings and was able to review 52 documents. Indeed, Huang's top-secret/codeword clearance lasted well beyond his term at Commerce. Records obtained by congressional investigators show that the clearances had not been removed after he left the department and even after he left the DNC. They were finally pulled in December 1996, only after the DNC fund-raising scandal had broken wide open.

In fact, NBC News has obtained documents showing that Huang met with a CIA official on U.S. trade relations with Indonesia the second day he was on the job at Commerce. Within a month, he had been invited to an interagency meeting with five CIA officials. Again, the issue was trade with Indonesia and this time the issue was how the United States could identify how to counter competitors' attempts to gain contracts.

Huang's relationship with Lippo included stints with the company's Bank Central Asia and Lippobank Los Angeles. He received a severance package of more than \$875,000 from the Lippo Group when he was appointed to the Commerce Department.

*Robert Windrem is an investigative producer based in Washington, D.C.*

**MSNBC VIEWERS/ TOP 10**

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1209

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Copy 5 of 7

INTERIM REPORT  
FOR  
JANET RENO  
ATTORNEY GENERAL  
AND  
LOUIS J. FREEH  
DIRECTOR  
FEDERAL BUREAU OF INVESTIGATION

PREPARED BY:

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CAMPCON Task Force

July 16, 1998

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DOJ-FLB-00031

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INTERIM REPORTI. Introduction

This report is an effort to piece together the disparate investigations involving allegations of campaign finance abuse being handled by the Task Force, to offer a framework in which to consider the evidence gleaned from these investigations, and to suggest a role to be played by the Department so that the abuses detailed below do not repeat themselves in the next election cycle. Several of the investigations have culminated in criminal prosecutions; others are still active with charges anticipated, and some will be closed. However, there runs through each investigation certain common themes: the desperate need to raise enormous sums of money to finance a media campaign designed to bring the Democratic party back from the brink after the devastating Congressional losses during the 1994 election cycle, and the calculated use of access to the White House and high level officials -- including the President and First Lady -- by the White House, DNC and Clinton/Gore '96, as leverage to extract contributions from individuals who were themselves using access as a means to enhance their business opportunities.

The temptations served up by White House operatives to political fundraisers and contributors cannot be underestimated. The pressure to produce contributions created an environment ripe for abuse. Dick Morris, hired by Clinton/Gore '96 in June 1995 to salvage the President's political future, determined almost immediately that the situation demanded a media blitz which could cost as much as \$1 million per week. Harold Ickes, Deputy Chief of Staff to the President, assumed the role of Chief Whip -- relentlessly exhorting party functionaries and fundraisers to bring in the money. Ickes also functioned as the de facto head of the DNC and Clinton/Gore '96, making all key decisions from his post at the White House.

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One of the innovations devised to generate the sums needed was a system of escalating perks for donors and fundraisers. Most notably, fundraisers who solicited \$100,000 or donors who contributed \$50,000, were denominated *Managing Trustees* of the Democratic party. This entitled them — and their designated guests — to a plethora of benefits, the most munificent of which involved opportunities to mingle with the President, Vice-President and First Lady at various party functions. Other important perks included special seating at DNC functions, invitations to White House coffees, opportunities to travel on Air Force One and Two, overnight stays at the White House, complimentary tickets to DNC events, participation in official U.S. sponsored trade missions, membership in DNC committees and related entities (including the *Trustee Program*, the *Democratic Business Leadership Forum* and the *DNC Finance Board of Directors*), as well as invitations to meetings and other events where senior White House personnel were in attendance.

The fundraising was also geared, in a more sophisticated manner than it had been in the past, toward the special interests of various ethnic groups. Asians, a group which believed itself under represented in terms of political influence, were courted much more actively than ever before. Our investigations suggest that key operatives at the White House understood and exploited the fact that, among Asian groups, a “photo op” with the President, Vice President or First Lady was a commodity which could be used to leverage business opportunities overseas. In a market system run amok, where the demand for such photos was insatiable, the cost of a photo opportunity sometimes ran as high as \$20,000 or \$30,000.

In addition, the opportunity to be part of a small group to have coffee with the President became a major fund raising technique. The price for coffee with the President ranged from

\$25,000 to \$50,000 per person. The chart, annexed at Tab 1, demonstrates how the frequency of these coffees increased during the time when funds were desperately needed to fund the media campaign. Between 1992 and 1994 there were no similar coffees held at the White House. However, between January 1995 and November 1996, the number of coffees mushroomed to as many as 14 per month. According to the statistics compiled by the Task Force, over 42% of the individuals who attended the coffees contributed \$5.05 million hard and \$9.81 million in soft money during the 1996 election cycle. This figure does not include donations made by corporations associated with the individual attendees. (Tab 2)

The rush to exchange donations for access provided the perfect environment in which opportunists like Charlie Trie, John Huang, Maria Hsia and others were able to flourish. Given the conditions fixed by the White House, exploitation of the campaign funding process was inevitable.

At the outset, there were discrete responsibilities assigned to the DNC, Clinton/Gore '96 and the White House. As the pressures to finance the media campaign grew, however, and especially as it became clear that the mid-term elections would be disastrous for the Democrats, the lines began to blur and, ultimately, to disappear altogether. All pretense of maintaining discrete areas of responsibility and control were shattered as the need for campaign funds -- driven by the media campaign -- increased. Such blurring of lines is troubling because it triggered an intermingling of funds, resources and personnel that resulted in the circumvention and violation of campaign contribution regulations.

The White House, as the player with the greatest clout, took on the dominant role -- in the person of Harold Ickes -- in decisions concerning strategy, fundraising and the expenditure of

all funds. Ickes assumed the role of Svengali, assuming power — with the imprimatur of the President — to authorize DNC and Clinton/Gore expenditures, award media contracts and direct every aspect of the DNC and Clinton/Gore activities related to the reelection effort. For example, the media bills were directed to Ickes who decided when they were to be paid and whether payment for a particular expense came from the coffers of the DNC, Clinton/Gore '96 or the state committees. As is evident from a series of memos to and from Ickes, a small portion of which are detailed below and at Tab 3, Ickes acted as the CEO of the effort to reelect the President. Ickes met with both DNC and Clinton/Gore chiefs almost daily to cement his control of the purse strings of the DNC and Clinton/Gore '96, as well as his direction of policy and strategy for these entities. DNC and Clinton/Gore employees reported to Ickes regularly concerning fundraising efforts, budgets, events and strategy. Although Fowler and Knight were the titular heads of these organizations, it was Ickes who pulled all the key strings. Fowler and Knight fulfilled more ceremonial than substantive roles — providing the facade behind which Ickes was free to operate.

Dick Morris too straddled the DNC and Clinton/Gore organizations. Morris was paid by both and believed he worked for both.<sup>1</sup> This was not surprising given that the White House itself made no distinction between the DNC and Clinton/Gore. As detailed below, the blurring of the lines extended to the highest levels of the White House. The Vice President used a Clinton/Gore (hard money) credit card when he was ostensibly soliciting “soft money” on behalf of the DNC.

---

<sup>1</sup> During the fall of 1994, Morris and the President held weekly strategy meetings. Between August 1994 and May 1995, Morris was paid as a “subcontractor” for the polling firm of Penn and Schoen, which was in turn paid, at least in part, by the DNC. From June 1, 1995 through August 31, 1996, Morris was paid by Clinton/Gore '96. During that same period, he was also paid by the DNC as a member of the November 5 Group, a corporation formed by Squier, Knapp, Penn, Schoen, and Morris.

Thus, Clinton/Gore '96 funded these calls which, according to the Vice President, had nothing to do with the reelection effort but rather were to fund so-called generic "issue ads." In addition, the Vice President received a series of Ickes memoranda and attended weekly meetings concerning, among other things, the interplay between these so-called "soft money" solicitations and the DNC's hard money accounts. (Curiously, though renowned as a policy wonk, the Vice President claims he did not read the memos and cannot recall the meetings.)

Another simple, but by no means isolated example, of this type of conduct is the involvement of Clinton/Gore '96 employees in raising funds nationwide to fund the so-called generic "issue ads." For example, Laura Hartigan, while employed as Finance Director at Clinton/Gore '96, took charge of a "DNC project" to raise funds for the media campaign. In a memo to Harold Ickes, entitled Clinton/Gore '96 Commitments - Media Fund, Hartigan provided a state by state analysis of the dollars raised and promised by key contributors and solicitors to the DNC. (Tab 4) Like the use of the Clinton/Gore credit card to solicit soft money contributions, the use of a paid Clinton/Gore '96 employee to execute a DNC effort in connection with generic "issue ads" is telling. While some chalk these efforts up to "super coordination," others view them as circumstantial evidence of the true nature of fundraising efforts associated with the media fund.

The intentional conduct and the "willful ignorance" uncovered by our investigations, when combined with the line blurring, resulted in a situation where abuse was rampant, and indeed the norm. At some point the campaign was so corrupted by bloated fundraising and questionable "contributions" that the system became a caricature of itself. It is hoped that this report will place in context the abuses uncovered in our investigation: a system designed to raise money by

whatever means, and from whomever would give it, without meaningful attention to the lawfulness of the contributions or the manner in which the money was spent.

## II. Statutory Framework

The Independent Counsel Act, 28 U.S.C. § 591 et seq., (hereinafter “ICA” or “the Act”) is at the edge of each of our investigations. The Act can be triggered in one of two ways. First, the mandatory clause provides that the Attorney General shall conduct a preliminary investigation where there is information sufficient to investigate whether any “covered person” may have violated any federal criminal law. 28 U.S.C. § 591(a). Second, the Attorney General may conduct a preliminary investigation under the following “discretionary” provision:

When the Attorney General determines that an investigation or prosecution of a [non-covered] person by the Department of Justice may result in a personal, financial, or political conflict of interest, the Attorney General may conduct a preliminary investigation of such person . . . if the Attorney General receives information sufficient to constitute grounds to investigate whether that person may have violated Federal criminal law other than a violation classified as a Class B or C misdemeanor or an infraction.

28 U.S.C. § 591 (c)(1) (emphasis added).

### A. Investigative Approach

#### 1. Critical Mass vs. Stovepipe

Since the inception of the Task Force, we have been faced with numerous investigations (30 - 40 at any given time) which present separate vignettes of potential criminal conduct. While there are several key players and themes that run through the Chung, Hsia, Trie, Jimenez, Glicker, and Huang matters, to name a few, each is an investigation unto itself with a principal target. A separate investigative team (prosecutors and agents) is charged with responsibility for each investigation. It is true that each team is acutely aware of the ICA.

However, while a particular investigative team may be aware of some of the activities of the overlapping individuals developed by other investigations, by and large the Task Force has, from its inception, had a stovepipe approach to investigative matters.

On the one hand, it has been said on more than one occasion that the sheer volume of allegations relating to potential campaign finance violations requires a triggering of the Act and the appointment of an Independent Counsel. That is, given the amount of smoke surrounding these allegations, senior White House officials and key DNC and Clinton/Gore officials, there must be a fire somewhere and the Act should be triggered. Granted that this provides an expedient way to unload these matters onto the shoulders of an Independent Counsel, it is not sufficient to discharge the Department's duties and responsibilities.

On the other hand, it cannot be that we are doomed to stovepipe each and every allegation of wrongdoing and view it in isolation. As prosecutors and investigators we are trained to look within the four corners of an investigation in order to make judgments concerning the commencement or conduct of a criminal matter. However, the campaign finance allegations do not present the typical criminal matter. Rather, they present the earmarks of a loose enterprise employing different actors at different levels who share a common goal: bring in the money.

Everyone who has worked on these investigations has noted that the overlaps and crossovers deserve investigation. And yet, the Task Force has never conducted an inquiry or investigation of the entire campaign finance landscape in order to determine if there exists specific information from a credible source that a covered person (or someone within the discretionary clause) may have violated a federal criminal law. Every time this was suggested (e.g., Core Group investigation, Common Cause allegations) it has been rejected on the theory that such an

inquiry can only be conducted pursuant to a preliminary investigation under section 591 of the Act. However, we have been told that we can only commence a preliminary investigation if there exists specific and credible evidence that a potential criminal violation has occurred. That is, you cannot investigate in order to determine if there is information concerning a “covered person,” or one who falls within the discretionary provision, sufficient to constitute grounds to investigate. Rather, it seems that this information must just appear.

As a result of this Catch-22 approach, there has been a critical component missing from our investigative strategy. This report will attempt to bring together the bits and pieces of information and evidence that have developed despite the absence of the type of landscape investigative approach outlined above. When viewed in context, various innocent-appearing actions and events develop into a pattern running through the separate investigations. The conduct of certain figures common to several individual investigations, while not sufficiently sinister in any single investigation, takes on a different gloss when combined with the same actors’ conduct in several investigations. This is especially true with respect to the conduct of senior White House officials and key DNC and Clinton/Gore officials. These individuals make brief, albeit key, appearances in the individual investigations. While their participation in a single investigation generally falls short of a knowing participation in potential criminal conduct, the sum of their appearances results in a pattern of conduct worthy of investigation.

## 2. In Search of a Uniform Threshold Under the ICA

Another difficulty has been that the Task Force has been existing in an environment in which there are two different rules of engagement depending on the nature of the investigation. On the one hand, we are bound and determined to investigate thoroughly every lead and

allegation concerning campaign financing. We have often been told to follow all leads and leave no stone unturned. This is as it should be. The Task Force has opened criminal investigations, issued subpoenas, and presented evidence to a Grand Jury, based upon a determination that there is an allegation which, if true, ~~may present~~ a violation of federal law. The low quantum of information necessary to trigger a Task Force investigation has remained constant from the outset. The Task Force's threshold has never been articulated in terms of specific and credible information – much less evidence – that a crime has been committed in order to commence an investigation. As a result, more than one criminal investigation has been opened by the Task Force based upon a newspaper article that strings together “allegations” and “facts” suggesting a possible federal violation.<sup>2</sup>

On the other hand, a higher threshold than that employed by the Task Force has been imposed when approaching allegations that may implicate the ICA and White House personnel. The ICA provides that a preliminary inquiry shall be conducted whenever the Attorney General receives information (not evidence) “sufficient to constitute grounds to investigate whether any person . . . may have violated any Federal criminal law . . .” 28 U.S.C. § 591(a) (emphasis added). The only factors to be considered under the ICA in determining whether grounds to

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<sup>2</sup> It has also been the policy of the Task Force to continue to investigate allegations and to decline prosecution and/or further investigation only after each and every allegation has been fully investigated. This is true despite the fact that some allegations approached what a reasonable investigator might characterize as frivolous. For example, the Task Force continued to investigate the overnight stays at the Lincoln bedroom and attendance at White House coffees long after any expectation of a potential violation of law had disappeared. The rationale was that no stone would be left unturned. Thus, even if not unlawful in and of itself, an overnight stay or attendance at a coffee by a contributor might provide context to some of the other activities under investigation or constitute an overt act in an overall criminal conspiracy. The Department has also confirmed that no campaign finance investigation will be closed without conferring with the Director of the FBI.



investigate exist are the specificity of the information received and the credibility of the source of the information. This provision seems simple enough and indeed consistent with the quantum of information necessary to commence a typical Task Force investigation. And yet, in applying § 591(d)(1) of the Act, a good deal has been read into the legislated threshold. The threshold has been raised from consideration of the specificity of the information and credibility of the source, to a determination that there is specific and credible evidence of a federal violation. Evidence suggests something which furnishes proof; information need not be as directed. While the distinction may appear to be subtle, it is significant.<sup>3</sup>

The mechanics of how we address campaign finance matters is also flawed and has contributed to the confusion. If an allegation suggesting a potential federal violation was made, an investigation was commenced and the Task Force pursued it. And yet, whenever the ICA was arguably implicated, the Public Integrity Section was called in to consider if a preliminary investigation should be commenced, to conduct and direct the investigation, and, thereafter, to recommend if a further investigation was warranted. While these actions were generally taken in loose coordination with the Task Force, a peculiar investigative phenomenon resulted. The

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<sup>3</sup> We received a briefing for the Attorney General prepared by the Public Integrity Section in connection with the Attorney's General's July 15th testimony. Under the heading "Why AG Has Not Recommended Appointment of IC" is the following statement:

I. The Independent Counsel Act

- The Statutory standard under the Independent Counsel Act requires:
  - (1) Specific evidence from a credible source that a crime may have been committed, and either ...

In the pages that follow concerning specific topics like "Allegations Relating to Chinese Government Influence," we see the constant refrain: "There is no evidence ..." However, the statute refers to information and not to evidence. The reference to "specific and credible evidence" is just wrong. (Tab 5) (emphasis added)

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Department would not investigate covered White House personnel nor open a preliminary inquiry unless there was a critical mass of specific and credible evidence of a federal violation. (It is not accidental that everyone generally refers to the standard as requiring specific and credible evidence rather than information. Indeed, the phrase “specific and credible evidence” has become so much a part of our lexicon that it has even found its way into high-level briefings on the Act to explain why the Department has done what it has done— see fn 3.) And yet, the Task Force has commenced criminal investigations of non-covered persons based only on a wisp of information. The failure to distinguish between information and evidence as we attempt to apply the Act, as well as the employment of two distinct thresholds in connection with the commencement of criminal investigations, impacts on the conclusions reached in these matters.<sup>4</sup>

The Task Force’s threshold concerning the commencement and conduct of criminal investigations has been publicly endorsed by the Department in the numerous correspondence sent to Congress as well as in the testimony of the Attorney General before the Senate. As such, this threshold constitutes a written or other established policy of the Department within the meaning of the ICA. See 28 U.S.C. § 592(c)(1). The implications that flow from such an established policy in the area of campaign financing are significant.

The standard for triggering a preliminary investigation under the ICA should be identical to the threshold employed when deciding to open a Task Force investigation. If the Task Force

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<sup>4</sup> Even among the ICA investigations conducted to date, there appears to be a very different approach taken when the allegation involves the President, Vice President or Senior White House Officials. The Babbitt and Herman matters illustrate the very low quantum of information deemed necessary to trigger the ICA and the need to conduct further investigation. And yet, although matters involving covered persons and White House personnel outlined in this report present specific information from credible sources well beyond that present in these other investigations, the Act has not been called into play.

issues subpoenas, elicits (and at times compels) sworn testimony, and employs the other investigative techniques available during a criminal investigation, this should satisfy the investigative threshold in the ICA as well. This assures that covered persons under the ICA are treated neither more harshly nor more leniently than others in less powerful positions. This was certainly the standard envisioned by Congress when it determined that “whenever the Attorney General received information sufficient to constitute grounds to investigate” a covered person or one who falls within the discretionary provision, a preliminary investigation should be conducted. See Legislative History of the ICA, infra. The reference to “the specificity of the information and the credibility of the source for the information” was intended to limit the Attorney General in determining whether sufficient grounds to investigate exist by eliminating other factors the Attorney General could rely upon to avoid commencing a preliminary investigation. (Tab 6) However, these factors are now being advanced as somehow creating a higher threshold than that which the Attorney General employs in deciding to commence a criminal investigation which does not implicate the ICA.

Likewise, the standard for the conduct of a campaign financing investigation -- including a determination that further investigation is warranted -- should be consistent, regardless of whether the ICA is implicated. Thus, following a preliminary investigation under the Act, the decision as to whether further investigation is warranted, should parallel the standard employed by the Task Force in conducting, and closing, investigations. Under the Act itself, a decision concerning the need for further investigation is governed by the Department’s written or established policy. In the area of campaign financing investigations, that policy embraces the “leave no stone unturned” approach employed by the Task Force. See Footnote 2, supra

The question thus becomes whether the Task Force standard or the ICA standard -- as currently applied to campaign financing investigations involving White House personnel -- should be the benchmark. While some have argued that the Task Force's "pursue every lead and leave no stone unturned" approach presents a somewhat relaxed predication requirement,<sup>5</sup> the Department has articulated several compelling reasons why this approach is the appropriate policy in connection with campaign finance investigations: the shortened statute of limitations for election violations; the rash of potential illegal activities presented during the 1996 election cycle and the resulting political crisis; the apparent injection of foreign money into our political system; the widespread circumvention of existing election law restrictions; the exposure of gaps in the law which permitted wholesale circumvention of federal election laws; and the possible participation -- or willful blindness -- of public officials, and high level party officials in connection with these activities. Perhaps most importantly, the public cynicism and apathy engendered by reporting (much accurate, some not) of the campaign abuses, compels an exceptionally thorough investigation, so that there is not even the appearance, let alone the reality, that leads have not been pursued.

We were not participants in the application of the Act by the Department prior to September 1997. However, as a prosecutor and investigator who have observed its application

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<sup>5</sup> The standard for the commencement of a criminal investigation, as set forth in the U.S. Attorney's Manual, is consistent with the Task Force's approach and the Department's stated policy. The Manual provides:

The grand jury may be utilized by the U.S. Attorney to investigate alleged or suspected violations of federal law.

over the past ten months, it seems evident that, for whatever reason, there has been unnecessary complication in applying the standards set forth in the ICA concerning the commencement and conduct of investigations. This is especially so where the President and White House personnel are involved. Indeed, the continuing and often heated debate involving the so-called Common Cause allegations is an apt example. If these allegations involved anyone other than the President, Vice President, senior White House, or DNC and Clinton/Gore '96 officials, an appropriate investigation would have commenced months ago without hesitation. However, simply because the subjects of the investigation are covered persons, a heated debate has raged within the Department as to whether to investigate at all. The allegations remain unaddressed.

When you juxtapose the Common Cause allegations against the Loral allegations, for example, there is no acceptable explanation as to why one is the subject of a full criminal inquiry and the other is, and remains, in an investigative limbo. The fact is that Loral has been, and remains, a front page story whereas the Common Cause allegations never grabbed the public attention. The tone, tenor, and tempo of the debates on Common Cause and Loral seemed to flow from this. The debates appear to have been result orientated from the outset. In each case the desired result was to keep the matter out of the reach of the ICA. In Common Cause (outlined below at pages 36-41), this was accomplished by never reaching the issue. The contortions that the Department has gone through to avoid investigating these allegations are apparent. For example, it was suggested that these allegations be sent to the understaffed and investigatively impotent Federal Election Commission ("FEC") for an initial review to determine if the FEC believes that potential criminal charges exist. In Loral (outlined below at pages 75-79) avoidance of an ICA was accomplished by constructing an investigation which ignored the

President of the United States -- the only real target of these allegations. It is time to approach these issues head on, rather than beginning with a desired result and reasoning backwards.

While the Common Cause and Loral matters are discussed more fully below, it is important to note that these anomalies exist and the time has come to address them based upon the information received and developed by the Task Force. In the context of campaign financing allegations, the Department's established policies are, and should be, those that the Task Force has employed from its inception: whether the allegations, if true, present a potential violation of federal law. This is also the appropriate standard to be applied under the ICA in the context of potential campaign finance violations.

B. Legislative History of the ICA

The above statutory framework analysis is based upon a plain and fair reading of the ICA. However, a review of the legislative history of the 1978, 1983, 1987 and 1994 amendments to the ICA, and its predecessor, support this analysis and yield two factors which are particularly germane to our discussion.

First, in connection with the commencement and conduct of criminal investigations, Congress intended to achieve an equilibrium between those covered by the Act and those who are not. If there is sufficient information for a criminal investigation to be commenced in connection with John Q. Public, this same quantum of information is sufficient to trigger an investigation under the ICA. The amendments of 1987 and 1994 make it clear that those covered by the Act are intended to be in the same position as non-covered citizens when it comes to whether an investigation is commenced and, if commenced, whether a further investigation is warranted. For this reason the Department's "established policies" were legislatively grafted onto the Act.

Second, the legislative history accompanying these amendments is riddled with comments suggesting that in the past, the Department's literal, hyper-technical, parochial, or professorial reading and application of the ICA has proved to be the catalyst for several amendments. It seems that the more the Department has resisted a common sense reading and application of the ICA, the more it has invited Congressional action. And, on more than one occasion, Congressional action has further restricted the Department's discretion in the application of the Act. For example, in discussing the 1987 amendments, the Senate report notes that in several cases the Department had declined to conduct a preliminary inquiry despite the fact that it had received:

... specific information from a credible source of possible wrongdoing, because it determined that the evidence available did not establish a 'crime.' In at least 5 of these 10 cases, this decision appears to be based, in whole or in part, upon a finding that there was insufficient evidence of a subject's criminal intent and therefore, no 'crime' to investigate.

Thus, contrary to the statutory standard, ... [the Department] relied on factors other than credibility and specificity to evaluate the case. Moreover, in at least half of these cases, the Department of Justice refused to conduct a preliminary investigation into the alleged misconduct, because it had determined there was, at this early stage in the process, insufficient evidence of criminal intent.

S.Rep. No. 100-123, at 7 (1987), reprinted in 1987 U.S.C.C.A.N. 2150, 2156 (hereinafter collectively referred to by year followed by "U.S.C.C.A.N.") (emphasis added).

In the same report, it was noted that "[s]ome of the most serious implementation problems identified by the Committee concern the Justice Department's procedures for handling cases under the statute." 1987 U.S.C.C.A.N. at 2158. The most serious problem chronicled by the Committee was the Department's practice of conducting "threshold inquiries" of incredible length

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involving “elaborate factual and legal analysis” in order to determine if certain information was sufficient to trigger a preliminary investigation.<sup>6</sup> The Judiciary Committee noted:

It is not clear why the Department of Justice has adopted this practice. Some have suggested that the Department is conducting preliminary investigations in all but name to avoid statutory reporting requirements that attach only after a ‘preliminary investigation’ has taken place. Since these reporting requirements are the primary means of ensuring the Attorney General’s accountability for decisions not to proceed under the statute, Congress intended them to attach in all but frivolous cases.

1987 U.S.C.C.A.N. at 2158 (emphasis added). The clear mandate is that a preliminary investigation should be triggered in all but frivolous cases. As detailed below, the Task Force has uncovered a variety of non-frivolous allegations involving covered and discretionary persons under the ICA.

Finally, the Department was criticized for its interpretation and application of the Act in determining whether further investigation was warranted following a preliminary investigation. The Committee noted that the Department had substituted its own “reasonable prospect of conviction” threshold for the statute’s “reasonable grounds to believe that further investigation or prosecution is warranted” threshold.<sup>7</sup> See 1987 U.S.C.C.A.N. at 2160. In doing so the

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<sup>6</sup>One could argue that this is precisely what the Department is doing now by employing two thresholds for criminal investigations: one for the commencement of campaign finance investigations not implicating the ICA, and another for the commencement of a preliminary investigation under the Act.

<sup>7</sup> This is much like the substitution we have adopted in connection with the Common Cause allegations. These allegations – and the potential criminal violations – are outlined below. Suffice it to say that the Department appears to moving towards its own threshold in determining that the Common Cause allegations do not, as a matter of law, present a potential violation of federal law without conducting any inquiry or investigation whatsoever. Instead, it is suggested that the allegations be referred to the FEC which in turn can then advise the Department if a potential criminal charge is presented.



Department ignored Congress' intent in establishing the preliminary investigation and substituted its own judgment:

The purpose of allowing the Justice Department to conduct a preliminary investigation is to allow an opportunity for frivolous or totally groundless allegations to be weeded out. . . . On the other hand, as soon as there is any indication whatsoever that the allegations . . . involving a high-level official may be serious or have any potential chance of substantiation, a Special Prosecutor should be appointed to take over the investigation.

1978 U.S.C.C.A.N. at 4270 (emphasis added).

As a result, Congress amended the ICA: (a) to prevent the Department's "disturbing practice" of conducting "threshold inquires" to determine if a preliminary investigation is warranted; (b) to limit the Attorney General to consideration only of the specificity of the information and credibility of the source in determining whether a preliminary investigation should be triggered; (c) to impose a reporting requirement upon the Department following a preliminary investigation; and (d) to remove reference to "prosecution" in determining if a further inquiry is warranted. 1987 U.S.C.C.A.N. at 2163-64.

The ICA is far from a model piece of legislation. Because of this, some within the Department tend to resist its application, while others adopt a creative reading to provide a more sensible enforcement mechanism. People have been reading things in and out of the Act in order to avoid what is perceived as an impermissibly low threshold for triggering the Act and warranting further investigation. However well intentioned these efforts may be, it is clear that Congress intended the ICA to embrace this low threshold. The perception that the Department is skirting the Act certainly will evoke heightened Congressional scrutiny and possibly additional legislative fixes calculated to restrict further the Department's ability to navigate in these difficult waters. If

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we have concerns about the ICA in its current incarnation, and we do, the Department should propose appropriate amendments. If we believe that the Act should be triggered only if there is specific and credible evidence of wrongdoing, or that the Department should be given more leeway in connection with preliminary investigations, we should advocate such amendments. The campaign finance investigations certainly provide an appropriate platform upon which to launch proposed changes to the Act. However, if we are seen as part of the problem, as we were in connection with the 1987 amendments, our views and concerns may well be lost when it comes time to draft appropriate fixes to the ICA. A legislative fix without significant input from the Department would likely result in an even more cumbersome legislative framework within which to work. For this reason also, it is incumbent upon us to engage in a fair and common sense reading and application of the ICA regardless of our feelings concerning the wisdom of the Act as currently drafted.

In the end, you may conclude that our statutory analysis is incorrect and determine that the Department has consistently applied the appropriate standard concerning the commencement and conduct of a criminal investigation under the Act. However, even under what we believe to be a higher threshold, this does not alter our conclusions in the following section of this report. That is, the information developed in the areas outlined below is sufficient to trigger a preliminary investigation. In addition, given the amount of information developed, this information is sufficient to support a determination that further investigation is warranted in each of these areas.

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III. Information That We Believe Is Sufficient To Trigger A Preliminary Investigation And Support A Determination That Further Investigation Is Warranted Under the ICA.

There are several individual areas which we believe present information sufficient to trigger a preliminary investigation and support a determination that further investigation is warranted under the ICA. They fall both within the mandatory and discretionary provisions of the Act. These areas are outlined below.

A. Harold Ickes

We understand that Public Integrity, in another investigation, determined that Harold Ickes is not a "covered person" and therefore does not fall within the mandatory clause of the ICA. (Tab 7) The facts we have developed in the context of this case, however, suggest that a different conclusion is now appropriate.

The Chair of Clinton/Gore '96 is a covered person under the Act as is any officer of that committee "exercising authority at the national level." 28 U.S.C. § 591(b)(6). The evidence developed by the Task Force establishes that Harold Ickes operated as the de facto Chairman of Clinton/Gore '96. In addition, Ickes functioned on a daily basis as a de facto officer of that committee exercising absolute authority at the national level. As such, it is our belief that Ickes falls within the mandatory provision of the Act.<sup>5</sup>

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<sup>5</sup>Annexed at Tabs 8 and 9 respectively, are the lists of covered personnel in the Bush and Clinton Administrations. Although the President is authorized by statute to appoint and pay twenty-five persons at Level II, thus including them as covered personnel, President Clinton currently pays only six persons at that level. As is evident, the Clinton Administration, by reducing the salary structure of certain senior White House officials, has removed these individuals from the covered list. While these senior White House officials – like Ickes – perform largely the same function as their Bush Administration predecessors, they fall outside of the ICA by forgoing certain modest compensation. Whether this was the intent of the salary cap, or only an incidental benefit, is irrelevant. It is clear that the position occupied by Harold Ickes,

In a separate matter, Public Integrity analyzed whether Terence McAuliffe — who served as the Finance Chair of Clinton/Gore and later as “Honorary Campaign Co-Chair” of Clinton/Gore — was a covered person under Section 591(b)(6) of the Act. This is the same section of the ICA within which we believe Ickes falls. Public Integrity produced two memos on the subject, dated March 13, 1996 and September 30, 1997, which are annexed at Tabs 10 and 11 respectively. In analyzing McAuliffe’s status under § 591(b)(6) of the Act, Public Integrity concluded that the Act “establishes a two-part test, relying on title and function, for determining whether an officer other than the chairman and treasurer is a covered person.” (Tab 10 at p. 2) Since neither McAuliffe’s title (Finance Chair and Honorary Campaign Co-Chair) nor function (glorified fundraiser) satisfied the elements of § 591(b)(6) of the Act, Public Integrity concluded that McAuliffe was not a covered person. This type of analysis, looking at the reality of the position rather than its trappings, leads to a very different conclusion when applied to Ickes’ role during the 1996 campaign.<sup>9</sup>

Unlike McAuliffe, Ickes had no official title at Clinton/Gore ‘96. However, it is clear that Ickes functioned as the *de facto* Chairman of Clinton/Gore ‘96 as well as Chief Executive Officer of that committee exercising authority at the national level. We believe that Ickes’ *de facto* title, which follows from his *de facto* function, establishes his place as a covered person under the ICA.

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Deputy Chief of Staff to the President, has traditionally been a covered position for purposes of the ICA. See Tab 8 at Page 111 (Sununu, Duberstein and Baker).

<sup>9</sup>The support for this analysis is predicated upon a November 19, 1986 memorandum from William Weld, Assistant Attorney General, Criminal Division, to Arnold I. Burns, Acting Attorney, which is referenced at Tab 10, Page 2, Note 1.

Ickes' prominence in this regard dates back to September 1994 when he began to send memos to the President regarding the need to raise millions in connection with the media campaign the White House anticipated waging over the next few years:

The purpose of the breakfast would be for you to express your appreciation for all they (Vernon Jordon, Bernard Schwartz and Jay Rockefeller) have done to support the Administration, to impress them with the need to raise \$3,000,000 within the next two weeks for generic media for the DNC and to ask them if they, in turn, would undertake to raise that amount of money.

See Tab 12 (emphasis in original).

Ickes' efforts in this regard were relentless. In January 1995, he wrote to President Clinton that "[w]e should meet at your earliest convenience, perhaps including Chairman Dodd and Chairman Fowler and Terry McAuliffe, to discuss when and how to begin the fundraising effort for the Committee to Re-elect as well as the DNC." (Tab 13) Less than one month later, at the same time the White House coffees began as a fundraising tool (inspired by an Ickes memo to POTUS),<sup>10</sup> the regular Wednesday night meetings at the White House began. There were separate money and issue meetings held on Wednesday nights all geared to the fundraising and strategic efforts to be employed by the DNC and reelection committees. While the attendees were generally different at each meeting, Ickes regularly attended both the money and issue meetings.

Ickes also memorialized his position with regard to the DNC in an April 17, 1996, memo to Fowler in which he, in effect, confirmed himself to be the Chief Executive Officer of the DNC:

[A]ll matters dealing with allocation and expenditure of monies involving the Democratic National Committee ("DNC") including, without limitation, the DNC's operating budget, media budget, coordinated campaign budget and any other budget or expenditure, and including expenditures and arrangements in

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<sup>10</sup> With regard to the coffees, it was Ickes who determined in January 1995 that the DNC would pay for the coffees. (Tab 14)

connection with state splits, directed donations and other arrangements whereby monies from fundraising or other events are to be transferred to or otherwise allocated to state parties or other political entities and including any proposed transfer of budgetary items from DNC related budgets to the Democratic National Convention budget, are subject to the prior approval of the White House.

(Tab 15) (emphasis in original).

Morris has stated that this memo simply memorialized what had been the accepted practice from the outset. In August 1995, Morris hired media consultants to do polling and TV ads. At Ickes' direction, the bills were sent to Ickes at the White House and it was Ickes who determined how much of a particular bill was to be paid by the DNC, by Clinton/Gore '96, or the State Committees. This practice continued right up to the 1996 election. (Tab 16)

Morris also confirmed that Ickes was the sole person charged with making financial decisions for the White House, DNC and the reelection effort. Morris stated that Ickes controlled every aspect of DNC and Clinton/Gore fundraising and that Ickes was brought in by the President to run the reelection effort. Ickes himself reaffirmed his position all through the 1996 election cycle in numerous memos, at meetings and by virtue of his conduct toward Clinton/Gore '96. In fact, Ickes went so far as to pen some of his memos to the President, Vice President and others on Clinton/Gore '96 letterhead. These memos addressed substantive issues like the Penn and Schoen polling budget for 10/95 through 8/96 and reporting on paid media spots. (Tab 17)

Ickes also regularly sent memos to Bobby Watson, Chief of Staff at DNC, directing Watson to pay outstanding balances owed to media consultants "immediately" with copies to Clinton/Gore officials. And Ickes wrote directly to Peter Knight and others at Clinton/Gore in this same vein. (Tab 18) In fact, in an April 10, 1996 memo, Ickes (at the request of the President) directed that all those who attend DNC and political coffees at the White House be

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added to the Clinton/Gore '96 database. (Tab 19) Both Clinton/Gore and the DNC complied and the database was expanded.<sup>11</sup>

It is not simply that Ickes perceived himself to be in charge. Those at the DNC and Clinton/Gore clearly recognized this to be the case. For example, in an August 8, 1995 memo to Ickes, Scott Pastrick, National Treasurer for the DNC, wrote: "It has been brought to my attention that you are considering a decision to disallow the DNC Finance Division from formally packaging corporate and individual donor benefits and activities at the 1996 convention..." (Tab 20) Similarly, Clinton/Gore officials sent Ickes "proposed weekly budget reports" seeking his input, (Tab 21) as well as reports on the money raised for the media campaign. (Tab 22)

Quite apart from this paper trail, Leon Panetta acknowledged in an FBI interview that he did not have the experience to run a national presidential campaign and therefore relied heavily on Ickes to handle all issues relating to the President's reelection. Panetta confirmed that he relied on and trusted Ickes to handle the multiple tasks and issues regarding the organization and operation of the President's reelection efforts.<sup>12</sup> According to Panetta, Ickes ran the re-election effort from the outset and took the lead concerning DNC matters as well.

In the course of the Task Force's investigations, the presence of Harold Ickes is the common denominator. It would be impossible to address each of the memos from or to Harold

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<sup>11</sup> Ickes also was the chief negotiator on behalf of Clinton/Gore in services of the November 5 Group. This group, which included Dick Morris and the Penn/Schoen firm, was used to coordinate the entire media campaign.

<sup>12</sup> In fact, in his interview Panetta stated that he was aware of only two telephones in the White House that were paid for by funds from Clinton/Gore '96. One of these phones was in Ickes' office, thus underscoring Ickes' involvement with the reelection effort and Clinton/Gore '96.

Ickes that demonstrates his position as a senior White House official, Clinton/Gore Campaign Operative and CEO of the DNC. Instead, we have annexed a detailed time line of important Ickes memos and meetings which chronicle these positions and his absolute control over White House, DNC and Clinton/Gore operations. See Tab 23. When viewed in context, this time line makes clear that Harold Ickes is the very type of senior White House official and Clinton/Gore functionary contemplated in section 591(b)(6) of the Act.

Ickes also falls squarely within the discretionary provision of the Act. This provision, calculated to function as a "catchall" provision, was intended to include "members of the President's family and lower level campaign and government officials who are perceived to be close to the President. 1987 U.S.C.C.A.N. at 2165 (emphasis added).<sup>13</sup> Given Ickes' role in the reelection effort, his intimacy with the President, his status at the White House, and his control over the DNC and Clinton/Gore, Ickes presents the type of political conflict contemplated under the Act. Indeed, Ickes' relationship with the White House continues even today. According to a statement made by Ickes on the Today show on June 22, 1998, he is now working with the White House to help "get the message out" to the press on matters relating to Kenneth Starr. Ickes' involvement with the White House and the President on this sensitive issue raises the specter of a political conflict of interest should Ickes be the subject of a criminal investigation.

Whether you consider Harold Ickes as a covered person, or someone who is within the discretionary provision of the Act, there is sufficient information concerning his activities to

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<sup>13</sup> In establishing this provision, Congress recognized that "there may be situations in which conflicts of interest become apparent at a later stage of an investigation. For example, during an investigation conducted by the Department of Justice, additional facts may surface concerning a person close to the President. . . which could give rise to a conflict of interest." 1982 U.S.C.C.A.N. 3537, 3545-3546. Such is the case here.



commence and conduct an investigation based upon the Department's established policies relating to Task Force matters.

1. Aiding And Abetting Conduit Contributions,  
False Statements And A Scheme To Defraud

First, there is an allegation that Ickes knowingly permitted the DNC and Clinton/Gore '96 to accept conduit contributions collected by Charlie Trie and to file false and misleading reports with the FEC. The specific information from credible sources is as follows:

On March 21, 1996, Trie approached Michael Cardozo, the Executive Director and Trustee of The Presidential Legal Expense Trust ("PLET"). PLET was a trust established by the President and Mrs. Clinton to meet their mounting personal legal expenses. The June 28, 1994 Press Release concerning the establishment of the trust, its purpose and rules and regulations relating to contributions and contributors, provided in pertinent part:

Under the terms of the trust, contributions will be accepted only from individual citizens other than federal government employees, not from corporations, labor unions, partnerships, political action committees or other entities. Individual contributions will be limited to a maximum of \$1,000 per year. The trustees will periodically publish the names of all contributors. The trust will also publish periodic reports on its receipts and expenditures. (Tab 24)

When Trie approached Cardozo, he offered Cardozo a bag which contained \$460,000 in checks and money orders of individual "donors."<sup>14</sup> In a recent interview, Mark Middleton acknowledged that Trie showed him the checks shortly before they were presented to Cardozo. According to Middleton -- a former White House employee -- he advised Trie not to submit the

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<sup>14</sup> At the time Trie proffered these contributions, he was adamant that he not be associated with the donations since he expected to be appointed to an undisclosed Commission by the President in the near future. In fact, on April 22, 1996, just weeks after the PLET "donations" were tendered by Trie, President Clinton appointed Trie -- the former Little Rock restaurant owner -- to the Commission on U.S. Trade and Investment Policy.

checks to PLET because they looked "foreign." Despite Middleton's warning, Trie brought the bag of checks to PLET.<sup>15</sup>

Trie assured Cardozo that all the "contributions" were from U.S. citizens. Cardozo returned \$70,000 later that same day to Trie because, according to Cardozo, the checks were "defective on their face." The remaining \$390,000 was deposited into the PLET account, although Cardozo was still uneasy about the Trie money. Based upon his concern, Cardozo decided to scrutinize the Trie "contributions" and to advise the White House of the situation.

A PLET administrator conducted a brief review of the Trie checks that were retained by PLET. As a result, PLET determined that many of the checks were comprised of bundled money orders which were sequentially numbered, though often signed by people in different cities. There were also many third party checks and the word "Presidential" was uniformly misspelled (as "presidenseal") on several of the checks.<sup>16</sup> The preliminary review also suggested that some of

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<sup>15</sup> The Task Force conducted a search of Trie's Watergate apartment in October of last year and found a copy of the June 28, 1994, PLET Press Release, including contribution and contributor restrictions. A fax cover sheet was also seized indicating that the release was faxed by Mark Middleton to Antonio Pan (Trie's codefendant in the pending indictment) at Trie's Watergate apartment on March 7, 1996. (Tab 25) This was just two weeks before Trie tendered the bag full of checks to Cardozo. Pan's role in the PLET contributions is unclear at this point. (Pan's role in the conduit schemes charged in the Trie indictment was that Pan, on behalf of Trie, helped structure the repayment of conduits from foreign sources. It is interesting to note that at some point in the conduit scheme charged in the Indictment, Pan had contact with John Huang concerning the structured checks. Huang's involvement with an effort by \_\_\_\_\_ to structure checks "contributed" in connection with a White House coffee is also outlined below).

<sup>16</sup> Clinton/Gore '96 apparently did not apply the same level of diligence to scrutiny of contributions as did the PLET and Middleton. Clinton/Gore apparently never discovered that ten conduit checks gathered by Maria Hsia for a September 1996 fundraiser all had the payee written with a uniform misspelling in one cursive handwriting as "Clienton Gore 96." Ten other conduit checks for the same fundraising event had the payee in block letters as "CLIENTON-GORE 96."

the “donors” might have been coerced into giving the checks by a Taiwanese-based Buddhist cult of which they – and Trie – were members.

On April 4, 1996, Cardozo went to the White House to alert Harold Ickes and the First Lady about the Trie contributions and his concerns. (Ickes had no formal role or position with PLET. Therefore, we must assume that he was present as the President’s representative.) Based upon Cardozo’s expressed concerns, the First Lady told Cardozo to be very diligent in determining the eligibility of the contributions. Ickes’ notes from the meeting reflect a “public relations” concern about reporting the return of contributions on the Trust’s disclosure statement. Ickes’ note reads: “Don’t report names if \$ are returned.”<sup>17</sup> (Tab 26) Given Ickes’ role in the reelection effort, it is not surprising that he would be concerned about the political fallout of a wholesale return of “foreign looking” contributions gathered by the President’s good friend Charlie Trie.

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<sup>17</sup> When Cardozo was asked in his Senate testimony about Harold Ickes’ participation in the meeting, he said “I have no recollection of Mr. Ickes saying anything at the meeting. He was buried in his notes.” In reviewing the unredacted Ickes calendars we received recently from the White House, we discovered a meeting scheduled between Ickes and Terry Lenzner, the Chairman and CEO of The Investigative Group, Inc. (“IGI”), the day ~~before~~ the April 4th Cardozo briefing of Mrs. Clinton and Ickes. Lenzner and IGI were hired by PLET to investigate the Trie “contributions.” While the formal engagement of IGI appears to have occurred after the briefing of April 4th, the Lenzner/Ickes meeting of April 3rd suggests that IGI may have been involved in the matter – albeit informally – before the April 4th briefing. In a recent interview, however, Lenzner denied this and claimed he was at the White House on an entirely separate matter. Indeed, he recalled that although he was waved into the White House and waited for almost two hours, he did not meet with Ickes at all on April 3rd because the White House had just learned that the plane transporting Ron Brown had crashed. Neither Lenzner nor Ickes disclosed the April 3rd meeting during the course of their testimony to the Senate about the Trie contributions. It is interesting to note that the Ickes/Lenzner meeting had previously been redacted by the White House in connection with production of Ickes calendars as “non-responsive.” The Task Force is still negotiating to obtain unfettered access to the calendars of Panetta.

Based upon its initial review, and after consultation with its attorneys and trustees, PLET formally hired Terry Lenzner and IGI -- a Washington-based investigative firm -- to investigate the Trie "donations." Apparently the sole restriction placed on Lenzner and IGI in conducting the investigation was that they were not to talk to Trie. Two days after IGI was formally retained, Trie brought another \$179,000 in checks to PLET. These checks were immediately rejected by PLET and Trie was told not to bring any more "donations" to the Trust.<sup>18</sup>

In early May, Cardozo returned to the White House for a second briefing. On this occasion, Cardozo briefed Harold Ickes about the IGI findings. In addition to Ickes, the briefing was attended by Jack Quinn (White House Counsel), Maggie Williams (Chief of Staff to the First Lady), Bruce Lindsey (Deputy White House Counsel), Evelyn Lieberman (Deputy White House Chief of Staff) and Cheryl Mills (Deputy White House Counsel). The IGI investigation confirmed the findings of the PLET's internal investigation and added that the checks were bundled in a likely attempt to buy influence. No one from either the DNC or Clinton/Gore '96 - except Ickes - was present at this briefing. And yet, during this meeting Bruce Lindsey, after hearing Trie's name, commented that he knew Trie from Little Rock and that Trie was involved with the Democratic Party. (In fact, Trie was a Managing Director of the DNC at that time.)

Just three days after this May briefing, Trie donated -- and the DNC accepted -- \$10,000. The following day Trie attended an event and sat at the President's table after having donated another \$5,000 to the DNC. Two days later PLET received IGI's draft report reiterating the causes for concern outlined in the briefing. Receipt of the report prompted Cardozo to advise

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<sup>18</sup> Cheryl Mills, Deputy White House Counsel, admitted in her Senate testimony that she was aware of the delivery and rejection of this second batch of Trie checks.

White House Counsel that PLET would return all the "donations" gathered by Trie. Cardozo was later told that the President and Mrs. Clinton concurred in the decision of the trustees.<sup>19</sup>

In June 1996, shortly after the return of the Trie "donations," PLET altered its own reporting requirements so that the return of the Trie money would not have to be disclosed. It appears that this decision was reached by PLET in consultation with White House officials -- including Ickes, Mills and Quinn. In previous PLET reports, any returned contributions were clearly reflected. The failure to do so is consistent with Ickes' April 4th notes reflecting his concerns surrounding the disclosure of the return of the Trie "contributions." See Tab 26. This change in policy appears to be inconsistent with the PLET regulations concerning the publication of the names of all contributors as well as publication of all receipts and expenditures. Since the contributions were accepted by PLET, and thereafter returned from its account, the Trie "contributions" were either a receipt or an expenditure of funds. In any event, in their Senate testimony, both Quinn and Mills denied any participation in the decision to alter the PLET accounting methods. Cardozo stated that the reporting change was one recommended by the

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<sup>19</sup> In his prepared statement to the Senate, Cardozo enumerated the reasons why the Trie "contributions" were returned:

One, the unique circumstances under which the funds were delivered to the Trust;  
Two, the fact that it now appeared that most if not all of these contributions were raised at meetings of a religious organization, the Ching Hai -- Buddhist sect which according to IGI had been described by some as a "cult" and which raised concerns about peer pressure and coercion; and Three, concern over the ultimate source of some of the contributions due to what appeared to be the advancement of funds by the Ching Hai organization to some contributors.

Trust's accountants (the same accounting firm retained by the DNC) and the timing of the change was fortuitous vis-a-vis the Trie "donations."

On August 12, 1996, Cardozo sent a letter to Cheryl Mills with an enclosure asking her to circulate it by hand to Mrs. Clinton, Jack Quinn, Harold Ickes, Bruce Lindsey, Evelyn Lieberman and Maggie Williams. (Tab 27) The enclosure was a July 5, 1996 letter from David Lawrence (a member of the Taiwanese sect that was the source of the Trie "contributions") to the PLET trustees. In his letter, Lawrence thanked PLET for the return of his \$1,000 "donation" (which was included in those checks bundled by Trie) and advised the Trust that the funds were raised by requesting donations from members of The Ching Hai sect and that none of the rules or regulations of PLET had been explained to them. In addition, the promise of reimbursement by the organization was known to the so-called contributors. In fact, Lawrence had opted to have the organization reimburse him for \$500 of his \$1,000 "donation."

The Lawrence letter made clear that which had been discovered by PLET's internal review and confirmed by the IGI investigation: the "donations" were from members of the Ching Hai International Association; when they were solicited, the members were not advised of the rules and regulations of donation (including that the Trust would file periodic reports identifying donors); and the organization made it clear that those who "contributed" could be reimbursed by the organization if they chose.

Mills testified that no action was taken by the White House in response to the Lawrence letter. Neither the DNC nor Clinton/Gore was advised by Ickes, the President, the First Lady, White House Counsel, or anyone else at the White House about the problems surrounding Trie's PLET "donations." This is true despite: (a) Ickes' role as the *de facto* head of the DNC and

Clinton/Gore '96; (b) Ickes' weekly meetings with Peter Knight, head of Clinton/Gore '96; (c) regular budget and fundraising meetings at the White House which included, among others, Ickes, Gore, Panetta, Lieberman, Sosnik, Ron Klain (VPOTUS Chief of Staff), Peter Knight, Terry McAuliffe (Clinton/Gore Finance Chair), Laura Hartigan (DNC and Clinton/Gore '96 employee), Don Fowler (DNC), Chris Dodd (DNC), Marvin Rosen (DNC), Richard Sullivan (DNC), Scott Pastrick (DNC) and B.J. Thornberry (DNC); (d) the President's active role in the affairs of the DNC and the reelection effort; and (e) Ickes' White House briefings detailing the concerns surrounding Trie's PLET "donations."

In short, no one who was briefed on the problems with the Trie "donations" lifted a finger to advise the DNC or Clinton/Gore '96 about the situation despite numerous opportunities to do so.<sup>20</sup> Fowler and Knight first learned about the tainted Trie contributions when the story broke in the press. Because of their ignorance, Trie continued to attend dinners with the President, enter the White House, and function as a major solicitor and fundraiser through election day.

In August of 1996 – not two months after PLET returned the Trie donations – the DNC accepted \$110,000 solicited by Trie in connection with the Presidential Birthday Gala.<sup>21</sup> We have

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<sup>20</sup> In October 1996, after the fundraising controversy had broken in the press, Ickes was asked by Thornberry at DNC about John Huang. Ickes responded that if the DNC was going to look at John Huang, Thornberry should look at Trie as well. No particulars were provided at that time by Ickes as to why Trie should also be looked at in connection with campaign contributions. The comment, however cryptic, speaks volumes about Ickes' knowledge concerning Trie.

<sup>21</sup> Interestingly, John Huang is listed on the DNC check tracing forms as the DNC contact. (Tab 28) This group of solicited funds is featured as an overt act in the Trie indictment. Since it was foreign soft money, we chose not to charge this as criminal conduct. Since the filing of the Trie indictment, however, the Department has taken the position that such contributions are violative of FECA.

confirmed that \$100,000 of these solicited funds were conduit contributions.<sup>22</sup> (Trie also gave additional, albeit smaller, amounts to the DNC following the PLET incident).

Trie was invited back to the White House in December for the DNC Trustee Christmas party. To that point no one at the White House, PLET or IGI made any effort to question Trie about these so-called “contributions” – which were all returned – or whether any of the other Trie “contributions” or solicitations suffered from the same defects. In fact, Trie’s December White House appearance came after IGI issued its final report in which it detailed “donor” after “donor” who said they were reimbursed for their “contributions,” and after the other questionable conduct about Trie’s fund raising efforts were a matter of public record.<sup>23</sup> All indications are that this conduct was calculated to consciously avoid learning the truth.

It is true that we have uncovered no document that establishes directly that Ickes knew that Trie was a regular DNC/Clinton Gore solicitor/contributor. The reports sent to Ickes generally addressed financial needs and gross receipts. However, to conclude that Ickes was not aware that Trie was a significant solicitor/contributor and close friend of the President, is absurd.

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<sup>22</sup> In light of statements made by Chung in his debriefing concerning Trie acting as a conduit for PRC money into the Presidential election, this transfer in August of 1996 – like the other Trie “donations” and solicitations – takes on greater significance as does the true source of the Trie PLET “contributions.”

<sup>23</sup> If that weren’t enough, it was at this same DNC Christmas event that Trie secured a bogus driver’s license for an Asian man who he brought into the White House to meet President Clinton. The man who entered with Trie was photographed with Trie and the President. The photo depicts Trie apparently introducing him to the President. To date, the White House has been unable to identify this individual other than under the bogus name that appears on the WAVES records. The photo was also supplied to counsel to the President but apparently the President cannot assist with an identification. This unknown Asian man may or may not have some connection with the Trie “contributions” to PLET or to the conduit donations solicited for the Presidential gala. It is just one more avenue that warrants further investigation.



Ickes himself advised DNC's Thornberry (after the scandal began to break) that if the DNC had questions about Huang, it should also look into Trie as well.

In addition, it was common knowledge among those at the DNC, Clinton/Gore and the White House, that Trie was a big contributor/solicitor and a close friend of the President from Little Rock. Lindsey acknowledged as much during Cardozo's second White House briefing on the Trie "donations," at which Ickes was present. Similarly, when Middleton faxed a letter to the White House from Trie to the President on the very day Trie brought the first bag full of checks to Cardozo, Trie was identified in the fax cover sheet as a "personal friend of the President from LR ... [and] a major supporter." (Tab 29) In fact, Trie's personal friendship with the President was one of the very reasons offered by Cardozo in his Senate testimony to explain why no one ever bothered to ask Trie for an explanation concerning the source of these "donations." Indeed, no one wanted to "offend" a friend of the President by confronting him with pointed questions concerning hundreds of thousands of dollars of "contributions" collected by him for the personal benefit of the President and First Lady. Instead, IGI was hired by PLET, and paid nearly \$15,000 in fees, to find out what Trie could have confirmed in a simple and candid interview following the delivery of the checks.

Based upon the foregoing, it is evident that Ickes, while occupying a *de facto* position as a principal in DNC and Clinton/Gore, concealed the Trie problem from these entities. This concealment is especially troubling in light of Ickes' concern -- evident in his notes of the April 4th briefing by Cardozo -- about the effect of reporting the return of the Trie money. See Tab 26.

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Ickes was also aware that the DNC and Clinton/Gore needed funds right through the election in order to keep the media campaign going. Trie was a regular source of funds for the DNC and Clinton/Gore as a contributor and fundraiser. White House calendars indicate that during the Spring and Summer of 1996, Ickes, Fowler and Knight were meeting regularly at the White House. (Tab 23) And yet, despite his proclivity for memo writing generally and taking charge of DNC and Clinton/Gore matters, Ickes was strangely silent on the Trie "donations" problem. He failed to pen one word on the subject or to mention one word of concern to either Fowler or Knight.

Did the failure to disclose to the public or to advise the DNC or Clinton/Gore '96, aid and abet Trie in the conduit scheme charged in the indictment filed against him? PLET itself advised Trie (after rejection of the second bag of checks) not to bring any more "contributions" to the Trust. However, by keeping the DNC and Clinton/Gore in the dark about Trie's PLET donations, Ickes enabled Trie to continue to solicit and to contribute. Ickes also enabled DNC and Clinton/Gore to continue to accept funds "solicited" by Trie. Perhaps Ickes did not inform DNC or Clinton/Gore so as not to burden these entities with the knowledge and the duty to check Trie's earlier contributions and to vet carefully all future solicited or donated funds. At best, Ickes engineered an effort to consciously avoid learning the truth about Trie. At worst, Ickes' failure to act was intended to conceal the truth from those who could have protected the DNC and Clinton/Gore from Trie's illegal solicitations/contributions. In any event, DNC and Clinton/Gore blissfully continued to accept tainted contributions from Trie.

The PLET allegations are not new. They were initially reviewed before we joined the Task Force. At that time it was concluded that since the FEC and FECA did not govern the

PLET or its filings, there was no potential criminal violation. (We are not aware of a formal declination of this matter.) In reviewing the information gathered by the Task Force from its inception and applying to it additional recent information developed concerning Ickes, Trie and Senior White House Officials, it is clear to us that this matter should now be reopened and pursued as a conspiracy, mail fraud, wire fraud and false statements investigation. Moreover, in light of Ickes' status under the ICA, a preliminary investigation should be triggered and a decision be made promptly that further investigation is warranted.

2. Common Cause Allegations And Conspiracy To Violate Soft Money Regulations

Ickes' participation in the so-called Common Cause allegations, is similarly troubling. Much has been made of the fact that the Department is unsure whether the applicable statutes (outlined in the Litt, ██████████ memoranda previously circulated), present a potential violation of federal law. To be sure, Litt, advocating that the Department not even commence an investigation, concluded in May 1997:

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For all of these reasons, it is appropriate under established Department of Justice policy to refer to the FEC the issue of whether party advertising campaigns during the 1996 presidential election were properly paid for. It is important to note that this analysis does not imply that the advertisements, and their funding, did not violate FECA. It only says that, based on the present record, that determination should be made as an initial matter by the FEC rather than by the Department and a grand jury. In any event, the activities of the party committees may be relevant to other matters under investigation, and will be examined to that extent. Moreover, if at any time we uncover evidence demonstrating that there were knowing and willful violations of FECA, this conclusion could change.

See, Litt Memo dated May 28, 1997 (emphasis in original).

Nearly one year later, Bob reached a similar conclusion:

We need not actually refer the matter to the FEC. We are aware that the FEC is already investigating it. They are, of course, desperately short of resources: almost a year ago they asked us for help and we have yet to respond. While the FBI is not prepared to provide resources to assist the FEC, JMD indicates that we can find other sources. We should do so immediately, and in our letter telling them we are providing these resources note that we are deferring to them on these issues. . . . It is unfortunate that the FEC is so weak, but we should not use that as an excuse to disregard well-established concepts of predication and well-established procedures, to conjure up novel legal theories of which political candidates had no notice, and to take on the responsibility of primary regulator of the political process. That is not an appropriate function of the Department of Justice.

See, Litt Memo dated February 6, 1998.

To date, the Department has not determined whether the Common Cause allegations implicate a potential federal violation. Even Litt, in arguing that an investigation should not be commenced, concluded that the question remains open. It may be that some day a court will determine that the standards set out in the applicable statutes are too vague or infringe unconstitutionally upon the First Amendment and cannot be enforced. It may be that a prosecutor, based upon a fully developed factual record, will exercise his/her discretion and decline to bring charges even if a technical violation presents itself. However, to substitute our judgment -- as a matter of law -- at this early stage of the process is a mistake. The potential violations exist, and therefore it is a matter that warrants investigation under the Department policies -- outlined above -- which have been established for alleged campaign finance violations.

The alternative approach -- a parochial and professorial application of the ICA -- is the very approach that has gotten the Department into trouble in the past. It is the same type of maneuvering and practice that triggered the 1987 Amendments to the ICA and the sharp criticism

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of the Department that accompanied these amendments. Indeed, one could argue that the Department's treatment of the Common Cause allegations has been marked by gamesmanship rather than an even-handed analysis of the issues. That is to say, since a decision to investigate would inevitably lead to a triggering of the ICA, those who are hostile to the triggering of the Act had to find a theory upon which we could avoid conducting an investigation. However, in light of the Task Force's actions in non-ICA related matters, this position is untenable. Any objective review of the Common Cause debate and the Task Force's threshold in other investigations makes this clear.

Finally, the alternative approach, while avoiding application of the ICA, virtually ignores the possibility that there exists a section 371 conspiracy to defraud the United States by violating the civil regulatory framework set out in FECA. When asked to research this point, an attorney in Criminal Appeals concluded that such a prosecution was indeed viable. The memo, attached to this report at Tab 30, presents a well reasoned theory upon which a potential criminal violation may be predicated. It is not -- as suggested by Bob Litt -- a Merlin-like legal theory conjured up to ensnare unwitting participants in the political process. Rather, it is an established legal theory applied to the novel conduct conjured up by sophisticated political operatives to circumvent and to violate the law.<sup>24</sup>

As is evident from the annexed memorandum, the Supreme Court has held that a conspiracy to defraud the United States reaches "any conspiracy for the purpose of impairing,

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<sup>24</sup> The legal analysis is analogous to the Section 371 theory that was found to be viable in connection with John Huang's scheme to conceal his fundraising activities while he was at the Department of Commerce. See pages 63-70 and Tab 46. There, the regulatory system involved is the Hatch Act and its prohibitions against political fundraising by Government employees.

obstructing or defeating the lawful function of any department of Government." Dennis v. United States, 384 U.S. 855, 861 (1966). In fact, while a conspiracy to defraud the United States may allege a violation of a specific statute (civil or criminal), "the impairment or obstruction of a governmental function contemplated by Section 371's ban on conspiracies to defraud need not involve the violation of [any] statute at all." United States v. Rosengarten, 857 F.2d 76, 78 (2d Cir. 1988), cert. denied, 488 U.S. 1011 (1989) (emphasis added). Quite apart from the Common Cause debate and questions involving "issue advocacy" and the First Amendment, section 371 provides an independent predicate upon which to base a potential violation of Federal law. To date, we have been so caught up in determining whether violations of the Presidential Primary Matching Payment Account Act (PPMPAA) and the Presidential Election Campaign Fund Act (PECFA) are criminal acts, and paralyzed by the suggestion that any investigation in this area is tantamount to a totalitarian attack upon the First Amendment, that we have not focused on the possibility that mere civil violations may form the predicate for a § 371 conspiracy. We dare say that it has been buried in the debate because it presents a significant speed bump on the highway around the Common Cause allegations that some have cleverly constructed. Thus, the Common Cause allegations are not allegations in search of a criminal violation, but rather present allegations upon which a full investigation should be based.

It has been almost two years since the Common Cause allegations were first sent to the Department for consideration. In our responses, we have consistently assured Common Cause that we are reviewing the matter. The fact is the allegations have been and remain in limbo. However, the factual landscape surrounding the Common Cause allegations has changed dramatically over the last several months and there is reason to reevaluate the Department's

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position. As a result of the Task Force's investigative efforts, it is clear that every aspect of the reelection effort was orchestrated from the White House. The DNC and Clinton/Gore were used as vessels, to be filled and emptied at the direction of -- among others -- Harold Ickes. Ickes injected himself into the DNC and Clinton/Gore as a manager, director and agent and took control of these organizations insofar as the reelection efforts were concerned. Simply stated, Ickes was empowered by the President to run the reelection effort and he did precisely that. To the extent that there was any effort to circumvent the regulations outlined above, Ickes was at the heart of the effort.

In addition, several facts have been developed -- outside of the content of the so-called issue ads -- which support the conclusion that the media fund contributions were collected in an effort to influence the 1996 presidential election and, therefore, arguably subject to FECA. The use of the Clinton/Gore credit card by the Vice President in soliciting contributions for the media fund has been referred to already. However, the Task Force recently learned that Laura Hartigan, when a Clinton/Gore employee, was tasked by Ickes to work with the DNC in an effort to coordinate state by state pledges to the media fund. Similarly, the recent interviews of the state committees which were used to purchase the generic "issue ads" suggest that they were mere conduits through which the funds passed in an effort to accomplish indirectly what the DNC and Clinton/Gore '96 could not accomplish directly. In short, the media fund was driven by the reelection effort as was the media campaign. The facts suggest a concerted effort -- orchestrated by the reelection team -- to circumvent the regulatory framework established to prevent this kind of activity.

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Based upon the Department's established policies concerning the commencement and conduct of Task Force criminal investigations, there is now ample information upon which to commence and conduct an investigation relating to the Common Cause allegations. There is no reason to distinguish this matter from the numerous other allegations that have given rise to full-blown criminal investigations by the Task Force. It is intellectually dishonest to commence an investigation of Loral, Mark Middleton, COSCO, or Jude Kearney, to name a few, on a quantum of information at or below that which exists for the Common Cause allegations and not to commence an investigation of that matter simply because it implicates the ICA. There is no reason why the Department's policies and thresholds concerning campaign financing allegations should be altered simply because the ICA is implicated.

3. Diamond Walnut/Teamsters

Another area concerning Ickes involves his actions in connection with the Diamond Walnut matter. If nothing else, this incident underscores Ickes' position as a senior White House official who is close to the President and who used that position to leverage the fund raising efforts of the DNC in connection with the upcoming Presidential election.

The core allegation is that in an effort to encourage large Teamster contributions and public support of the Democratic Party, Ickes used his position at the White House to direct then U.S. Trade Representative Mickey Kantor to make contact with Diamond Walnut Senior Management to attempt to settle the on-going labor dispute between management and the Teamsters. The Task Force is just now putting flesh on these allegations. However, Ickes' Senate testimony as to what, if any, involvement he and the Administration had with this matter has also emerged as an area to be investigated. Indeed, while Ickes testified that he was unaware



of any action taken by the Administration concerning the Diamond Walnut labor dispute, there is evidence – testimonial and circumstantial – to the contrary.

The Task Force has recently obtained several memos which suggest a direct contact between Ickes and Teamster officials in connection with the Diamond Walnut strike. In fact, what emerges from these memos is a plan initiated by Ickes to entice the Teamsters to increase their support of the re-election effort. The first document, annexed at Tab 31, is an undated memo entitled “Teamster Notes”. Based upon other facts uncovered in the investigation, it appears that this memo was written in early 1995. In an interview, Ickes acknowledged that the handwriting and underlining on this memo was his, but claimed he did not know who prepared the document or why it was prepared. The relevant portions (with Ickes’ underlining) are set out below:

Carey is up for re-election in 1996.

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The Teamsters played an enormous role in the '92 campaign.

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When they are plugged in and energized they can be a huge asset. Over the past two years their enthusiasm has died down. They have been almost invisible at the DNC and other party committees for the past two years. With our proclamations on striker replacement, the Team Act ..., Davis-Bacon and the Service Contract Act and our NLRB appointments (very important to Carey) we are in a good position to rekindle the Teamster leadership's enthusiasm for the Administration, but they have some parochial issues that we need to work on.

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It is in our best interest to develop a better relationship with Carey. We won't always agree on issues and he's a tough, street fighter. But he is well intentioned, hell-bent on reforming the union and trying to root-out the “bad guys.” If he doesn't succeed in his effort, the union is likely to fall back into the hands of the “old Teamsters.” This would be a huge setback for the entire labor movement. Carey is not a schmoozer – he wants results on issues he cares about. The Diamond Walnut strike and the organizing effort at Pony Express are two of Carey's biggest problems. We should assist in any way possible. Previous

Teamster presidents have met with the POTUS. A meeting would be a good idea and could help Carey. (Tab 31)

The second document is an undated memo from Bill Hamilton (Teamsters Director of Governmental Affairs) to Ron Carey. Again, our investigation suggests that this memo was written in the first half of 1995. It refers to a June meeting between Hamilton, Carey, and Agriculture Secretary Dan Glickman to attempt to persuade Glickman "to cut off USDA support for Diamond Walnut" in connection with school lunch programs and promotion programs oversees. The memo notes that the meeting was set up for the Teamster officials "by the White House after [Carey and Hamilton] met with Ickes and others over there a month or so ago." (Tab 32)

Finally, there is a March 27, 1995, memo from Bill Hamilton to several Teamster officials regarding a "Meeting with the White House." (Tab 33) In this memo, Hamilton recounts that Teamster President Carey and he met with key White House and Clinton Administration people -- including Harold Ickes -- to discuss a range of Teamster topics. This meeting was apparently a follow up to an earlier February meeting between Ickes and Hamilton. The important part of the memo is listed under "Outcomes" and provides:

1. **Diamond Walnut** - Ickes said he met face-to-face with USTR Mickey Kantor last week and that Kantor agreed to use his discretionary authority to try to convince the CEO of that company that they should settle the dispute.

The White House recently produced documents relating to Kantor, Ickes and Diamond Walnut. The documents reflect a good deal of contact between Ickes' and Kantor's office concerning Ickes' request that Kantor contact Diamond Walnut Executives concerning the strike. Telephone records also confirm several calls to Kantor from Ickes in early 1995 which correspond

to several e-mails produced by the White House which reflect Ickes' desire for Kantor to contact Diamond Walnut executives in early 1995 concerning the strike.

These memos, telephone records and e-mails, as well as Ickes' conduct in connection with the Diamond Walnut strike, must be viewed in context. At the Democratic National Convention in August of 1992, Ickes arranged a meeting between Teamster President Carey and then candidate Bill Clinton. After this meeting Carey announced that the Teamsters would be supporting the Democratic Party after having supported the GOP in the last three elections. See Tab 23 at p. 1. Later, Ickes actively sought to solidify Teamster support by finding ways in which the Administration could support Teamster efforts in different areas. (See Tab 31) One of these areas was in connection with the lengthy Diamond Walnut strike. The fact is that Kantor, at Ickes' request, did contact the CEO of Diamond Walnut. When interviewed by FBI agents, CEO Cuff said that he has never before or since received a call from such a high level Administration official. (The strike, which began in the fall of 1991 is still unresolved.) According to Cuff, Kantor claimed that foreign leaders and negotiators were raising the Diamond Walnut situation whenever the United States referred to human rights abuses overseas and this was the impetus for the call. The essence of Kantor's message to Cuff was that the strike was hindering Kantor's international trade negotiations and it would be good if it was resolved. (Kantor has given similar innocuous explanations to pointed press inquiries on the subject.) The Teamsters' political backing was never mentioned. Cuff reported Kantor's call to the Board at the next Directors meeting. We have secured a copy of the relevant portion of the minutes and they confirm Cuff's statement.

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These memos, meetings, telephone records and e-mails suggest much more of a substantive role by Ickes (and apparently Kantor at Ickes' request) than Ickes later admitted in his sworn testimony. Moreover, it is evident that Ickes' contact with Teamster officials was the result of a concerted effort by the DNC to court Teamster contributions, public support, and get out the vote efforts in connection with the upcoming Presidential election. The implications of Ickes conduct -- given his status with the DNC and Clinton/Gore -- are apparent. If Ickes used his official position to take official action or to cause official action to be taken in return for campaign contributions to the DNC, or if contributions were a reward for official action taken by Ickes or another official at his direction, a potential criminal violation exists. *See, e.g.*, 18 U.S.C. §§ 600, 601, 1341 and 371.

Apart from the underlying transaction, it seems clear that Ickes' sworn testimony is at odds with the substance of the internal Teamster memos. This suggests a potential perjury charge in connection with Ickes' Senate testimony which warrants investigation.

The Diamond Walnut investigation is in its infancy. The matter was recently referred to the Department by the Senate in its final report. The issue, however, is not whether this information presents an indictable or prosecutable offense at this juncture. Rather, is there sufficient specific information from a credible source to commence a criminal investigation under the standard Task Force rules of engagement. We believe the answer is yes and have opened a criminal investigation. While the evidence and information is not overwhelming at this early stage, in light of the other matters detailed above, including Ickes' position with the reelection effort, it militates in favor of commencing a preliminary investigation under the ICA and reaching a prompt determination that further investigation is warranted.

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B. The President

1. Trie's PLET Donations

There are several facts concerning the President's association with Trie at the time of the PLET donations which, in our view, warrant investigation. They are outlined below.

The Trust was established by and for the benefit of the President and First Lady. They were the Trust's sole beneficiaries. Monies that were contributed went to reduce their personal legal bills. When the Trust was established, there were several rules established concerning acceptance of contributions, the management of the Trust, and the public filing of periodic reports listing those who contributed. These rules and regulations were publicly released in connection with a general invitation to all qualified contributors to make qualified contributions. See Tab 24 .

As detailed above, on the morning of March 21, 1996, Trie went to the Executive Director of PLET with \$460,000 in checks and money orders. Trie assured the Executive Director that all the "donations" were from citizen donors and that he wanted to keep his association with the donation quiet because, among other things, he was soon to be appointed to an unnamed Commission by the President.

On January 31, 1996, the President had signed an Executive Order enlarging the Commission on U.S. Trade and Investment Policy by five members. The White House WAVES records confirm that Trie visited the President at the White House on January 29, 1996, two days before the President expanded the Commission. It would seem that it was on this visit that the

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President informed Trie of the new seats to the Commission and the fact that Trie would be given one of those seats.<sup>25</sup>

Cardozo provisionally accepted the \$460,000 checks and asked Trie to come back after lunch to continue their discussion about the proffered contributions. Trie left and apparently met Mark Middleton for lunch. Shortly after this lunch, Middleton faxed a letter prepared by Trie to the White House concerning Trie's impressions and concerns about the situation in the Taiwan Straits. The fax was directed by Middleton to Maureen — (we believe Maureen Tucker who was an intern in the President's office). On the fax cover sheet transmitting Trie's letter, Middleton wrote:

Dear Maureen,

As you likely know, Charlie is a personal friend of the President from LR. He is also a major supporter. The President sat beside Charlie at the big Asian fundraiser several weeks ago." (See Tab 29)

On April 26, 1996, the President (based upon the recommendation of Tony Lake and other NSC staffers) responded to Trie's letter. Curiously, the President's letter was not sent to Trie's Watergate apartment. Rather, it was sent to Charlie Trie c/o Middleton's D.C. business address. (Tab 34)

Trie returned to meet with Cardozo later on the 21st. Cardozo returned \$70,000 of the proffered checks to Trie because they were defective on their face. (This was after Middleton told Trie, after inspecting the PLET checks, that the checks looked "foreign" and should not be given to Cardozo.) The remaining \$390,000 was deposited in an interest-bearing PLET account.

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<sup>25</sup> Between January 2, 1996 and March 21, 1996, Trie visited the White House on four occasions. Two of those visits listed the President as the person visited.

On April 4, 1996, Ickes and the First Lady were briefed by Cardozo on the Trie contributions to PLET and Cardozo's concerns with respect thereto. (As noted earlier, IGI's Chairman and CEO, Terry Lenzner entered the White House the day before this meeting and was scheduled to see Ickes). On April 22, 1996, Trie - the former Little Rock Restaurant Owner - was appointed to one of the newly created seats at the Commission on U.S. Trade and Investment Policy. As the Senate Report points out, Trie's qualifications were well below those of the other members of the Commission. On the same day that Trie was appointed, the PLET Trustees formally decided to hire IGI to investigate the checks gathered by Trie, but were instructed not to speak with Trie concerning the "contributions."

Two days after his appointment to the Commission, Trie returned to PLET with an additional \$179,000 in checks. These checks were summarily rejected and Trie was told not to bring any more "donations" to the Trust.

On May 9th Ickes and a host of others were briefed at the White House on the IGI preliminary findings. One week later Cardozo, after receiving IGI's draft report, advised Cheryl Mills that PLET would be returning the balance of the Trie "donations."

The timing of Trie's PLET donations is indeed curious: one month before Trie was appointed to the Commission but after the creation of additional seats on the Commission, and after Trie was told that he would be appointed. Were Trie's PLET "donations" related to the appointment? We know that the bulk of the funds were collected by Trie in New York on March 16, 1996 -- one week after Middleton sent the PLET rules and regulations to Trie's Watergate apartment. (Tab 25) (In fact, the "donations" were collected from followers of the Ching Hai sect at gatherings held in Houston, Los Angeles and New York.) Were the donations intended to

influence an official act or were they made because of an official act -- Trie's Commission appointment? Were the actions of the President sufficient to deprive the citizens of his honest and lawful services?<sup>26</sup>

Alternatively, were the contributions related to the subject matter contained in Trie's Taiwan Straits letter sent to the White House by Middleton on the day the contributions were tendered by Trie? Were they intended to facilitate the letter finding its way to the President? Were they offered as an incentive to encourage a positive action on the letter?

Was the decision to alter the Trust's reporting methods -- admittedly done to conceal the Trie "contributions" and the return thereof -- part of a scheme to defraud the Trust or the public in connection with the Trust's commitment to file a periodic disclosure statement? In light of Ickes' notes from the April 4th briefing -- a meeting he attended as the President's representative along with the First Lady -- was the decision not to report the returned funds one in which the White House participated?

These are questions that can only be answered following an investigation. It may be that there are innocent explanations as to why the President, the First Lady, Harold Ickes, and White House counsel never advised the DNC or Clinton/Gore '96 about the Trie "donations" and consciously concealed the return of these "tainted" funds from the public until after the November elections. There may be an innocent explanation as to why PLET paid nearly \$15,000 in fees to

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<sup>26</sup> While contributors often are given positions in Administrations, e.g., ambassadorships, this is substantively different. Here there are questions and real concerns about the source of the money "donated," and the timing of the "donations." In addition, these matters raise at least the suspicion of a quid pro quo. The timing of the Trie "donations" to PLET is at least as curious as the timing of contributions of Bernard Schwartz and the waivers sought by Loral in connection with its satellite project with China. The Loral matter is currently the subject of a full criminal investigation.



IGI to investigate the Trie "donations" and yet advised IGI not to interview Trie concerning these funds.<sup>27</sup> However, this conduct is certainly as redolent of a scheme to defraud as it is of a series of innocent actions. There is a need for further investigation.

In addition to the involvement of the President and Harold Ickes, it is clear that the First Lady and White House Counsel (Quinn and Mills at a minimum) also were intimately involved in the PLET fiasco. Did White House Counsel have a duty to advise Clinton/Gore or the DNC of the problems with the Trie "contributions?" The fact is that White House Counsel was often copied on Ickes' memos to the DNC and Clinton/Gore regarding various fundraising issues.

Based upon the established policy of the Department vis-a-vis Task Force investigations, we would commence an investigation and, based upon these facts, conclude that further investigation is warranted. The result should be no different because the ICA is implicated.

2. Common Cause Allegations and Conspiracy to Violate Soft Money Regulations

The President is likewise implicated in a potential violation outlined in the Common Cause allegations as well as a conspiracy to violate soft money regulations. It was the President who anointed Ickes as the head of the DNC and Clinton/Gore fundraising efforts and to whom Ickes reported directly. In fact, Ickes' calendars reflect a significant number of briefings of the President on various topics including the media fund and re-election efforts. (Tab 23) Therefore, to the extent Ickes had knowledge relating to the Common Cause allegations and soft money violations, it is likely, indeed probable, that the President shared that knowledge. At a minimum, this needs to be investigated fully.

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<sup>27</sup> Since PLET ultimately returned all of the Trie "donations," the IGI fee represented a \$15,000 net loss to the Trust as a result of Trie's "fund raising" efforts.

3. Senior White House Official's Knowledge of Foreign Contributions:  
Soft and Hard Money

It has been evident from the outset that a good number of the cases under investigation at the Task Force involve foreign funds finding their way into the '96 Presidential election. There are several incidents that suggest that the President and senior White House officials knew or had reason to know that foreign funds were being funneled into the DNC and the re-election effort. (The same is true, of course, for several high-level RNC officials as we have seen from the Barbour investigation.)

The President, and Vice President, were sent regular memos from Ickes outlining the true financial situation of the DNC and the need to raise a great deal of money quickly to keep the media campaign going. The regular White House money and issue meetings also focused on the need to raise more and more money. This was a constant theme played by Ickes from late 1994 through election day 1996. The following events demonstrate a pattern of activity within the White House involving senior White House officials. This pattern suggests a level of knowledge within the White House -- including the President's and First Lady's offices -- concerning the injection of foreign funds into the reelection effort.

(a) Johnny Chung:

In December of 1994, Chung wrote to his DNC contact Richard Sullivan with his White House "wish list." Chung was attempting to arrange a series of White House events for a prominent group of Chinese businessmen he was bringing through Washington. The group included the Chairman of Haomen Beer who was described by Chung in his letter to Sullivan as someone who "will play an important role in our future party functions." (Tab 35) Chung's

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wish list included lunch in the White House Mess and a photo session with the President in the Oval Office following the President's weekly radio address. As it turned out, Sullivan did not deliver and Chung arranged a photo op with the President through Maggie Williams in the First Lady's office.

In March of 1995, Chung again went to Sullivan with a White House access "wish list" involving prominent Chinese businessman, at least one of whom -- Chung told Sullivan -- could encourage American Chinese companies to donate to the DNC. Sullivan told Chung that a meeting with the President would be difficult to arrange. Chung responded that he would make a \$50,000 contribution if Sullivan could make the arrangements. Once again, Sullivan did not deliver. And, once again, Chung went to the First Lady's office for assistance. This time Chung approached Evan Ryan, Special Assistant to Maggie Williams, and made the same \$50,000 offer in return for granting his White House "wish list." Ryan went in to speak with Maggie Williams and when she returned, she told Chung that Williams and the First Lady's Office would assist Chung. Ryan also told Chung that the First Lady's Office owed the DNC \$80,000 for the White House Christmas party, and if Chung could help with that debt, it would be appreciated. Chung said he would donate \$50,000 to help retire the debt. The following day, Chung wrote a \$50,000 check and gave it to Ryan (at the White House) for delivery to Williams. Williams then arranged a White House lunch and visit with the First Lady for the following day.

Chung returned to Williams and asked for a meeting with the President for himself and his Chinese businessmen. Thereafter, Chung and his delegation were admitted to the President's Saturday radio address. After the address, photos were taken of these Chinese businessmen with the President. However, somewhere between the photo session and the photos being sent out

from the White House, the NSC stepped in and questioned whether photos of the President with these so-called Chinese businessmen should be released. Chung was beside himself when the release of the photos was delayed. He had promised that these photos would be delivered on his next trip to China, but could not get them out of the White House.

In April, Chung wrote to Maggie Williams in an effort to get copies of the photos so he could take them to his delegation in China. (Tab 36) By that time, Chung had been advised by Sullivan that the NSC had concerns about releasing the photos. The e-mails on this subject between NSC staffers establish the knowledge of some at the White House concerning the link between the Chinese delegation and DNC contributions:

A couple of weeks ago, late Friday night, the head of the DNC asked the President's office to include several people in the President's Saturday Radio Address. They did so, not knowing anything about them except that they were DNC contributors.

It turns out they are various Chinese gurus and the POTUS wasn't sure we'd want photos of him with these people circulating around. Johnny Chung, one of the people on the list, is coming in to see Nancy Hennreich [Director of Oval Office Operations] tomorrow and Nancy needs to know urgently whether or not she can give him the pictures. Could you please review the list asap and give me your advice on whether we want these photos floating around? (FYI - these people are major DNC contributors and if we can give them the photos, the President's office would like to do so).

See Tab 37 (emphasis added).

In his response, Robert Suttinger, Director of Asian Affairs at the NSC, warned about Chung and what White House access meant to him:

I don't see any lasting damage to U.S. foreign policy from giving Johnny Chung the pictures. And to the degree it motivates him to continue contributing to the DNC, who am I to complain?"

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But a caution - a warning of future *deja vu*. Having recently counseled a young intern from the First Lady's office [we believe this is a reference to Gina Ratliff] who had been offered a "dream job" by Johnny Chung, I think he should be treated with a pinch of suspicion. My impression is that he's a hustler, and appears to be involved in setting up some kind of consulting operation that will thrive by bringing Chinese entrepreneurs into town for exposure to high-level U.S. officials. My concern is that he will continue to make efforts to bring his "friends" into contact with the POTUS and FLOTUS - to show one and all he is a big shot, thereby enhancing his business. I'd venture a guess that not all his business ventures - or those of his clients - would be ones the President would support. . . ."

See Tab 38. The photos were released shortly thereafter.

In a separate incident in January 1995, Chung wrote to Doris Matsui, Deputy Assistant to the President, ". . . [i]n the next two years, I will be coordinating a lot of visits from Asian business leaders to support DNC." (Tab 39)

In light of these events, the connection between Chung's foreign business associates and DNC contributions is evident.<sup>24</sup> It is inconceivable that senior officials at the White House were oblivious to these connections.

(b) . . . Charlie Trie:

The facts surrounding the incident with the PLET "donations" suggest a knowledge or a conscious decision by the White House not to learn the truth about Trie's DNC and Clinton/Gore '96 contributions and solicitations. From the first briefing, Ickes' notes reflect a concern with how the return of ineligible contributions would be reported to the public by the Trust. At that juncture, all Ickes knew about the Trie "donations" was what Cardozo had told

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<sup>24</sup> The importance of access to Chung's on-going businesses interests was best demonstrated by a mild extortion of Chung by the First Lady's staff. The facts are set out at pages 59-60.

summarily rejected by Cardozo because they were facially defective; and the First Lady and Cardozo had concerns about the balance of the proffered "donations." And yet, Ickes' first concern was to keep any return of these "donations" from becoming public. Obviously, Ickes knew that any questionable transactions involving Trie-- a personal friend of the President from Little Rock -- would reflect adversely on the President and perhaps impact negatively on the reelection effort.

In addition, although IGI was paid nearly \$15,000 to investigate the Trie donations, the investigators were not permitted to interview Trie, who was commonly known to be a close friend and big supporter of the President from Little Rock. And, after the Trie "donations" were returned because they were defective, no effort was made by anyone to alert the DNC or Clinton/Gore of this fact. As a result, tainted foreign and conduit donations continued to be solicited by Trie and accepted by the DNC and Clinton/Gore. These actions (and inactions) involving the President, First Lady, Ickes, White House Counsel and Bruce Lindsey, suggest a conscious decision not to learn the truth about Trie's fundraising activities. By not alerting the DNC and Clinton/Gore and by directing IGI not to confront Trie about the PLET "donations," the White House chose not to impede a potent fundraiser at a time when funds were needed.

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C. Vice President GoreCommon Cause Allegations and Conspiracy to Violate Soft Money Regulations

During the investigation concerning Vice President Gore's fund raising calls from the White House, the Department concluded (among other things), that he did not solicit hard money and therefore there could be no § 607 violation. The fact is that Gore, using a Clinton/Gore (hard money) credit card, placed several calls from the White House to pitch soft money contributions. The Vice President denied that he was aware that the soft money contributions were routinely being split upon receipt by the DNC between soft and hard accounts. He stated in his interview that he did not recall the Ickes memos directed to him on the issue or the discussions at the regular Wednesday night meetings about this point.<sup>29</sup> (The Vice President's failure to recall reading the memos sent to him is reminiscent of his claim not to have read the April 1996 memos advising him that an event he was to attend at the Hsi Lai Temple in Hacienda Heights, CA, was in fact a fundraiser arranged in part by Maria Hsia.)

Quite apart from the § 607 analysis, it is evident that to the extent either the Common Cause allegations or a § 371 conspiracy to defraud the United States presents a viable potential

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<sup>29</sup> In September 1994, Ickes wrote to Panetta about the need for quick approval for generic media ads. In order to accomplish the media blitz, Ickes wrote that the DNC would have to raise approximately \$3 million over the next 3 weeks, "of which \$2 million should be 'hard' dollars. (An individual is permitted to contribute a maximum of \$25,000 'hard' dollars to political activities during a calendar year.)" The memo, although not sent to the Vice President, goes on to outline how the President, Vice President and First Lady will have to be enlisted to accomplish this by, at a minimum, calling major donors who in turn would call other major donors. (Tab 40) It is inconceivable that this topic was not addressed at one of the regular Wednesday night meetings.

Based upon this memo, and the others penned by Ickes which were sent to the Vice President, it seems that everyone was on notice about the need for "hard" dollars and at least the possibility that the first \$25,000 contributed in a given year would be applied to a hard money account. Certainly Ickes was aware of the possible split that did in fact occur.



violation of federal law, the Vice President would certainly be among those whose conduct would be reviewed. Like President Clinton and Harold Ickes, he participated in the fund raising and strategic efforts of the White House as they impacted the DNC and Clinton/Gore '96.

D. The First Lady

1. Trie's PLET "Contributions"

Many of the questions outstanding about Ickes and the President also apply to the First Lady. She knew who Trie was; she had been briefed about his donations to the PLET; and something in that briefing caused her to alert Cardozo of the need to be very diligent in vetting the Trie "contributions." In early May, the First Lady's Chief of Staff was among a small group briefed on the IGI findings. It is inconceivable that Maggie Williams did not pass this information on to the First Lady. And in August 1996, the First Lady was on a short list of people to receive, by hand delivery, a letter from David Lawrence outlining the untoward circumstances by which contributions to the PLET were obtained from members of the Ching Hai sect. (Tab 27)

Knowing of these problems with the Trie "contributions," being intimately involved in fundraising (she was employed by the campaign to solicit from major donors), and participating -- at times alone, and at times with the President -- in a variety of DNC and Clinton/Gore events, the First Lady certainly knew that Trie was donating to and soliciting heavily on behalf of the DNC. (Even Middleton, a former mid-level White House figure, knew this much, as evidenced by his cover note on the fax transmitting Trie's Taiwan Straits letter, on which he identified Trie as "a major supporter of the President.") And yet, the First Lady failed to give either the DNC or Clinton/Gore the same warning she gave to PLET and Cardozo (to scrutinize carefully Trie's "donation") after the problems with Trie's PLET donations were known to her. While she may

not have had the same fiduciary relationship to the DNC and Clinton/Gore which Ickes and the President did, based upon her knowledge that Trie's "contributions" to PLET were riddled with defects, in light of her direction to Cardozo to review carefully the Trie "donations," and the fact that she was a beneficiary of the Trust, her failure to advise the DNC, Clinton/Gore, or the public of these facts (and instead to welcome Trie to various events at the White House which were his only because of his questionable monetary donations and solicitations) is worthy of investigation.

2. Gina Ratliff Incident

The incident involving Gina Ratliff and her brief employment with Johnny Chung, is also troubling. At about the same time Chung was setting up the radio address event, Chung was also attempting to hire Gina Ratliff, a FLOTUS intern, to help him with his public relations business. Eventually, Chung persuaded Ratliff to come to his business. Shortly after she went to work for Chung, Ratliff was either fired or left his employment. It was not a happy parting of the ways. Apparently, Ratliff believed that Chung owed her \$15,000 for moving expenses incurred in connection with her new -- albeit short lived -- career. Chung disagreed and the dispute got ugly. In May 1995, Evan Ryan, Special Assistant to Maggie Williams, told Chung that unless he settled the dispute with Ratliff, the White House would be closed to him. In fact, Ryan made it clear that this message came directly from Maggie Williams, Chief of Staff for the First Lady. Ryan confirmed this in a recent interview. Chung subsequently paid Ratliff \$8,000 through Ryan (at the White House) to settle the dispute. Chung stated that he felt pressured to make the payment because if he refused, his access to the White House would be adversely impacted. Since Chung's financial well being depended on continued access to the White House, Chung's business interests dictated that he resolve the matter -- a fact he said was well known by Williams and others at the

White House. As Chung explained in a recent interview, on numerous occasions he informed DNC and White House personnel that the more access he could get, the better his business would be and the more contributions he could make.

Based upon these facts, it could be argued that Ryan and Williams were seeking to extort money from Chung to settle Ratliff's claims in return for continued access to the White House, the President and the First Lady. Alternatively, Ryan and Williams were soliciting a thing of value -- payment of Ratliff's claim -- in return for access to the White House, the President and the First Lady. Certainly those around the President and the First Lady knew that to deny Chung access to the White House would adversely affect his business interests. And while Chung may not have been entitled to this access, the denial was used as a threat to extract a settlement of a dispute with a former intern of the First Lady.

The entire matter was handled by two senior officials in the First Lady's office. Chung and Ryan both confirm that Chung's continued access to the First Lady, and the White House, was at stake in connection with settling Ratliff's claim. While it is unclear at this juncture if anyone other than Ryan and Maggie Williams were aware of the squeeze being placed on Chung and the pressure being applied to the "White House access" lever, (there is no evidence that either the President or the First Lady were aware of these events), the matter does warrant further inquiry.

While the First Lady is not a covered person under the mandatory provisions of the Act, she should be considered under the discretionary clause. Given our threshold for opening investigations, determination of what the First Lady knew and what she did (or chose not to do) in connection with the information detailed above, is something which deserves further inquiry.

E. John Huang, Marvin Rosen, David Mercer and the DNC

There are several incidents involving John Huang, Marvin Rosen, David Mercer and the DNC which are troubling. These incidents suggest that at some level, certain DNC fundraisers were actively engaged in conduct which had the effect of concealing questionable fundraising conduct from the FEC and the public. The particulars are detailed below:

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2. Huang's Commerce Department Solicitations/Mercer's Cover-up

In a separate investigation, the Task Force has recently learned that David Mercer, another mid-level member of the DNC who regularly appeared at Ickes' White House strategy and money meetings, was also involved in what appears to be, at a minimum, a scheme -- again with John Huang -- to cause false entries to be made on the books and records of the DNC.

The Task Force has uncovered a document, dated October 30, 1995, from Mercer's files at the DNC. (Tab 43) The document lists a group of potential Asian-American contributors with anticipated donations and instructions relating to those who apparently are to place the various solicitation phone calls. Two entries relate to people apparently solicited by John Huang while he

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<sup>31</sup> Notes from Janice Kearney, who reported Presidential doings, describe the June 18 coffee in the following way: "The gathering was an eclectic group of top supporters of the President." In fact, of the twelve people at the coffee, fewer than half were acknowledged contributors. As noted earlier, these people were "invited" shortly before the coffee apparently to dilute the decidedly foreign presence of the CP Group and The other attendees were either foreign nationals, DNC officials, or Thai business people.

was employed at Commerce. (Huang left Commerce in either mid-December 1995 or in early 1996, in order to accept a paid fundraising position at DNC which was arranged directly by President Clinton.)

One of the donors attributed to Huang on the solicitation sheet is Mi Ahn, a California resident. Next to Ahn's name and the figure \$10,000 is the notation "John Huang call." We have telephone records that show Ahn called Huang at Commerce on June 5, 1995. On June 9, 1995, there is a telephone message from Mercer to Huang at Commerce: "Have talked to Mi. Thank you very much." On June 12, 1995, Mi Ahn gave \$10,000 to the DNC -- the same amount listed next to her name on the October '95 solicitation sheet. Mercer listed Jane Huang -- John's wife -- as the solicitor of these funds on the relevant DNC documents. We believe this was done because Huang was employed at Commerce at the time and was prohibited (under the Hatch Act) from soliciting funds. In an article in the Los Angeles Times, Ahn was quoted as saying Huang encouraged her to financially support the DNC during their phone conversation from his Commerce office. Ahn said a California DNC staffer followed up on the Huang call and she gave \$10,000. Mercer's initials appear to be written over the name of the donor on the call sheet. (See Tab 43) During his Senate testimony and FBI interviews, Mercer simply had no recollection of why he thanked Huang in connection with Ahn and could offer no explanation as to why Jane Huang's name appears as the solicitor.

When Ahn was later interviewed by FBI agents, she denied that Huang had ever solicited her, and further denied the statements attributed to her in the Los Angeles Times article. However, the records appear to support Ahn's original version which appeared in the Los Angeles Times.

During the course of our investigation, no one has suggested that Jane Huang has ever been a DNC solicitor. Curiously, however, Jane Huang was also listed (by Mercer) as the solicitor for several other donations made while her husband John was at the Department of Commerce. On October 12, 1994, K. Wynn donated \$12,000 to the DNC. At that time, Huang was working at the Department of Commerce. The DNC form first had John Huang as solicitor; his name is crossed out and replaced by that of his wife Jane. (Tab 44) And, on November 8, 1995, Arief and Soroya Wiradinata each wrote a \$15,000 check to the DNC. Although Jane Huang is listed as the solicitor of this \$30,000 contribution, the Wiradinatas admitted when interviewed that John Huang had "suggested" the donation be made. The Wiradinatas denied even knowing Jane Huang.

Chung Lo was the second name associated with Huang on the October 30, 1995 call sheet. See pages 63-64 and Tab 43. There is evidence that Huang called Chung Lo in late October in an effort to persuade Lo to attend a November 2nd event featuring Vice President Gore. Lo declined to give a donation at that time. Lo has stated, however, that she was called by Huang when Huang was at Commerce for fundraising purposes. In fact, Lo said that the only calls she got from Huang while Huang was at Commerce were to solicit funds. While Lo did not contribute to the November 2nd event, she did send a check in 1996.

In an FBI interview, Lo admitted that when she was in Washington, she visited Huang at his Commerce office and would discuss fundraising but would do so in the Shanghainese dialect. She also confirmed that Huang called her in California from his Commerce office. She knows this because Huang would call and leave a message to return his call at his Commerce office. When Lo returned these calls, they would talk about fundraising. Huang's telephone records from

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Commerce confirm several calls to Lo's telephone in San Francisco.<sup>33</sup> The notation on the October 1995 call sheet next to Chung Lo's name provides "I've been told she's holding out for another fundraiser or SOMETHING. John Huang and Charlie Trie to work on this." (Tab 43)

In connection with the November 2, 1995 Washington fundraiser, there was a concern that the event was going to be a flop. A few days before the event, Huang and Mercer met at the Willard Hotel. According to Mercer's Senate testimony on May 14, 1997, this was just a chance meeting and only pleasantries were exchanged. However, according to the Senate Report, Mercer's expense voucher for his parking at the Willard that day was explained as a meeting with John Huang. (Tab 45) Again, this meeting -- three days after the dated call sheet referred to above -- came at a time when Huang was at Commerce and therefore prohibited (under the Hatch Act) from engaging in fundraising. As improbable as Mercer's explanation is, he stuck to it in his sworn testimony to the Thompson Committee.<sup>34</sup>

The credible information points to the fact that Mercer knew John Huang was engaged in fundraising while he was at Commerce and that Mercer and Huang actively tried to conceal this

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<sup>33</sup> Phone records obtained by the Task Force show that several calls were placed from Commerce to Chung Lo's business telephone in San Francisco in June 1995 (1 call), September 1995 (3 calls), October 1995 (4 calls, including one on October 30th and another on October 31st), November 1995 (2 calls). Four of these calls were from Huang's extension at Commerce, the others were from other Commerce extensions during Huang's tenure at Commerce.

<sup>34</sup> Huang also met with fundraiser Sam Newman and DNC staffer Mona Pasquil, who were the organizers of the November 2nd event. Pasquil told the Senate that when she expressed concern that the event might not be a success, Huang said that he might be able to help her once he left the Department of Commerce and began working at the DNC. His apparent concern at this meeting about the strictures of the Hatch Act do not vitiate the other information we have suggesting that he may have violated that Act's terms. It may mean no more than he was not as familiar and comfortable with Pasquil and Newman as with Mercer. In any event, we do not need to resolve the motivation questions at this point. That there are questions about Huang's behavior only underscores the need to investigate further.

fact by inserting Jane Huang as the solicitor to cover John's tracks. In fact, the Task Force records indicate that the above donations are the only donations attributed to Jane Huang. And those contributors with whom we have been able to speak have confirmed that they had no dealings whatsoever with Jane Huang. Indeed they did not even know who Jane Huang was.

By concealing John's fundraising activities, any suggestion of a possible Hatch Act violation could be avoided. While the Hatch Act has no criminal penalties for its violation, the disclosure of such a violation could have effected dramatically the continued employability of Huang at Commerce and future employment at DNC respectively. If Huang's fundraising activities were discovered before he left Commerce, his Commerce employment would have been jeopardized and the resulting inquiry would have made his move to the DNC a public relations nightmare.

Even though Huang and Mercer (and possibly others) were able to keep his fundraising activities a secret while he was at Commerce, thus avoiding the public relations' nightmare, this conduct does suggest a potential criminal violation. The Task Force asked Criminal Appeals to research a potential Section 371 conspiracy to defraud the United States based upon a Hatch Act violation. We recently received the benefit of the research in which it was concluded that a scheme to defraud in connection with false statements and active concealment relating to campaign funds solicited in violation of the Hatch Act, does present a viable prosecutable theory. In fact, the memo, (Tab 46), presents several theories upon which a Section 371 prosecution could be predicated. In light of this research, the conduct of Huang and Mercer presents a potential criminal violation and a full investigation is warranted.

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The Task Force's investigation has uncovered facts which suggest that it was not only Mercer who was aware of John Huang's active fundraising at Commerce. An October 20, 1995, fax from Laura Hartigan -- who was working at Clinton/Gore at the time -- to Harold Ickes at the White House, included a document entitled "Clinton/Gore '96 Commitments - Media Fund." (Tab 4) This memo listed, among others, John Huang as having made a \$75,000 commitment to the media fund. According to this memo, Huang's \$75,000 commitment was received by the DNC as of October 20, 1995. Based upon our review of subpoenaed records, the \$75,000 refers to funds solicited (not donated) by John Huang. This \$75,000 commitment appears to be comprised of, among other donations, the Ahn (\$10,000), Wynn (\$12,000) and Wiriadinata (\$30,000) donations, which were all credited by Mercer to "Jane Huang." Thus, at the same time David Mercer was altering the books and records of the DNC to conceal John Huang's active solicitations while Huang was at Commerce, Hartigan was boldly attesting to Huang's fundraising activities in an internal memo to Harold Ickes.<sup>35</sup> At a minimum, it appears that Hartigan, Ickes and Mercer were aware of the chicanery with respect to Huang's fundraising efforts while he was employed at Commerce. (As detailed below, Ickes was well aware in the fall of 1995 that Huang was employed at Commerce and was attempting to move to a paid position at DNC.) It would also appear that there is a potential perjury case to be investigated in connection with David Mercer's Senate testimony as it relates to John Huang.

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<sup>35</sup> In a recent interview, Hartigan -- true to DNC and Clinton/Gore form -- could recall nothing about the memo and what funds made up Huang's \$75,000. She did confirm, however, that, according to the memo, the funds attributed to Huang were received by the DNC prior to the date of the memo.

It is also interesting to note that at the time Hartigan prepared this memo to Ickes on the media fund commitments, she was a Clinton/Gore employee. The funds reflected in this memo were comprised of soft money and included several corporate donations. This was exclusively a DNC project in that it related directly to the so-called "generic issue ads" and not to the reelection effort. The fact that a key Clinton/Gore employee was at the helm of this DNC effort -- reporting directly to Harold Ickes on the project -- speaks volumes about the true purpose of these "generic issue ads," Ickes' role in the reelection effort, and the willingness to eliminate even the pretense of independence among Senior White House officials, the DNC and Clinton/Gore '96.

John Huang's path from Commerce to the DNC provides an interesting backdrop to his questionable fundraising efforts at Commerce. The effort to have the DNC hire Huang as a fundraiser began in the summer of 1995. Huang was billed as someone who would be able to orchestrate the DNC's effort to tap into the Asian-American Community. In mid-September, Huang and the met with President Clinton and Bruce Lindsey at the White House. It was during this meeting that Huang's desire to leave Commerce and to begin work for the DNC was expressed. In fact, it was who underscored for the President that Huang's talents were being wasted at Commerce and should be utilized in some other way. In a follow-up meeting with Lindsey the next day, Huang confirmed that he wanted to leave Commerce for the DNC. Lindsey mentioned Huang's desire to Harold Ickes who had received the same message directly from the President. On October 2, 1995 -- a few weeks before Ickes received Hartigan's memo reflecting Huang's \$75,000 commitment to the Media Fund -- Ickes met Huang to discuss his move from Commerce. Huang told Ickes that he would go to either the DNC or Clinton/Gore -- whichever Ickes thought was best. Ickes chose the DNC and contacted Marvin Rosen (and

possibly Fowler) about hiring Huang. Ickes then reported back to the President that Huang's move to the DNC was being worked out. Certainly when Ickes received the Hartigan memo and notice of Huang's \$75,000 commitment which had been received by the DNC, he was aware of Huang's current employment at Commerce.

The President himself asked Marvin Rosen in early November about Huang's status with the DNC and commented that Huang came highly recommended. As a result, the next day Huang was called to set up an interview at the DNC. This was done despite Fowler's earlier reluctance to hire him. A few days later, Huang met Rosen and Sullivan and was hired by Fowler that same day. Within a few weeks, Huang was a paid DNC fundraiser. Apparently Rosen, Fowler and Sullivan were so concerned about Huang's understanding (or lack of understanding) of the law relating to fundraising, that they insisted that Huang receive special training in this area. At the same time, however, Huang was also given an incentive component to his base salary at DNC based upon his fundraising efforts. The incentive was calculated to make up for the salary cut he suffered in the move from Commerce to DNC.

Huang's fundraising efforts in his final months at Commerce, and the need to conceal these efforts by listing Jane Huang as the solicitor of record on the DNC books, take on quite a different hue when viewed in the context of the efforts to move Huang from Commerce to the DNC. The role of Ickes, the President, Fowler, Rosen, Mercer, and Hartigan certainly militate in favor of a full investigation into these efforts and the apparent altering of the books and records of the DNC to conceal Huang's activities during this "transition" period.

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3. Miscellaneous Events

There are several miscellaneous events (some mentioned above) which raise questions about whether the DNC – at some level – was aware of (or intentionally oblivious to) potential campaign irregularities:

(a) According to the Senate Report, the DNC vetting procedures went from stringent to, at best, curiously lax. In 1992, a system was in place which involved the vetting of all contributions of \$10,000 or more. A group varying from 6 to 10 persons were responsible for vetting the checks. By 1994, only one member of the DNC General Counsel's office and one DNC part-timer handled vetting, and they did so only for checks of \$25,000 and over. In May of 1994, the part-timer left the DNC. After that, according to Chairman Fowler, the responsibility went to the Finance Division. However, he could provide "no specifics" on how it was performed, and Sullivan described the new process as "a poor compliance system."

(b) On December 14, 1994, Chung wrote to Sullivan at the DNC about a group of foreign nationals who were scheduled to visit the White House. He provided Sullivan with detailed information about the group, including Chairman Chen of Haomen Beer who, according to Chung, would play "an important role in our future party functions". (Tab 35)

(c) On March 8, 1995, Chung contacted Sullivan and asked if Sullivan could arrange for a meeting for Chung with the President. Sullivan did not do so. As he explained in his Senate deposition:

We had gotten money from Johnny previously. I think he had contributed about 100,000 to that point over the past year, and the fact that – him showing up with these five people from China, I had a concern that he might – that they – he might be taking – I had a sense that he might be taking money from them and then giving it to us, you know. That was my concern.

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(Sullivan Senate Deposition, June 4, 1997, at 228).

(d) On January 4, 1995, Chung wrote to Doris Matsui, Deputy Assistant to the President:

In the next two years I will be coordinating a lot of visits from Asian business leaders to support DNC. I look forward to working closely with you . . .

(Tab 39) (emphasis added).

None of these miscellaneous matters -- standing alone or together -- presents compelling information upon which a prosecution would be commenced. However, in the context of what we have learned, it is information worthy of further investigation.

As is evident, there are a variety of matters which raise concerns about the DNC and some of its officials. None of the DNC officials fall within the mandatory provision of the Act. On the contrary, aside from Ickes, none of these officials were de facto officers of Clinton/Gore exercising authority at the national level. However, an investigation into the fundraising activities of the organization and several of its high level officials -- including Rosen and Mercer -- at least suggests a potential political conflict of interest for the Department of Justice which should be considered. As long ago as 1978, when the office of Special Prosecutor was first created, Congress was concerned about this very scenario:

The Attorney General and his principal assistants are appointees of the President and members of an elected administration. It is a conflict of interest for them to investigate their own campaign or, thereafter, any allegations of criminal wrongdoing by high-level officials of the executive branch.

1978 U.S.C.C.A.N. at 4222.

The reason such a potential political conflict is suggested is based in part on the fact that Ickes, and others, including the President, were very active in running the affairs of the DNC and

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Clinton/Gore. The fact that both the President and Ickes were part of what could be considered the DNC and Clinton/Gore control group, casts a different light on the investigation. While this does not present the type of distilled potential conflict contemplated in the Act, it is a matter to be considered under the discretionary provision.

F. Loral Matter

There are several issues arising from the Loral matter which are troubling.

1. The Decision to Investigate

Recently, allegations surfaced that Loral was given a waiver on the export of satellite technology in return for campaign contributions by CEO Bernard Schwartz. The mere fact that these allegations were made has presented a dilemma for the Department. This was evident in the first meeting held to address the allegations. We were attempting to reach a consensus on the Department's response to these allegations when an interesting suggestion was made. Someone urged that in light of the Hill's announcement to have Congressman Cox's Committee look into the matter, perhaps the Department should stand down in connection with any criminal investigation/inquiry so as to avoid the inevitable tension between the Department and Cox's Committee reminiscent of the tension between the Task Force and Senator Thompson's Committee last year. The argument was that if we attempted to conduct a criminal investigation, the first time we requested that the Committee not grant immunity, not call a particular witness, or not make certain information public, we would be accused of obstruction and engaging in a cover up.

The other half of the dilemma was that although no one could articulate a solid basis upon which to predicate a criminal investigation, given the political climate, it was generally felt that the



Department had to commence an investigation. As a result, the Task Force was asked to formulate an investigative plan based upon allegations -- not because there was any real indication of a quid pro quo or criminal conduct -- but rather because allegations were made which, if true, suggested a potential violation of federal law. The Task Force did put together a proposed investigative plan which included potential criminal allegations. (Once again, the Task Force's low threshold with respect to matters not involving senior White House Officials was triggered and a full criminal investigation was begun.) When the Loral allegations are placed side by side with those contained in the Common Cause letters received by the Department almost two years ago, it is difficult to justify the Department's failure even to commence an investigation of the Common Cause allegations.

2. Actual And Potential Conflicts Of Interest

The Department has opted to commence an investigation of the Loral matter.

One of the areas to be reviewed is whether the contributions of Bernard Schwartz somehow corruptly influenced the President's decision to issue the 1998 waiver to Loral over the Justice Department's "concerns" that the waiver may adversely impact an ongoing criminal investigation. That is, was the waiver corruptly influenced by the President's desire to help his friend and generous DNC contributor Schwartz and to impede the ongoing investigation?

In connection with this investigation, at least two high-level DOJ employees will be witnesses. Their testimony will be material on the issue of what was said to the White House in

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connection with the Department's concerns about the on-going criminal investigation. Several potential and actual conflicts arise as a result of these facts.

A. DOJ's Expressed Concerns

By expressing our concerns, the Department took a position adverse to that ultimately adopted by the President. The Department believed that a decision to grant the waiver had the potential to effect adversely the ongoing criminal investigation. We are now called on to investigate the motives underlying a decision by the President which was contrary to the position advanced by the Department. In addition, the President's decision — even now — continues to have the potential to effect adversely an ongoing criminal investigation being conducted by the Department. To us, the conflict is evident.

As a subtext to this conflict, it will become material what the precise conversation (or conversations) was (were) between Bob Litt and Chuck Ruff concerning the Department's position. This is especially true in light of indications by Ruff, according to press reports, that the Department's concerns were not deemed by the Department as significant given the manner in which they were communicated to the White House. It may be that the tone and tenor of the conversation (conversations) will be the subject of differing interpretations. There seems to be a "he said, he said" shaping up. At a minimum, the conversation (conversations) will likely be spun by the White House.

B. The White House Desire To "Get The Story Out"

Quite apart from these issues, the White House recently contacted the Department about document production to the Hill on the Loral matter. Apparently, the Department was contacted by DOD about the production of a particular DOD report to the Hill and what effect its

production would have on the ongoing criminal investigation. This is the same criminal investigation which may be adversely effected by the President's decision to sign the waiver. The Department's response – after consultation with the prosecutors handling the Loral matter – was that production would effect adversely the investigation and the report should not be produced. Following this determination, Chuck Ruff called the Deputy's Office to have Justice reconsider its decision because the White House believed that a prompt release of all the documents was in its interest and would serve its purposes. A meeting was called by Bob Litt (one of the DOJ witnesses in our investigation) to revisit the issue and to see if a time could be agreed upon for the release of this report. At the meeting we expressed a concern about negotiating or even consulting with the White House on the timing of the release of documents simply because a quick release was in the interest of the White House. The contact should certainly not involve Bob Litt, one of the witnesses whose statement (testimony) will be material in the investigation of the manner in which the Department's concerns were communicated to the White House. (Bob Litt and Mark Richard recently requested to be recused from the Loral matter) This type of negotiation, consultation and posturing in the context of this investigation is unseemly and serves to underscore the conflict that underlies this entire matter.

While the issue concerning the release of the documents has been mooted, and the Department witnesses are no longer involved with the matter, the entire Loral matter presents a string of conflicts which will not go away and which cannot be ignored.

3. The Task Force's Dilemma

As a backdrop to the entire Loral matter, the initial concern is that our conducting this investigation is a recipe for disaster. If there is a single piece of paper that we miss, a single

employee anywhere that we neglect to interview, or a single question we do not ask, we will be branded incompetent at best and, at worst, part of a corrupt effort to cover up for the Administration. While this is not the type of environment in which to conduct a criminal investigation, it is not a sufficient reason to ship this matter to a preliminary inquiry under the ICA either. However, the following concerns may establish a principled reason to send this matter to a preliminary inquiry under the ICA.

There are two documents which could form a basis upon which to predicate a federal criminal investigation. The first is a February 13, 1998, letter from Thomas Ross, Vice President of Government Relations for Loral, to Samuel Berger, Assistant to the President for National Security Affairs. It could be argued from this letter that Schwartz intended to advocate for a quick decision on the waiver issue by the President. In the letter, annexed as Tab 47, Ross wrote: "Bernard Schwartz had intended to raise this issue (the waiver) with you (Berger) at the Blair dinner, but missed you in the crowd. In any event, we would greatly appreciate your help in getting a prompt decision for us."

In the letter Ross also outlined for Berger how a delay in granting the waiver may result in a loss of the contract and, if the decision is not forthcoming in the next day or so, Loral stood to "lose substantial amounts of money with each passing day." The President signed the waiver on February 18, 1998. On January 21, 1998, Schwartz had donated \$30,000 to the DNC; on March 2, 1998, he donated an additional \$25,000.

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The second document is a memo from Ickes to the President dated September 20, 1994, in which Ickes wrote:

In order to raise an additional \$3,000,000 to permit the Democratic National Committee ("DNC") to produce and air generic tv/radio spots as soon as Congress adjourns (which may be as early as 7 October), I request that you telephone Vernon Jordan, Senator Rockefeller and Bernard Schwartz either today or tomorrow. You should ask them if they will call ten to twelve CEO/business people who are very supportive of the Administration and who have had very good relationships with the Administration to have breakfast with you, as well as with Messrs. Jordan, Rockefeller and Schwartz, very late this week or very early next week.

The purpose of the breakfast would be for you to express your appreciation for all they have done to support the Administration, to impress them with the need to raise \$3,000,000 within the next two weeks for generic media for the DNC and to ask them if they, in turn, would undertake to raise that amount of money.

\* \* \*

There has been no preliminary discussion with Messrs. Jordan, Rockefeller or Schwartz as to whether they would agree to do this, although, I am sure Vernon would do it, and I have it on very good authority that Mr. Schwartz is prepared to do anything he can for the Administration.

See Tab 12 (emphasis in original).

From this memo one could argue that Ickes and the President viewed Schwartz as someone who would do anything for the Administration -- including raising millions of dollars in a short period of time to help the media campaign. We now know not only that the media campaign was managed by Ickes from the White House, but also that it played a critical role in the reelection effort. Consequently, it is not a leap to conclude that having been the beneficiary of Schwartz' generosity in connection with the media campaign, the Administration would do anything it could to help Bernie Schwartz (and Loral) if the need arose.

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If in fact there is anything to investigate involving the Loral "allegations," it is -- as set out in the Task Force's draft investigative plan -- an investigation of the President. The President is the one who signed the waiver; the President is the one who has the relationship with Schwartz; and it was the President's media campaign that was the beneficiary of Schwartz' largess by virtue of his own substantial contributions and those which he was able to solicit. We do not yet know the extent of Schwartz solicitation efforts in connection with the media fund. However, if the matter is sufficiently serious to commence a criminal investigation, it is sufficiently serious to commence a preliminary inquiry under the ICA since it is the President who is at the center of the investigation.

For all these reasons, the Loral matter is something which, if it is to be investigated, should be handled pursuant to the provisions of the ICA.

IV. The Enforcement Dilemma

Apart from consideration of the information and evidence developed by the Task Force and what, if any, impact that evidence has upon the ICA, there is another significant issue which must be addressed. That is, given the information and evidence we have developed to date, what obligation does the Department have to ensure effective enforcement efforts in the future in the area of campaign finance violations. The short answer is that given the current state of the law, there is not much we can do. However, with a few key changes and modifications, an effective enforcement mechanism is within our reach. In light of the abuses we have uncovered over the last 21 months, we believe that it is incumbent upon the Department to articulate the problems and to propose changes (modest and ambitious) in a positive manner.

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A. The Problems1. FECA and the FEC: Impotence By Design

At the heart of the enforcement dilemma is the Federal Election Campaign Act ("FECA"). FECA, as drafted and amended, is designed so that any meaningful prosecution is difficult at best. By reducing felonies to misdemeanors and combining a shortened statute of limitation with a heightened intent requirement, the role of the prosecutor in all but the most egregious cases has been non-existent. And, when you add to this the FEC -- the only administrative/civil game in town-- with its special rules of engagement and paltry investigative resources, there is, by design, no effective civil or criminal enforcement mechanism in the area of campaign financing. It is no wonder that campaign finance abuse is such a fertile area for the clever white collar criminal. Not only is criminal prosecution made more difficult than in the typical fraud case, the risk of civil or administrative sanctions are likewise remote. There is virtually no deterrent that exists -- civil or criminal -- in this area and the '96 election cycle has demonstrated the depth of abuse that is possible. If one tenth of the energy and resources that were spent on the Senate and House oversight investigations were directed toward mending the impotent enforcement mechanisms Congress has created, we would be well on the road to recovery.

The fact is that the so-called enforcement system is nothing more than a bad joke. Thousands of Americans each year believe that if they check a box on their tax returns, they are striking a blow for campaign financing reform and against big contributors coopting our elected officials through a system whereby big contributors buy access to the exclusion of the average person. Simply stated, the matching funds provisions do not serve their stated purpose. Given

the loopholes, the law, the opportunists, and the elected officials in desperate need of funds to fuel media campaigns, the enforcement system is illusory at best.

## 2. Compliance By the Major Parties

Under the current enforcement system, the two major parties are virtually insulated from any serious enforcement actions. In the criminal arena, given the statutes we are dealing with and the way the parties have set up their fundraising mechanisms, it would be extremely difficult to charge the major parties with a criminal violation. Both parties have built in layers of deniability and negligence between senior party officials and the rank and file solicitors/fundraisers. As a result, the "lack of knowledge" and "negligent employee/volunteer" defenses are as much a part of the system (by design) as the need to raise money to fuel campaigns.

During the 1996 election cycle, the DNC had about as sloppy an operation as you could imagine. However, the DNC designed its operation to insulate top officials from the sins of the fundraisers and solicitors. On the one hand, there were the senior White House officials who, working with senior DNC and Clinton/Gore personnel, were the architects of a "contributions for access and perks" system calculated to fuel the media engine that was driving the reelection effort. From the White House these officials -- without benefit of formal title or position -- issued directives as to the access and perks available and the money needed to keep the media fund running. Always just days away from exhausting available funds, the drive for contributions was constant. See, e.g., Tabs 48 and 49.

On the other hand, enticing solicitors, fundraisers and donors with perks and access was the oil that kept this machine running. Those with business acumen quickly recognized how access and perks could be transformed into personal profit in the context of private business

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opportunities. Trie, Chung, Kronenberg, Hsia, Jimenez, to name a few, are living proof of the environment created in the '96 election cycle. Without a credible compliance effort, those who chose to exploit the opportunities served up by the White House, the DNC and Clinton/Gore, went unsupervised and unhampered. This was true even after the warnings were heard loud and clear along the way by senior White House officials. See, e.g., PLET discussion supra at pages 46-50 (Ickes, First Lady, White House Counsel aware of donations collected by Trie which were comprised of foreign funds in violation of PLET rules and regulations); Tabs 35 and 39 (Chung letters to the DNC and White House linking DNC assistance and contributions to Chinese businessmen he intends to bring to the White House); Tabs 37 and 38 (NSC e-mails suggesting a connection between Chung's Chinese businessman and DNC contributions); and Senate deposition of Richard Sullivan reprinted in part at page 71 (suggesting that there was a suspicion concerning the true source of Chung's donations). The result was the solicitation and acceptance of conduit and foreign contributions.

The compliance disconnect involved not only solicitors, fundraisers and contributors, but applied to the DNC's internal functions as well. The DNC had a practice of automatically allocating a contribution first to a hard money account (up to an individual's yearly maximum) and sending the balance off to a soft money account. However, the required notifications to the contributors -- sent to alert them that they had reached their maximum hard money limit for that year -- were rarely sent out simply because compliance was not a priority and DNC resources were "better spent" on raising money rather than insuring compliance with existing laws. Similarly, the vetting of checks also fell in favor of more aggressive fundraising efforts. However, the DNC's senior officials were always insulated from the sins of those in the accounting and

collection departments. The procedures were on the books and the failures were, according to the DNC officials, an oversight by, and the responsibility of, low level employees or volunteers.

In each of the areas outlined above, the DNC designed a system which gave the appearance of concern for compliance, but in fact provided no substance to ensure compliance with existing laws. Likewise, Clinton/Gore '96, working hand in hand with the DNC and the White House in the fundraising frenzy, presented a mere facade of a compliance framework. The result was the wholesale violations which the Task Force has been addressing over the last 21 months.

For its part the RNC, while apparently not on a par with the DNC, had its fair share of abuses. The Barbour matter is a good example of the type of disingenuous fundraising and loan transactions that were the hallmark of the 1996 election cycle. In fact, Barbour's position as head of the RNC and NPF -- and the liberties he took in those positions -- makes the \$2 million transaction even more offensive than some concocted by the DNC. Indeed, with one \$2 million transaction, the RNC accomplished what it took the DNC over 100 White House coffees to accomplish.

It is evident that the missing piece from campaign finance enforcement is a credible incentive for the major parties to comply with the law. Any real campaign finance reform has to begin with the major parties and motivating them to comply with the law. This can be accomplished in at least two ways.

The most ambitious approach would be to undertake an overhaul of the substantive provisions of FECA and to create an enforcement-ready FEC. This would, of course, entail addressing the jurisdictional reach of FECA (and the FEC) concerning soft money (foreign and

domestic), the intent requirements, the statute of limitations, and the funding and complexion of the FEC (including a credible enforcement arm of the FEC). These are complex issues requiring careful treatment. Our work on the Task Force provides excellent experiences upon which to participate in such an undertaking. We could write extensively on these points; however, that is best left for another report on another day.

Short of the type of complete overhaul contemplated above, there are several relatively minor adjustments which could increase enforcement dramatically. For example, the effective use of civil and administrative proceedings against the major parties (and in an appropriate case the candidate also) for the very type of abuses seen in the 1996 election cycle could accomplish a great deal. With a lower quantum of proof needed to prove a violation and a lesser intent requirement, a civil or administrative proceeding could hurt the parties in the areas in which they are vulnerable. First, with a sensible damage provision, a civil or administrative proceeding could be just the tool to compel the major parties to promulgate and enforce internal rules and regulations calculated to insure that everyone working within the party -- employees and volunteers alike -- is not only properly trained, but is properly supervised during the course of the election cycle. The parties have to be "inspired" to construct and maintain effective and credible internal compliance divisions which are as important to the operation of the parties as their fundraising components. Compliance divisions have to have the ability to enforce compliance within the party including making appropriate referrals for enforcement action. Monetary penalties would go a long way to encourage the creation of compliance divisions and credible internal scrutiny of party activities.

In addition, a civil or administrative proceeding provides the opportunity for the creative use of injunctive relief to compel (and to insure) future compliance. This can be accomplished by requiring the out of compliance party, committee, or candidate to maintain a compliance division which will in turn maintain certain minimum compliance standards. In addition, the party, committee, or candidate can be required to employ an outside monitor to oversee conduct in future election cycles following a violation. The outside monitor could observe the operation in connection with the next election cycle and report to the appropriate enforcement agency concerning the efforts in place to avoid future violations. These conditions can be imposed as part of a resolution of a particular violation by the party, committee, or candidate.

The reports which must be filed by the candidates and their committees should also be amended to ensure that important information is reported and reviewed by those who have enforcement responsibility at the time the reports are filed. Currently, most violations are detected initially by the press during periodic reviews of filings with the FEC or by an opposing candidate who is sufficiently outraged by a particular practice that he/she reports it to the FEC. This does not constitute an acceptable enforcement network. The regulators must take the reporting requirements as well as the information reported seriously. In order to accomplish this, the review of the material cannot be the result of a haphazard review occurring months and sometimes years after the reporting is made. Rather, the review process, as well as an appropriate enforcement response, must be methodical, timely, and diligent. These efforts will assist in motivating compliance.

You will recall the notes from the Panetta staff meeting as the fundraising scandal began to break in the press. The Task Force obtained these notes from the White House pursuant to

subpoena. The notes reflected comments by a White House Staffer who, amid reports of foreign money finding its way into the re-election effort, opined that any FECA violations would not be addressed by the FEC until after the election. What was not said -- but what was clearly understood -- was that any election abuse addressed after the election will likely be forgotten long before the next election and chalked up to the cost of doing business. In any event, it would have no impact on the current election.

In the Barbour investigation, it was discovered that the RNC took a similar tact by not drawing down on the Young loan to NPF until a date which insured that the \$2 million transaction would not have to be reported to the FEC (and therefore publicly) until after the election. This was not accidental, but rather a strategic move calculated by top RNC officials to avoid a potentially embarrassing -- and possibly an illegal transaction -- from being discovered prior to election day. The RNC officials -- like the Panetta staff member -- knew full well that a post-election day discovery of a violation is an acceptable cost of doing business.

Given the lethargic response to campaign finance abuses in the past, it is no wonder there is no incentive to play by the rules. A critical problem is that the FEC has exclusive jurisdiction over administrative proceedings involving funding violations. And yet the FEC was designed to be impotent. Not only is the FEC under staffed, it cannot act absent a consensus of the politically balanced Commission. The system is not designed to function but rather to protect an environment in which abuses can flourish. Say what you will, but the FEC is not an effective enforcement mechanism.

In order to break this enforcement dilemma, the Civil Division of the Department of Justice should be given at least concurrent jurisdiction to bring administrative actions based on

FECA violations.<sup>36</sup> By doing so, and by establishing a significant section within the Civil Division to address such cases, the Department could accomplish in the area of campaign finance compliance what has been accomplished in the area of compliance by securities and commodities firms (and their employees) with respect to securities and commodities laws, rules and regulations. Virtually every broker-dealer today has elaborate and credible compliance departments which use best efforts to ensure that the company and all employees are observing all laws passed by Congress as well as the rules and regulations promulgated by the Securities and Exchange Commission ("SEC") and the Commodities Futures Trading Commission ("CFTC") for the marketplace. However, this compliance was not the result of an expression of goodwill or sudden enlightenment by the broker dealers. On the contrary, civil lawsuits and credible enforcement actions have established the principle that compliance is the norm in the marketplace. The brokerage houses are responsible for their employees and agents when they act in the marketplace. If an employee or agent is not properly trained or supervised and bad things result, the brokerage house responds in damages. In addition, the Government has from time to time snapped a broker into compliance with an enforcement action resulting in monetary damages and injunctive relief. These actions have been complimented by a mandatory monitoring system conducted by an investigative firm (which is paid by the offending brokerage house), which have become part of any settlement of the action. Compliance follows stiff civil and criminal enforcement and monitoring operations. It is that simple.

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<sup>36</sup> To the extent that there needs to be a legislative fix to grant the Department concurrent jurisdiction with the FEC for civil violations, the current political climate appears propitious. Members of the House recently broke ranks with the leadership and demanded some campaign finance reform. This may be the type of modest reform that will be acceptable to a majority on both sides of the aisle.

In the area of campaign financing, however, there is no real civil enforcement mechanism in place. The FEC is unable to engage in any meaningful enforcement efforts and the Department of Justice is precluded from doing so in the civil arena. As a result, there is no real effort by the major parties to comply with the law because the occasional FEC enforcement action or criminal misdemeanor prosecution is chalked up to the cost of doing business and nothing ever changes. Both the RNC and DNC pay lip service to compliance -- but nothing more. A few well-placed and expertly investigated civil actions will quickly ensure the creation of credible compliance departments within the major parties and genuine concern for how the fundraisers and solicitors bring in the money.<sup>37</sup>

It is curious that with the millions of dollars spent on media advertisements during the last election cycle, virtually nothing was spent by the parties on effective compliance departments. That speaks volumes about where the major parties place compliance with existing laws on their list of priorities -- somewhere below securing the obligatory red, white, and blue balloons for release on election night. We are now paying the price for this neglect.

### 3. The Conduit Problem And The Criminal Response

One of the major problems resulting from an ineffective enforcement mechanism is the proliferation of conduits in the election process. Through conduits two evils are realized. First, those who by law are not permitted to participate in our electoral process are able to do so. This can be foreign governments, foreign officials, ineligible residents or ineligible entities. Second, the

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<sup>37</sup> Here, unlike the investment situation, there are no disgruntled customers who have lost money and will scream "foul" as a result of a brokers conduct. Rather, in the election context the victim is the regulatory framework, the integrity of the electoral process and the public at large. Absent diligent investigative reporting or an opponent who is prepared to blow the whistle with respect to a particular practice, violations typically go undetected.

regulations concerning the types of money being donated (hard money vs. soft money) can be circumvented easily. The result is that the electoral process can shift by virtue of unauthorized contributions in favor of one candidate at the expense of another. While in the past we have treated these abuses as "minor offenses," the magnitude of these abuses can alter the outcome of a particular election. If we have learned anything about the election process it is that the amount of money raised as well as the type of money raised (hard vs. soft) can impact directly on the results of a particular election. And yet, we tolerate a system that promotes -- and even rewards -- the use of conduits. This has to change.

Conduit payments are difficult to detect. A simple reimbursement scheme -- especially if accomplished with cash -- does not leave a bright investigative trail. More often than not investigators back into a conduit scheme while investigating some other alleged violation. It is clear, based upon the Task Force's experience, that the criminal law alone is not an effective method to guard against conduit donations finding their way into the process. Rather, any effective deterrent has to begin with major parties and the fundraisers themselves. The key is enforced diligence in connection with solicited funds. An effective compliance department or legislated procedures could accomplish this. The standard procedures should include a requirement that contributors be required to attest on a donor card that: (i) the source of the money is not foreign; (ii) they are an authorized donor; and (iii) they are not being reimbursed, directly or indirectly, for the contribution. In addition, the donor should attest that they are aware that foreign funds or conduit reimbursement would be illegal and that this donor information will be filed by the Committee, candidate or party with the FEC (a federal government agency) and that the representations made on the card are true and accurate. Then, if conduit money was later



detected, a federal criminal violation could be brought and the intent requirement satisfied by virtue of the donor card. The standard "I didn't know it was not permitted" or "I never heard of the FEC" defenses would be eliminated. Similarly, fundraisers/solicitors should be required to advise prospective donors about the prohibitions of conduit and foreign source payments and make some effort in the field to determine that the donations are genuine and not reimbursed.

If credible compliance departments are maintained by the parties, enforcement efforts should be strict and when violations are found, the consequence should include prosecution of the conduit (as opposed to our general policy not to prosecute), the solicitors and, in appropriate cases, the party or Committee itself, under the felony provisions of Title 18 United States Code.

In order to accomplish this, the Department of Justice should revise its long standing policy relating to conduits. In the Federal Prosecution of Election Offenses, we have announced to the world that our approach to the conduit is one of non-prosecution. See Prosecution of Election Offenses (1995 Edition) at 117. We should now modify our policy and pledge an effective enforcement operation against conduits for violation of the law.

In addition, the Department's misdemeanor approach to campaign financing violations in general should be changed as well. The presumption should be that these violations are deemed serious by the Department and will be treated as such. With the minor adjustments suggested above, the Department could make a significant course change in the area of campaign finance abuse.

Short of legislative fixes, the Department has the tools right now to effect a change in the prosecutorial response to election offenses. This would, of course, mean altering our published guidelines. However, the experience of the task Force has given us more than ample reason to

alter our long standing policies. We noted earlier that the Department has articulated several compelling reasons why the Task Force's "pursue every lead and leave no stone unturned" approach justifies a somewhat relaxed predication requirement. See page 13 above. These relaxed predication requirements were adopted in response to a flood of election law violations. For these same reasons, it may be time to change the Department's public statements concerning the prosecution of election offenses. The tone and tenor of any new statements should reflect the seriousness of the criminal conduct we have been investigating, its effect on the political process, and the need for deterrence in this area. In short, any new statements should reflect an all felony (rather than no prosecution) approach for those orchestrating conduit or foreign contribution schemes and a misdemeanor (rather than no prosecution) approach for the simple conduit who was not part of the planning process.

The mere conduit -- who we currently decline to prosecute -- is not unlike the mule or courier in a typical airport or border-bust case. The real culprit is the drug dealer who has effectively insulated himself/herself from arrest by hiring a low level mule or courier to carry the drugs from point A to point B. However, our response has never been to give the mules a free pass or a one-time "get out of jail free" card because they are not players in the larger drug operation. To the contrary, we have no problem sending them to jail for 10-15 years to demonstrate how serious we deem the underlying offense, as a deterrent to others, and as an incentive for the mule to tell us all they know about the larger operation.

We should adopt the same approach with respect to the so-called simple conduit. It is rare that the conduit is truly ignorant of what is going on. They are asked to make a political contribution to a candidate or party designated by someone else who, in turn, reimburses them for

their contribution. Like the mule who claims he/she did not know the drugs were in the trunk or suitcase, but was only asked by a friend to drive the car into the United States or to carry the suitcase, the conduit always claims ignorance of the law and denies any knowledge that this conduct was somehow illegal. Those of us who deal with these conduits understand the kabuki dance that we are engaged in. We rush to grant immunity (or issue one of our now famous non-prosecution conduit letters) so that we can focus on the organizer of the conduit scheme.

Without the conduit, the system does not work. And yet, we have publicly stated that absent aggravating circumstances, the conduit will not be prosecuted. Moreover, there is no incentive for them to tell us the whole truth when they and their lawyers know that if they stick to their scripted lines, they will not be prosecuted. (More times than not their attorney is paid for by the target of the conduit investigation and the conduit's version is generally consistent with whatever "defense" the target is constructing.) An effective and intelligent prosecution plan -- coupled with the changes outlined above concerning the donor cards -- will effect this.

The particulars of an effective enforcement mechanism may of course take different forms than those outlined above. We could write volumes on the subject based upon our experiences with the Task Force. However, it is sufficient at this point to alert you to the enforcement dilemma and to suggest some possible resolutions. The Department should put an energized working group together (a healthy portion of which should include experienced AUSAs) to address these issues in the near future. This is not a matter we can leave for someone else to resolve. It is clear that if the Department fails to address this dilemma, we will find ourselves faced with the same conduct at the end of every election cycle.

V. Conclusion

We have been reviewing the facts and the evidence for the last ten months. During that time we have gained a familiarity with the cases, the documents and the characters sufficient to draw some solid conclusions. It seems that everyone has been waiting for that single document, witness, or event that will establish, with clarity, action by a covered person (or someone within the discretionary provision) that is violative of a federal law. Everyone can understand the implications of a smoking gun. However, these cases have not presented a single event, document or witness. Rather, there are bits of information (and evidence) which must be pieced together in order to put seemingly innocent actions in perspective. While this may take more work to accomplish, in our view it is no less compelling than the proverbial smoking gun in the end. As is evident from the items detailed above, when that is done, there is much information (and evidence) that is specific and from credible sources. Indeed, were this quantum of information amassed during a preliminary inquiry under the ICA, we would have to conclude that there are reasonable grounds to believe that further investigation is warranted. As suggested throughout this memo, there are many as yet unanswered questions. However, the information suggesting these questions is more than sufficient to commence a criminal investigation.

It may be that in the end the allegations outlined above will all wash out and not a single additional prosecution will be brought. In fact, as an experienced prosecutor and investigator we are confident that we can predict the course that some of these matters will take. However, we must operate within the four corners of the ICA as drafted, not as we would have it drafted. It seems clear to us that in the end, the prosecutorial discretion necessary to make a determination concerning the matters outlined above, given the status of the people whose conduct is under

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review and the provisions of the ICA, is the type of decision designed to be made by a responsible Independent Counsel.

Attachments

DOJ-FLB-00127

1306



U.S. Department of Justice

Federal Bureau of Investigation

Office of the Director

Washington, D.C. 20535

November 24, 1997

Honorable Janet Reno  
The Attorney General  
U.S. Department of Justice  
Washington, D.C.

Dear Madame Attorney General:

RE: CAMPAIGN CONTRIBUTIONS (CAMPCON)  
AND THE INDEPENDENT COUNSEL STATUTE

In May, 1997, I provided you with an overview of the FBI's investigative strategy in Campcon. This document also included an analysis of the related aspects of the Independent Counsel Statute. At the time, the investigative plan focused on three distinct but inter-related matters: (1) a campaign fundraising strategy executed by a core group of individuals from the DNC and the White House; (2) an allegation of illegal conduct by a myriad of "opportunists"; and, (3) efforts by the PRC and other countries to gain foreign policy influence through illegal contributions. In conjunction with providing you this document, I recommended that you refer the Campcon matter to an Independent Counsel.

Since May, there have been a number of significant developments in each of the above-three areas. In addition, there have been numerous discussions on issues associated with this overall investigation which impact on the Independent Counsel Statute. Today, I am convinced, now more than ever, that this entire matter should be referred to an Independent Counsel.

I have attached a current overview of an evaluation which I requested, and which I believe will clarify my understanding of the Independent Counsel Statute, as well as the investigative focus and direction of the Campcon Task Force.

Per our conversation this afternoon, a copy of the attached document is only being provided to you and to the Deputy Attorney General.

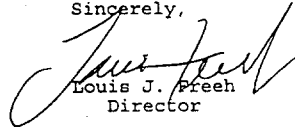
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Honorable Janet Reno

I am available to discuss these matters at your convenience.

Sincerely,



Louis J. Freeh  
Director

Enclosure

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DOJ-FLB-00002

## A. PURPOSE OF THE INDEPENDENT COUNSEL STATUTE

The Independent Counsel Act establishes a system "to investigate and prosecute allegations of criminal wrongdoing by officials who are close to the President. The purpose of this system is to ensure fair and impartial criminal proceedings when an Administration attempts the delicate task of investigating its own top officials."<sup>1</sup> When this legislation was first enacted in 1978, the Senate Governmental Affairs Committee listed a number of reasons for such a system. The top three reasons were:

- (1) The Department of Justice has difficulty investigating alleged criminal activity by high-level government officials.
- (2) It is too much to ask for any person that he investigate his superior. . . . "[A]s honorable and conscientious as any individual might be, the public could never feel entirely easy about the vigor and thoroughness with which the investigation was pursued. Some outside person is essential." (quoting former Special Prosecutor Cox)
- (3) It is a basic tenet of our legal system that a lawyer cannot act in a situation where he has a conflict of interest or the appearance thereof. This is not a question of the integrity of the individual. . . . The appearance of conflict is as dangerous to public confidence in the administration of justice as true conflict itself.<sup>2</sup>

- 1 - Attorney General Reno (Copy 1 of 6)
- 2 - Deputy Attorney General Holder (Copy 2 of 6)
- 3 - Director Freeh (Copy 3 of 6)
- 4 - Deputy Director Bryant (Copy 4 of 6)
- 5 - Mr. Gallagher (Copy 5 of 6)
- 6 - Mr. Parkinson (Copy 6 of 6)

<sup>1</sup> S. Rep. No. 123, 100th Cong., 1st Sess. 2 (1987), reprinted in 1987 U.S.C.C.A.N. 2150. To simplify, subsequent citations to legislative history will be cited in this shorthand form: "1987 CAN 2150."

<sup>2</sup> 1978 CAN 4216.



For nearly a year, the Campcon Task Force has been actively investigating a variety of fundraising activities by a core group of White House and DNC officials (as well as others). The Task Force is examining these activities through a variety of traditional investigative techniques, including the use of grand jury subpoenas and testimony. Because this criminal investigation has taken our investigators into the highest reaches of the White House -- including an examination of many specific actions taken by the President and Vice President -- we have had to assess the potential application of the Independent Counsel statute virtually every step of the way.

## B. STRUCTURE OF THE INDEPENDENT COUNSEL STATUTE

### 1. Mandatory and Discretionary Provisions

The Independent Counsel statute can be triggered in one of two ways. First, the Attorney General shall conduct a preliminary investigation under the so-called "mandatory" or "covered persons" provision in the following circumstances:

whenever the Attorney General receives information sufficient to constitute grounds to investigate whether any ["covered person"] may have violated any federal criminal law other than [certain minor violations].

28 U.S.C. § 591(a). Second, the Attorney General may conduct a preliminary investigation under the following "discretionary" provision:

When the Attorney General determines that an investigation or prosecution of a [non-covered] person by the Department of Justice may result in a personal, financial, or political conflict of interest, the Attorney General may conduct a preliminary investigation of such person . . . if the Attorney General receives information sufficient to constitute grounds to investigate whether that person may have violated Federal criminal law other than [certain minor violations].

28 U.S.C. § 591(c).<sup>3</sup>

<sup>3</sup> Section 591(c) was amended in 1994 to give the Attorney General discretionary authority to use the independent counsel process with respect to Members of Congress. It was also reworded for "simplication" purposes, but otherwise made no change from the existing law in the "substantive reach or scope" of the discretionary provision. The Senate bill would have

2. What Triggers the Mandatory Provision?

The independent counsel statute contains three basic requirements for triggering a preliminary investigation under the "mandatory" provision: (a) Specific information, (b) From a credible source, (c) That a covered person may have violated the law.<sup>4</sup>

a. Specific Information. The purpose of the specificity requirement is to weed out "generalized allegations of wrongdoing which contain no factual support [such as] a letter saying that a particular member of the President's cabinet is a 'crook.'" 1982 CAN 3548. Clearly, the specificity threshold is low one, intended simply to weed out "frivolous or totally groundless allegations." Id.; 1978 CAN 4270.

b. From a Credible Source. The credibility requirement was added to the statute in 1983 after Congress concluded that the existing standard (specificity only) was too low. "Public confidence is not served by investigating meritless allegations made by unreliable sources." 1982 CAN 3548. In considering whether a source is credible, the Attorney General is expected to follow "the usual practices of the Department of Justice in determining the reliability of a source." Id.<sup>5</sup>

authorized the Attorney General to use the independent counsel process to investigate a "matter" as well as a person, but that proposed revision was rejected in conference "because it would in effect substantially lower the threshold for use of the general discretionary provision." 1994 CAN 793.

<sup>4</sup> The statute as originally passed in 1978 required a preliminary inquiry whenever the Attorney General received "specific information that [a covered] person has committed a violation" of federal law. In 1982, Congress decided to add a "credibility" requirement. Unfortunately, instead of simply changing "specific information" to "specific and credible," it replaced "specific information" with "information sufficient to constitute grounds to investigate." To figure out what that means, one must look to § 591(d)(1), which sets forth the specificity and credibility requirements.

<sup>5</sup> One question that has arisen in the course of the Campton investigation is whether newspaper reports can or should constitute a "credible source." This is a debatable proposition, particularly where reputable news organizations have successfully tracked down witnesses and documents. Early in the investigation, the Public Integrity Section took the position that newspaper articles cannot be a credible source for purposes

It is important to note that the statute permits the Attorney General to consider only the two factors of "specificity" and "credibility" in determining whether there are grounds to investigate. In 1987, Congress added the word "only" to the statutory language of § 591(d)(1) in an effort to curb the Department's "disturbing practice" of conducting lengthy "threshold inquiries" before deciding whether the statute had been triggered. 1987 CAN 2164.

c. That a Covered Person May Have Violated the Law. The Attorney General must conduct a preliminary inquiry if she receives specific and credible information that a covered person may have violated any federal criminal law. In 1987, Congress changed the statute from "has committed" to "may have violated." The legislative history makes very clear that DOJ's role should be limited:

It cannot be expected, at this first step in the process, that the Attorney General could or should determine that a criminal act has been committed.

1987 CAN 2164; see also 1982 CAN 3549 ("[I]f facts or suspicious circumstances suggesting that a covered person may have engaged in criminal activity come to the attention of the Department of Justice, these would qualify as 'information sufficient to constitute grounds to investigate,' thus triggering a preliminary investigation.")

Congress amended the statute in 1987 in direct response to what it saw as DOJ's "disturbing practice" of conducting extended "threshold inquiries," often lasting months and involving "elaborate factual and legal analyses." As stated in the Senate Report:

It is not clear why the Department of Justice has adopted this practice. Some have suggested that the Department is conducting preliminary investigations in all but name to avoid statutory reporting requirements that attach only after a 'preliminary investigation' has taken place. Since these reporting requirements are the primary means of ensuring the Attorney General's accountability for decisions not to proceed

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of the statute. That position appeared to change in early September when the Attorney General announced that DOJ had opened a 30-day inquiry regarding the Vice President's telephone solicitations based upon a Washington Post article by Bob Woodward.

under the statute, Congress intended them to attach in all but frivolous cases.<sup>6</sup>

3. Seeking an Independent Counsel

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<sup>6</sup> According to the 1987 Senate Committee report, DOJ reported processing a total of 36 cases under the independent counsel statute between 1982 and 1987. Of the 36 cases, the Department reported closing 25 prior to conducting a preliminary investigation. It reported closing five of these cases because the allegations did not involve a covered official, and 20 others (which did involve covered persons) because a "threshold inquiry" had determined that the information was insufficient to trigger a preliminary investigation. In the 20 cases involving covered officials, DOJ reported spending an average of approximately 75 days before closing the case. 1987 CAN 2155.

The Senate Committee criticized the Department for failing to clearly articulate why, in the 20 cases on covered persons, it found the information insufficient to trigger a preliminary investigation. The Committee concluded that DOJ had closed 10 cases, despite receiving specific information from a credible source of possible wrongdoing, because it determined that the evidence available did not establish a "crime." In at least five of these 10 cases, the decision appeared to have been based, at least in part, on insufficient evidence of criminal intent. The Committee concluded:

Thus, contrary to the statutory standard, in 50% of the cases handled by the Justice Department since 1982 in which it declined to conduct a preliminary investigation of a covered official, it relied on factors other than credibility and specificity to evaluate the case. Moreover, in at least half of these cases, the Department of Justice refused to conduct a preliminary investigation into the alleged misconduct, because it had determined there was, at this early stage in the process, insufficient evidence of criminal intent.

Id. at 2155-56.

Upon completion of a preliminary inquiry,<sup>7</sup> the Attorney General must apply to the court for appointment of an independent counsel if she determines that "there are reasonable grounds to believe that further investigation is warranted." 28 U.S.C. 592(c). In making that determination, she may not conclude that the person under investigation "lacked the state of mind" required for the relevant criminal violation unless there is clear and convincing evidence that the person lacked such state of mind. 28 U.S.C. 592(a)(2)(B)(ii).

If the Attorney General concludes that an independent counsel is required, she must file with the court an application which contains sufficient information to assist the court in (1) selecting an IC, and (2) defining the IC's jurisdiction so that the IC "has adequate authority to fully investigate and prosecute the subject matter and all matters related to that subject matter." 28 U.S.C. 592(d) (emphasis added).

#### C. COVERED PERSONS BEING INVESTIGATED BY THE TASK FORCE

The Task Force currently has preliminary investigations pending against five "covered persons": (1) President Clinton; (2) Vice President Gore; (3) Former Energy Hazel O'Leary; (4) Interior Secretary Bruce Babbitt, and (5) Alexis Herman. The Task Force has also been investigating a number of activities of a sixth covered person -- Peter Knight, the chairman of the Clinton/Gore campaign. Among other things, Knight coordinated VP Gore's fundraising calls from the White House and was present when the calls were made. The Department has not yet triggered an independent counsel review as to Knight.

It should be noted that, in the current Administration, even the most senior White House staffers (such as former Deputy Chief of Staff Harold Ickes) are not "covered persons" under the statute. The "covered persons" provision includes individuals working at the Executive Office of the President who are paid at or above level II of the Executive Schedule (currently \$133,600). Although Congress clearly intended to capture a significant

<sup>7</sup> After initiating a preliminary inquiry, the Attorney General normally has 90 days to decide whether an independent counsel should be appointed (with the option of one 60-day extension upon a showing of good cause). However, when a preliminary inquiry is begun following a congressional request, the Attorney General must make her decision no later than 90 days after the request is received. Therefore, the Attorney General must resolve the matter of the Vice President's telephone solicitations no later than December 2, 1997, which is 90 days after the House Judiciary Committee's request for appointment of an independent counsel on this matter.

number of high-level White House officials within the "covered persons" provision, most of the current officials have avoided coverage simply by accepting a salary below level II.<sup>8</sup> While currently authorized by statute to appoint and pay twenty-five persons at level II, President Clinton pays only six persons at that level, none of whom are the focus of the Campcon investigation.<sup>9</sup>

#### D. OVERVIEW OF THE CAMPCON INVESTIGATION

##### 1. The Investigative Plan

The Campcon investigative plan, which has remained essentially unchanged since it was originally crafted by the FBI investigators in early 1997, has focused on three distinct but interrelated matters:

-- An aggressive campaign fundraising operation developed and executed by a core group of individuals from the DNC and the White House, including the President, the Vice President, and a number of top White House advisors.

-- Allegations of illegal conduct by a myriad of opportunists and other individuals who gained White House access in order to further their personal, business, and political interests.

-- Efforts by the PRC and other countries to gain foreign policy influence by illegally contributing foreign money to U.S. political campaigns and to the DNC through domestic conduits.

The core group investigative plan was based on a theory that most of the alleged campaign abuses flowed, directly or indirectly, from the all-out effort by the White House and the DNC to raise money. It was this consuming quest for campaign

<sup>8</sup> As originally structured in 1978, the total number of covered Executive Branch positions was approximately 120, with approximately 93 of those positions within the Executive Office of the President (EOP). In 1983, Congress reduced the total coverage of Executive Branch positions to approximately 70, of which approximately 36 were within the EOP. 1982 CAN 3543.

<sup>9</sup> Those six persons, according to the most recent listing provided by the White House Counsel's Office to the FBI's Public Corruption Unit, are the Director and two Deputy Directors of OMB, the Chairman of the Council of Economic Advisors, the U.S. Trade Representative, and the Director of the Office of Science & Technology Policy.

cash, for example, that led to the transfer of John Huang from the Department of Commerce to the DNC to begin the aggressive solicitation of Asian Americans. It led to the ambitious plan for White House coffees, overnights, and other perks for large donors. It led to the telephone solicitations by the President and the Vice President and the attempted merger of the WHODB and DNC databases. In fact, virtually all of the viable Campcon investigative avenues are clearly connected to the core group's initiatives. While that does not mean the core group members necessarily are culpable for the criminal violations the investigation uncovers, neither should they be immune from intensive investigative scrutiny.

While the DOJ prosecutors in charge of the Campcon investigation did not formally object to this investigative plan, they also did not embrace it.<sup>10</sup> From the beginning, there was a fundamental disagreement about how the investigation should proceed. The FBI investigators wanted to focus intently on the core group, on the theory that many of the apparent campaign abuses flowed, directly or indirectly, from the core group's all-out effort to raise money. In contrast, the prosecutors wanted to focus on the opportunists, with a "bottom up" strategy that might or might not lead eventually to the core group.

For the most part, the prosecutors' approach prevailed. Throughout the investigation, the Task Force has focused on building prosecutable cases against individuals such as Charlie Trie, Maria Hsia, and . While this approach may be understandable, and is beginning to show promising results, it did neglect some of the larger issues. With the exception of the investigation of the White House fundraising calls, begun belatedly in September 1997, there has never been a concentrated investigation of the core group and its fundraising efforts. In fact, DOJ did not assign a prosecutor specifically to core group activities until July, after Director Freeh ordered an aggressive plan to interview all relevant core group and DNC officials and to become more persistent on subpoena compliance issues.

Even after the September shakeup and expansion of the Task Force, the "bottom up" approach has continued to dominate the investigation. While the Task Force has made significant progress in developing prosecutable cases against several of the opportunists, the activities of the core group -- with the

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<sup>10</sup> The reference to "DOJ prosecutors" is not meant to include the line prosecutors conducting the day-to-day investigation. For the most part, those line prosecutors appeared to be removed from the major decisions about how the investigation would proceed, particularly on issues that potentially involved the independent counsel statute.

exception of the White House telephone solicitations -- have received comparatively little attention.

2. Cautious Approach to Investigating "Covered Persons"

From the outset, the DOJ attorneys in charge of the Task Force have proceeded very cautiously before authorizing any investigative step that might involve a "covered person." Unlike a normal investigation, where agents and attorneys simply follow all logical investigative leads, the DOJ attorneys have been extremely reluctant to venture into areas that might implicate "covered persons." This reluctance has led to a flawed investigation in several ways.

First, the Task Force has partitioned its investigation, focusing on individual persons and events without effectively analyzing their relationship to the broader fundraising scheme. Second, the Task Force attorneys sometimes have made dispositive factual assumptions without investigating to see if those assumptions are accurate. For example, the attorneys concluded in the spring of 1997 that Vice President Gore's White House fundraising calls were not worth investigating because they all involved solicitation of "soft money" (a factual assumption that turned out to be incorrect). The White House coffees are a second example; until very recently, there still has been no serious investigation of the coffees, primarily because the DOJ attorneys had assumed -- incorrectly -- that they all occurred in "private" White House space. Third, important investigative areas, such as the serious allegations raised by Common Cause, have never been pursued because they have been tied up in lengthy threshold legal analyses within the Department.

The Department has also walled off the day-to-day investigation from much of its Independent Counsel legal analyses. Most decisions regarding IC issues are still being handled by DOJ attorneys who have only limited involvement in the ongoing investigation. While obviously these issues deserve the careful scrutiny of experienced Public Integrity attorneys, the separation between the legal analysts and the front-line investigators (both agents and attorneys) has been unusually rigid. Ironically, this separation became even more pronounced following the September shakeup of the Task Force. Until at least mid-October, the new Task Force heads, Chuck LaBella and Jim DeSarno, had no meaningful role in the Department's handling of Independent Counsel-related matters. As a result, the investigative approach to those matters has suffered from lack of coordination.<sup>11</sup>

<sup>11</sup> There was also a marked change in how the Independent Counsel issues were discussed. Before the September changes, there had been regular discussions during the weekly Campcon



## E. THE CORE GROUP'S FUNDRAISING SCHEME

1. The Common Cause Allegations

By pursuing its "bottom-up" investigative strategy instead of focusing on the core group, DOJ has failed to adequately address many of the larger campaign financing issues that could and should lead to the appointment of an Independent Counsel. As a starting point, the Campton Task Force has failed to address an overarching issue: whether the Clinton/Gore campaign (as well as the Dole campaign) engaged in an illegal scheme to circumvent the federal campaign financing laws. This issue was first raised by Common Cause in October 1996, long before the Task Force was even constituted, but it has never been pursued. To this day, there has been no decision on whether the allegations should be investigated by the Task Force or referred to the FEC.

As background, candidates seeking the presidential nomination are eligible to receive public matching funds if they so choose. However, in exchange for the public funds, a candidate is required to limit his overall campaign spending. In 1996, the spending limit was approximately \$37 million for the primary campaign and approximately \$62 million for the general election. For knowing and willful violations of these limitations, there are criminal penalties set forth in the FECA and the Presidential Primary Matching Payment Account Act and the Presidential Election Campaign Fund Act.

The alleged scheme appears to have been borne in the summer of 1995, in response to a plan by campaign strategist Dick Morris to run an extremely ambitious series of TV ads, primarily in swing-voter states where President Clinton had problems. Morris wrote in his book that the key to Clinton's reelection was this early television advertising, designed to show selected TV viewers from "150 to 180 airings" or "about one every three days for a year and a half." According to published reports, there was an internal debate within the Clinton/Gore campaign about whether to turn down public financing during the primary elections "in order to avoid federal spending limits." In the end, the campaign appears to have designed a scheme to have it both ways -- to receive taxpayer funds and agree to a spending

meetings about all Task Force matters, including those involving the potential application of the Independent Counsel statute. Beginning in September, however, the nature of the weekly meetings changed markedly, and there no longer was any meaningful discussion of IC-related issues. While the FBI has very recently received several DOJ drafts on pending IC matters, FBI officials have not had any significant role in the deliberative process.

limit, and simultaneously use the DNC to buy millions in advertising above the spending limit. According to Common Cause, the expenditures for the ad campaign totaled at least \$34 million.

The heart of the Common Cause allegations is that the Clinton/Gore campaign -- and not the DNC -- fully controlled the advertising campaign, and that the so-called "soft money" funneled through the DNC was a sham. That is, the money was not used for "party building" activities, as "soft money" is supposed to be used, but rather to directly support the President's reelection. As stated in the October 28, 1997, Common Cause letter to the Attorney General: "[T]he presidential campaigns, and not the parties, fully controlled the raising and spending of these funds and designed, targeted and conducted the TV advertising campaigns financed with these funds. While the money was technically deposited into and disbursed out of political party bank accounts, the parties in reality played only a clerical role in serving as a conduit for these funds. In short, these funds were raised and spent by the presidential campaigns "for the purpose of influencing" a federal election, and thus should be treated as within the scope of the federal campaign finance laws."

While the Campcon Task Force has not undertaken any concerted effort to trace the funds used for these advertising campaigns, it has obtained substantial evidence that the President and his key advisors controlled virtually all aspects of the DNC fundraising efforts. There are numerous documents supporting such a conclusion, but none quite so compelling as the 4-17-96 memorandum from Harold Ickes to DNC Chairman Don Fowler:

This confirms the meeting that you and I and Doug Sosnik had on 15 April 1996 at your office during which it was agreed that all matters dealing with allocation and expenditure of monies involving the Democratic National Committee ("DNC") including, without limitation, the DNC's operating budget, media budget, coordinated campaign budget and any other budget or expenditure, and including expenditures and arrangements in connection with state splits, directed donations and other arrangements whereby monies from fundraising or other events are to be transferred to or otherwise allocated to state parties or other political entities and including any proposed transfer of budgetary items from DNC related budgets to the Democratic National Convention budget, are subject to the prior approval of the White House.

With respect to the ads themselves, Dick Morris and others have stated the President personally reviewed and approved all ads before they ran. As Morris wrote in his book:

11 Copy 1 of 6 copies

DOJ-FLB-00013

[President Clinton] worked over every script, watched each ad, ordered changes in every visual presentation, and decided which ads would run when and where. He was as involved as any of his media consultants were. The ads became not the slick creations of admen but the work of the president himself. . . . Every line of every ad came under his informed, critical and often meddling gaze. Every ad was his ad.

Behind the Oval Office, at 144.

The recently-uncovered White House videotapes bolster the Common Cause allegations. At a DNC luncheon at the Hay Adams Hotel on December 7, 1995, the President stated to his supporters:

We realized that we could run these ads through the Democratic Party, which meant we could raise money in \$20,000 and \$50,000 and \$100,000 blocks. So we didn't have to do it all in \$1000 and run down what I can spend, which is limited by law so that is what we've done.

On that tape and others, the President emphasized that the TV ad campaign was central to his favorable position in the polls. As Common Cause correctly points out, this certainly looks like an intentional scheme to evade the contribution and spending limits by "running these ads through" the DNC.

The Justice Department has weighed in on the legal issue, at least initially concluding that this scheme was simply an act of "coordination" between the Clinton/Gore campaign and the DNC. In her April 14 letter to Congress, the Attorney General stated that the FECA "does not prohibit the coordination of fundraising or expenditures between a party and its candidates for office." The Common Cause response, which appears to be supported by the evidence, is that this is not a case about mere "coordination." Instead, it argues, the case is about a scheme in which President Clinton and his top advisors raised and spent millions in direct support of his candidacy, and used the DNC as a mere conduit.

The circumstances of this case present unprecedented legal issues that have sparked a substantial difference of opinion among various election law experts, particularly on the "hard money vs. soft money" issue. If one thing is certain, it is that the law in this area is unclear and that there are no established enforcement policies either at DOJ or the FEC. See 1982 CAN 3551 ("Any case in which there is no clear policy against prosecution or any arguably exceptional circumstances are present should be sent to a special prosecutor.") DOJ has invited substantial criticism by appearing to resolve these

untested legal issues at the outset of the investigation, before the facts are fully developed.

On their face, the Common Cause letters present serious allegations of potential criminal conduct that deserve to be investigated. Of all the potential campaign violations brought to the attention of the Campcon Task Force, these arguably are the most serious. The allegations were compelling when they first reached the Justice Department in October 1996, and they have become stronger as more and more facts have been uncovered during the investigation. Because the allegations clearly involve the President, they should be investigated by an independent Counsel. Moreover, the Attorney General should seek the appointment of an independent Counsel immediately, for two reasons: (1) the Department has had the allegations for more than a year; and (2) there is virtually no chance that the allegations could be resolved in the course of a limited preliminary inquiry.

## 2. Other Allegations Connected to the Scheme

In addition to allegations of a broad conspiracy to circumvent the campaign contribution and spending limits, many of the other allegations that have arisen in the course of the investigation have a direct connection to the core group's fundraising scheme. For example, the fundraising operation included a \$7 million targeting of the Asian-American community. The key player in this effort was John Huang, who was moved from the Department of Commerce to the DNC following the personal intervention of the President. Huang and others involved in carrying out the Asian-American targeting have been implicated in illegal fundraising. Huang is closely tied to the Lippo Group, which has substantial connections to the Chinese government.

As this one example illustrates, it is important to keep in mind that virtually all of the various pieces of the Campcon investigation are connected to the overall fundraising scheme. While this is not to suggest that the core group necessarily is culpable for all the fundraising improprieties being uncovered, it does demonstrate the need for an investigative strategy that includes a comprehensive look at the core group's activities.

## F. VICE PRESIDENT GORE'S TELEPHONE SOLICITATIONS

### 1. The Statute

18 U.S.C. § 607 makes it unlawful "for any person to solicit or receive any contribution within the meaning of section 301(8) of the FECA in any room or building occupied in the discharge of official duties by any [officer or employee of the United States]." On its face, this felony prohibition would

appear to cover Vice President Gore's fundraising calls from his White House office.

2. The Investigation

While Vice President Gore admitted in March 1997 that he had made fundraising calls from his West Wing office at the White House, the Task Force did not undertake any serious investigation of these calls until July. In her April 1997 letter to Chairman Hatch, the Attorney General rejected a call to trigger the Independent Counsel statute for investigation of potential 607 violations. The Attorney General's letter implicitly relied on the argument that because Section 607 applies only to "contributions" as technically defined by the FECA, it would not prohibit the solicitation of "soft money." (VP had originally characterized the calls as soft money solicitations.) When it became apparent in early September that a portion of the monies raised by the Vice President's telephone solicitations had been placed into a "hard money" account by the DNC, the Department initiated a threshold inquiry and later a preliminary investigation under the Independent Counsel Act.

The Task Force has now established that the Vice President made approximately 86 fundraising calls from his West Wing Office and reached at least 43 potential donors. At least five of the persons solicited by the Vice President gave money that was deposited, in part, into a DNC "hard money" account.

3. Legal Issues

At this point, the Attorney General is faced with three questions: (1) Does Section 607 apply to the Vice President's telephone solicitations? (2) Assuming Section 607 does apply, is there an established DOJ policy of non-prosecution of such offenses? (3) Assuming Section 607 applies and there is no established policy of non-prosecution, is further investigation warranted by an Independent Counsel?

In determining whether the statute applies to the Vice President's telephone calls, the Department has focused on three threshold legal questions. First, does the statutory phrase "any person" include the President and Vice President, or are they exempt from the statute's coverage for separation of powers reasons? On this point, there appears to be a consensus that the statute does indeed reach the President and Vice-President. The Office of Legal Counsel reached the same conclusion in 1979 when analyzing a White House political event hosted by President Carter.

Second, because Section 607 was principally designed to prevent government workers from being pressured for contributions in their offices, does the statute apply to solicitation of non-

federal persons? DOJ has apparently concluded that non-federal persons are protected by the statute.

Third, because the statute prohibits the solicitation or receipt of contributions "in any room or building occupied in the discharge of official duties," does it apply to the Vice President's calls made to persons located on non-federal property? Stated differently, does a telephone "solicitation" occur both where the call was received and where the call was made? The DOJ attorneys who have been analyzing this issue have reached different conclusions, but all agree that it is a close question.

The disagreement on this point stems largely from differing interpretations of the Supreme Court's decision in United States v. Thayer, 209 U.S. 39 (1908), which is one of only four reported decisions (and the only Supreme Court decision) involving a Section 607 prosecution. Thayer involved a prosecution of a private individual who solicited contributions by mail from federal employees working in a post office. The defendant argued that because he had never set foot in the post office, he had not solicited "in" a federal building. In rejecting that argument, the Court stated that "the solicitation was in the place where the letter was received." 209 U.S. at 43-44.

Notwithstanding the broad language of Thayer, the better view is that Section 607 does prohibit telephone calls from a federal office to an outside location. The Court in Thayer was defining the point in time when the offense was complete, and obviously the mailing of a letter involves a time gap. In contrast, a telephone conversation occurs simultaneously at both ends of the line, and a prohibited solicitation would be complete when made.

Assuming the Attorney General resolves the three threshold legal questions in a way that supports a technical violation of Section 607, she must then decide whether there is an established DOJ policy of non-prosecution of such offenses. In determining whether there are "reasonable grounds to believe that further investigation is warranted," the Attorney General is directed by the Independent Counsel Act to comply with "written or other established policies of the Department of Justice with respect to the conduct of criminal investigations." 28 U.S.C. 592(c)(1)(B). Primarily because Section 607 cases are necessarily fact-bound, there is neither a written nor "other established" policy of non-prosecution of these kinds of offenses. While there appears to be a consensus within DOJ that the telephone solicitations at issue here would never be prosecuted even if there was a technical violation, the Department nevertheless must concede that the Independent Counsel

statute does not permit the Attorney General to simply dispose of a case through an exercise of prosecutorial discretion.

With respect to the final issue -- whether further investigation is warranted -- the Attorney must apply to the court for appointment of an Independent Counsel unless she concludes, by clear and convincing evidence, that the Vice President "lacked the state of mind" required for a Section 607 violation. Based on the facts, the Attorney General simply cannot reach such a conclusion. The evidence tends to show that the Vice President was a active participant in the core group fundraising efforts, that he was informed about the distinctions between "hard" and "soft" money, and that he generally understood there were legal restrictions against making telephone solicitations from federal property.

We have received a draft DOJ memorandum dated November 21, 1995, which recommends shutting down the investigation on the ground that there is clear and convincing evidence that the Vice President subjectively intended to ask only for "soft" money. However, the draft memorandum is seriously flawed, relying almost exclusively on the Vice President's own statements to draw inferences favorable to him, even where those statements are contradicted by other reliable evidence. The weak analysis is demonstrated by the following introductory statement:

There are a few circumstances and a few ambiguous descriptions by donors of their conversation with the Vice President which raise the question of whether the Vice President may have been asking in a handful of cases for contributions that could have been characterized as hard money contributions. However, in each instance, the same evidence can be viewed as leading to the contrary inference that the Vice President was asking the donor in question to make a soft money contribution.

This simply is not close to carrying the burden of demonstrating a lack of intent by "clear and convincing" evidence. In establishing the "clear and convincing" standard, Congress intended to set a high threshold before an Attorney General can close down an investigation involving a "covered person." In the face of compelling evidence that the Vice President was a very active, sophisticated fundraiser who knew exactly what he was doing, his own exculpatory statements must not be given undue weight. If the Attorney General relied primarily on those statements to end this investigation, she would be inviting intense and justified criticism.

4. Conclusion

The Attorney General should seek the appointment of an Independent Counsel with respect to the Vice President's telephone solicitations. Such an appointment is warranted on two levels. The preferable course of action would be to refer this matter as simply one piece of a comprehensive Independent Counsel investigation which focuses on the alleged scheme to circumvent the campaign financing laws, as discussed above in Section E. Viewed in that context, it is essentially immaterial whether the telephone solicitations sought "hard" money or "soft" money, or whether they were made from public space or private space. Because they were a key component of the overall fundraising scheme alleged by Common Cause and others, these solicitations should be referred for further investigation by an Independent Counsel. Such a referral could be made under either the mandatory clause of the statute or as a discretionary matter.

If the Attorney General decides not to seek an Independent Counsel on the broader fundraising scheme, she still should refer the matter of the Vice President's telephone solicitations. Even on the narrowly focused issue presented by the existing preliminary inquiry, there appears to be a technical violation of Section 607. Given the uncertain state of that law and probable difficulty establishing a knowing violation, this may well be an area in which prosecution is unwarranted. However, under the Independent Counsel Act, the Attorney General is not authorized to use prosecutorial discretion to resolve such matters at this stage; those decisions must be left to an Independent Counsel. The Attorney General is free, when requesting appointment of an Independent Counsel, to include "the Department's views of the potential prosecutorial merit of the case." 1994 CAN 766.

#### G. PRESIDENT CLINTON'S TELEPHONE SOLICITATIONS

The preliminary investigation of President Clinton's telephone solicitations has led the Task Force to the conclusion that, based on the investigation to date, there is no specific and credible evidence of a Section 607 violation. Although the evidence indicates that the President was asked to place fundraising calls on five separate occasions, he appears to have made such calls on a single date: October 18, 1994. The available evidence indicates that the President called nine donors on that date, and that six of the nine definitely were called from the President's study in the White House residence (apparently on the advice of the White House Counsel's office). As to the calls to the remaining three donors (John Connelly, Arthur Coia, and John Torkelson), there is circumstantial evidence that they were also made from the President's study, but that fact has not been conclusively established.

Notwithstanding the conclusion on the narrowly-constructed Section 607 issue, the Attorney General should also

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seek the appointment of an Independent Counsel with respect to the President's telephone solicitations. Like those of Vice President Gore, the President's fundraising calls were part of the alleged scheme to circumvent the campaign financing laws, regardless of where the calls took place or how the money is characterized. While the DOJ memorandum suggests that further investigation would not be warranted even if the calls to the three donors were placed from the Oval Office (because "the evidence suggests these donors were solicited for soft money"), this conclusion is incorrect when considered in connection with the broader scheme. An Independent Counsel should be appointed to investigate this scheme, and the President's solicitations should be part of that investigation. As with the Vice President's calls, such a referral could be made under either the mandatory clause of the statute or as a discretionary matter.

#### H. FORMER ENERGY SECRETARY HAZEL O'LEARY

The preliminary investigation of Former Energy Secretary Hazel O'Leary has led the Task Force to the conclusion that O'Leary was not personally implicated in the solicitation of the \$25,000 Africare donation from Johnny Chung. While there is no reason to challenge this conclusion based on the evidence known to date, it is also clear that the donation was made under extraordinarily suspicious circumstances that are worthy of additional investigation, as stated in the DOJ recommendation. Moreover, the events surrounding the donation and the meetings at the Department of Energy and the Africare event show substantial involvement by DNC officials, including Richard Sullivan and Don Fowler. Consequently, these events should be further investigated by an Independent Counsel as part of an investigation of the broader fundraising scheme of the core group. This course of action is particularly important in light of the various other Chung fundraising matters still under active investigation.

#### I. OTHER MATTERS IMPLICATING THE IC STATUTE

##### 1. White House Coffees and Overnights

As part of its broad fundraising efforts, the White House/DNC Core Group devised and implemented an ambitious plan to reward big donors with White House coffees, overnight stays, trips on Air Force One, and other types of access to the President and Vice President. All of these activities are being investigated through grand jury subpoenas and other traditional law enforcement methods.

With respect to the coffees, the investigation to date shows that from January 1995 to November 1996, the White House hosted 108 coffees, attended by 1239 DNC and Clinton/Gore supporters. 314 of these supporters made donations within 90

days of the event (either before or after). 185 gave solely "hard money" contributions, 25 gave only "soft" money, and 91 gave a combination of the two. Within the 90-day windows, the supporters contributed approximately \$2.35 million in "hard" money and \$5.15 million in "soft" money. According to White House records, President Clinton attended 74 of the coffees and Vice President Gore attended 38 of them.

In her April letter to the Senate Judiciary Committee rejecting an Independent Counsel request, the Attorney General relied primarily on one implied argument: that the events may have taken place in private areas of the White House residence rather than in areas "occupied in the discharge of official duties." That argument has both factual and legal flaws. As a factual matter, the Task Force has learned that the coffees were held in at least eight different locations. While DOJ attorneys have been quick to characterize the "Map Room" (where at least 65 of the coffees were held) as private White House space, there has been virtually nothing to demonstrate that assertion. Even if the "Map Room" turns out to be part of the private living space, there were many other coffees held in other parts of the White House.

DOJ has relied very heavily on a 1979 opinion from the Office of Legal Counsel, but that opinion has only limited reach. The key issue addressed by OLC was whether § 603 (the predecessor to § 607) prohibited an alleged campaign solicitation by President Carter during a luncheon for Democratic Party donors and fundraisers that took place in the Family Dining Room of the White House. After undertaking a fact-specific analysis of how the Family Dining Room was used and how the luncheon was arranged, OLC concluded that the solicitation "probably" fell outside the scope of § 603.

The OLC opinion concluded that rooms in the White House may fall outside the scope of § 603 if used for "personal entertaining where there is a history of such use and where . . . the cost of such use is not charged against an account appropriating funds for official functions." Applying that fact-specific standard, there is little basis to conclude that any of the White House coffees, including those held in the "Map Room," fall outside the scope of the § 607 prohibition.

In addition to determining the character of the rooms used for the coffees, the Task Force must also investigate whether the President or other participants made a "solicitation" within the meaning of Section 607. Although the recently-discovered White House videotapes appear to be of only limited value in determining the full scope of the coffee discussions, the coffees certainly were effective in raising millions of

dollars -- both "hard" and "soft."<sup>12</sup> In any event, the Task Force has subpoenaed White House records and is undertaking a criminal investigation of these activities which involve the President and Vice President.

Because the coffees, overnights, and other White House perks for big donors were simply pieces of the broader fundraising scheme carried out the the White House and DNC, they should be part of a comprehensive Independent Counsel investigation of that scheme.

## 2. Soliciting Contributions from Foreign Nationals

The Federal Election Campaign Act explicitly prohibits any person from soliciting, accepting, or receiving from a foreign national "any contribution of money or other thing of value . . . in connection with an election to any political office." 2 U.S.C. § 441e. The Campton investigation has developed substantial evidence that money from foreign nationals flowed into the DNC as a result of the massive fundraising effort coordinated by the DNC and the White House. The DNC has turned back millions of dollars because of apparent improprieties.

The key legal questions are (1) whether "soft money" falls within the scope of the FECA, and (2) whether the foreign gifts to the DNC were in fact "soft money." DOJ has taken the legal position that all soft money falls outside the scope of the FECA -- including § 441e -- because it fails to meet the strict definition of "contribution" in § 431. This interpretation by the election law experts at the Public Integrity Section has been publicly adopted on several occasions by the Attorney General. This position has been greeted with intense criticism from some election law attorneys, who correctly point out that, at the very least, these are uncharted areas of the law. The FECA, after all, neither defines "soft money" nor specifically addresses "soft money" gifts to national parties. The uncertain state of the law invites the question of whether DOJ should be resolving these thorny legal issues, particularly in the face of independent counsel concerns. Certainly there are significant passages in the legislative history of the independent counsel statute that admonish the Department not to undertake such "elaborate legal analyses" when a covered person is involved. 1987 CAN 2158.

<sup>12</sup> The one coffee for which we have developed significant information shows strong evidence of solicitation. At a 6-18-96 coffee in the Map Room attended by the President, John Huang, Don Fowler, two Thai businessmen, and others, Huang directly solicited the businessmen -- in the presence of the President -- after Fowler described the upcoming election as the most important since Lincoln.

Even if it is appropriate for DOJ to resolve the threshold question of "soft money" at this stage, it is not at all clear that the suspicious foreign gifts in this case all constitute "soft money." In light of the evidence of nearly absolute control of DNC fundraising efforts by the White House, there is a very real issue about whether the "soft money" argument is largely a sham. The FEC's General Counsel is quoted in the 1-6-97 Legal Times as saying that if money "is used for a candidate's election directly, then there is no question that 441e applies."

At the very least, we need to investigate far more thoroughly before we can comfortably conclude -- as a factual matter -- that the specific gifts at issue were in fact "soft money" donations. In some cases, such as the Hsi Lai Temple fundraiser attended by the Vice President, the evidence points specifically to the solicitation of "hard money contributions."

### 3. Misuse or Conversion of Government Property

Since early 1997, the Task Force has been investigating whether White House personnel misused or converted government property for political purposes. The most significant example is that of the WHODB database, which appears to have been a high priority for the President and the First Lady. According to a recently-discovered White House memo, the President wanted to integrate the taxpayer-funded database with the DNC database. Despite a January 1994 warning from the White House Counsel's Office not to use WHODB for political purposes, the new memo for Erskine Bowles and Harold Ickes shows an intent to do just that. The memo, written by a former Bowles aide, states:

Harold and Deborah DeLee want to make sure WHODB is integrated w/DNC database--so we can share--evidently POTUS want this to[o]! Makes sense.

The Task Force obtained database and related White House documents through subpoena and had developed an aggressive investigative strategy to examine its procurement and use (although that investigation appears to have faded into the background in recent months). Whether or not the investigation leads to prosecutable offenses, the Task Force again is in the posture of investigating the activities of senior White House officials, including the President. And while it may turn out that the President had no hands-on role in either the development or use of the database, it is difficult to contend that there is "insufficient information to investigate" for purposes of the Independent Counsel statute.

### J. THE DISCRETIONARY CLAUSE OF THE IC STATUTE

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least subjects (and potential targets) of the criminal investigation. Beyond the Core Group, the Task Force has focused intense investigative effort toward others who also appear to be close to the President, such as Charles Yah Lin Trie and John Huang. Investigation of such individuals is precisely the kind of circumstance for which the discretionary provision was designed. "This [discretionary] provision could apply, for example, to members of the President's family and lower level campaign and government officials who are perceived to be close to the President." 1987 CAN 2165.

With respect to McLarty and Ickes, it appears that Congress intended to capture within the "covered persons" provision individuals who occupy such high-level White House positions. As presently written, the "covered persons" section includes any individual working in the Executive Office of the President who is compensated at a rate of pay at or above level II of the Executive Schedule. § 591(b)(3). Although he is authorized by statute to appoint and pay twenty-five persons at level II, the President currently pays only six persons at that level.

As these numbers show, the White House has avoided mandatory coverage for virtually all of its top level officials by simply paying them below level II. Whether or not this is an intentional effort by the White House to limit the number of "covered" senior officials, it certainly exposes a loophole in the independent counsel statute. In deciding whether or not to exercise her discretion under the statute, the Attorney General should consider whether McLarty and Ickes are among that group of top level officials so close to the President that DOJ investigation of them would "present the most serious conflict of interest of an institutional nature." 1978 CAN 4269.

4. DOJ is Investigating Top Campaign Officials.

Because the Independent Counsel statute arose from the abuses of Watergate, it reserves a unique spot for campaign-related misconduct. Top campaign officers are the only non-government officials to be included as "covered persons" within the mandatory provision of the statute. The reason for including campaign officials is spelled out clearly in the legislative history:

There are few individuals who are as important to an incumbent President running for re-election or a serious candidate for President than that individual's campaign manager or the chairman of any of his national campaign committee of his or of his party.

1978 CAN 4269.

The mandatory "covered persons" provision of § 591(b)(6) currently includes "the chairman and treasurer of the principal national campaign committee seeking the election or reelection of the President, and any officer of that committee exercising authority at the national level, during the incumbency of the President."<sup>13</sup> The Independent Counsel law was originally drafted to cover the chairman of any national campaign committee seeking the election or reelection of the President, but that section was dropped after the Department of Justice expressed concern that it could potentially cover hundreds of campaign committees that spring up during a national campaign, such as "Youth for Carter" or "Doctors for Ford." 1978 CAN 4394.

By its literal terms, the Independent Counsel statute covers only the chairman and treasurer of the Clinton-Gore Committee (Peter S. Knight and Joan Pollit, respectively), along with any officer "of that committee" exercising authority at the national level. It does not by its terms cover senior officers of the Democratic National Committee. However, in deciding whether to exercise her discretionary authority, the Attorney General should consider how the DNC was used during the 1996 election cycle. By essentially commandeering the DNC for the purpose of getting the President re-elected, the White House appears to have erased the traditional lines between the President's own campaign committee and the national party committee. In fact, the DNC was in large part the President's central re-election machine, under the tight control of senior White House advisors. Under the circumstances, it is almost nonsensical that the Independent Counsel statute could be invoked for Peter Knight or Joan Pollit but not for Don Fowler and John Huang.

5. Precedent.

This Attorney General has invoked the discretionary clause in at least three matters: Whitewater, the White House requests for FBI files, and the Bernard Nussbaum perjury allegation. In the Whitewater matter, the Attorney General invoked the political conflict of interest provision because of allegations of criminal conduct by "McDougal and other individuals associated with President and Mrs. Clinton." Similarly, the Attorney General found a conflict of interest in the Nussbaum matter because the investigation would "involve an inquiry into statements allegedly made by a former senior member of the White House staff."

<sup>13</sup> Section 591(b)(7), which provides that "covered" government officials remain subject to the independent counsel statute for one year after leaving the office or position, does not apply to campaign officials.

It would certainly be consistent with those precedents to find a political conflict of interest in this case, where there are strong allegations against "individuals associated with" the President. Charles Trie, for one, has been described as a personal friend. Similarly, Thomas (Mack) McLarty, who serves as "Counselor to the President" and is one of the President's closest friends and advisors, has been implicated in the Tamraz matter.

6. National Security Matters.

With respect to the investigation of Chinese government efforts to influence U.S. elections, DOJ and the FBI have conflicting duties to (1) keep the President informed about significant national security matters, and (2) simultaneously keep from the White House certain national security information that may relate to the ongoing criminal investigation. DOJ and the FBI have faced this conflict several times during the course of the investigation, most recently in early November 1997.

Although the appointment of an Independent Counsel certainly would not eliminate the difficulty of deciding which matters should be brought to the attention of the President, it would lessen the perception problem.

7. Appearance of a Conflict.

There is a widespread public perception that the Department of Justice has a conflict of interest in investigating the campaign financing allegations. When testifying before Congress in 1993 in support of the Independent Counsel Reauthorization Act, the Attorney General emphasized the importance of avoiding the appearance of a conflict:

There is an inherent conflict of interest whenever senior Executive Branch officials are to be investigated by the Department of Justice and its appointed head, the Attorney General. . . .

It is absolutely essential for the public to have confidence in the system and you cannot do that when there is conflict or an appearance of conflict in the person who is, in effect, the chief prosecutor. . . . The Independent Counsel Act was designed to avoid even the appearance of impropriety in the consideration of allegations of misconduct by high-level Executive Branch officials and to prevent . . . the actual or perceived conflicts of interests. The Act thus served as a vehicle to further the public's perception of fairness and thoroughness in such matters, and to avert even the most subtle influences that may appear in an investigation of highly-placed Executive officials.

Senate Hearing 103-437, at 11-12 (May 14, 1993). These comments are virtually identical to statements appearing throughout the legislative history of the independent counsel statute.

Notwithstanding her statements in 1993, the Attorney General recently took the position (in her letter to Chairman Hatch) that in order to invoke the discretionary provision of the statute, she "must conclude that there is a potential for an actual conflict of interest, rather than merely an appearance of a conflict of interest." This position, based upon a 3-14-97 memorandum from DAAGs Mark Richard and Robert Litt,<sup>14</sup> has been strenuously challenged by Chairman Hatch and others.

<sup>14</sup> The Richard/Litt memorandum relies primarily on legislative history from 1982 and 1994. When it reconsidered the statute in 1982, the Senate passed an amendment allowing the discretionary appointment of an independent counsel "if the Attorney General determines that investigation of such person by the Attorney General or other officer of the Department of Justice may result in a personal, financial, or political conflict of interest, or the appearance thereof." 1982 CAN 3545. However, Congress eventually adopted the House version of the amendment, which did not contain the "appearance" language underscored above. The floor manager of the House bill, Rep. Hall, stated: "The bill as amended deletes the reference to appearances, and thereby requires the Attorney General to determine that an actual conflict may exist in order to utilize the special prosecutor provisions." Congressional Record, Dec. 13, 1982, at H9507.

In 1994, Congress considered two changes relevant to this issue. First, it rejected a DOJ proposal to allow the Attorney General to seek discretionary appointment of an independent counsel if a conflict existed with respect to a "matter" (in addition to a specific individual), concluding that such an amendment "would in effect substantially lower the threshold for use of the general discretionary provision." 1994 CAN 793. Second, Congress extended coverage of the statute to Members of Congress, in circumstances where the Attorney General concludes that appointment of an independent counsel "would be in the public interest." The legislative history characterizes this as a "broader standard" which enables the Attorney General to consider "a larger range of factors and to exercise greater discretion" in cases involving Members of Congress. "For example, the Attorney General could consider not only whether an actual conflict of interest might result if the Department handled the matter, but also whether an appearance of a conflict of interest might weaken public confidence in the investigation and any prosecution." 1994 CAN 781.



While there certainly is support for the Attorney General's recently-stated position (as set forth in the Richard/Litt memo), it seems contradicted by a host of references in the legislative history. Moreover, it makes little sense conceptually to conclude that appearances can be taken into account for investigating "covered persons" but not other officials. After all, the underlying premise for the mandatory trigger is that there is an actual conflict of interest whenever Attorney General is called upon to investigate a "covered person" (so there is no need to analyze appearances).

On balance, the better argument seems to be that the Attorney General can and should consider the "appearance of a conflict" as one of the factors in deciding to invoke the discretionary clause. And in the circumstances of the Campcon investigation, that factor should weigh heavily.

8. The Chief Investigator Has Concluded That There is a Conflict of Interest.

The chief Campcon investigator, Director Freeh, has concluded that the investigation presents the Department with a political conflict of interest. This by itself does not trigger the independent counsel statute, since the ultimate resolution of the conflict issue rests solely with the Attorney General. However, the Director's view should be a significant factor in the Attorney General's continued analysis of whether to invoke the discretionary provision.

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**THE ROLE OF JOHN HUANG AND THE RIADY  
FAMILY IN POLITICAL FUNDRAISING**

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**HEARINGS**

BEFORE THE

**COMMITTEE ON  
GOVERNMENT REFORM**

**HOUSE OF REPRESENTATIVES**

**ONE HUNDRED SIXTH CONGRESS**

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